

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
ASSETS					
Cash and balances with banks		23,929,686	19,698,132	17,777,696	12,970,667
Reverse repurchase agreements		-	202,833	-	202,833
Financial assets at fair value through profit or loss	A8	1,286,788	1,583,506	1,229,648	1,556,110
Derivative financial assets	A28	134,824	287,010	259,113	469,253
Financial investments at fair value through other comprehensive income	A9	48,484,715	48,547,403	32,627,794	33,053,569
Financial investments at amortised cost	A10	26,894,554	27,604,020	18,600,693	18,845,261
Loans, advances and financing	A11	349,798,281	342,802,781	269,892,227	267,438,974
Other assets	A12	2,852,234	3,408,304	2,703,742	3,167,793
Statutory deposits with Central Banks		1,383,745	1,134,924	411,504	298,089
Deferred tax assets		569,754	81,637	339,995	-
Collective investments		-	-	6,046,982	5,923,401
Investment in subsidiary companies		-	-	6,494,293	6,494,293
Investment in associated companies		116,426	78,421	67,500	45,000
Investment properties		721,766	712,885	-	-
Right-of-use assets		1,369,960	1,379,534	1,232,994	1,289,661
Property and equipment		1,216,130	1,317,750	672,409	770,206
Intangible assets		2,468,086	2,417,727	695,393	695,393
TOTAL ASSETS		461,226,949	451,256,867	359,051,983	353,220,503
LIABILITIES					
Deposits from customers	A13	378,908,914	365,870,751	288,902,696	278,078,713
Deposits from banks	A14	9,720,710	10,742,228	10,390,018	13,176,335
Obligations on securities sold under repurchase agreements		448,310	914,108	448,310	590,285
Bills and acceptances payable		219,235	209,347	218,844	208,866
Recourse obligations on loans sold to Cagamas		4,500,004	4,500,003	4,500,004	4,500,003
Derivative financial liabilities	A28	273,469	626,056	247,675	580,371
Debt securities issued and other borrowed funds	B9	10,874,120	12,272,354	9,283,478	10,184,448
Lease liabilities		1,068,203	1,072,120	1,304,147	1,342,940
Other liabilities	A15	5,043,715	5,628,779	3,563,324	3,898,526
Provision for tax expense and zakat		1,838,573	210,142	1,473,402	109,527
Deferred tax liabilities		68,301	784,349	-	610,701
TOTAL LIABILITIES		412,963,554	402,830,237	320,331,898	313,280,715

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

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UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	435,551	1,219,881	413,744	1,031,389
Other reserves	1,634,261	2,030,742	722,316	1,162,643
Retained profits	<u>35,503,062</u>	<u>34,579,995</u>	<u>28,166,372</u>	<u>28,328,103</u>
Equity attributable to equity holders of the Bank	46,990,527	47,248,271	38,720,085	39,939,788
Non-controlling interests	<u>1,272,868</u>	<u>1,178,359</u>	<u>-</u>	<u>-</u>
TOTAL EQUITY	<u>48,263,395</u>	<u>48,426,630</u>	<u>38,720,085</u>	<u>39,939,788</u>
TOTAL LIABILITIES AND EQUITY	<u>461,226,949</u>	<u>451,256,867</u>	<u>359,051,983</u>	<u>353,220,503</u>
COMMITMENTS AND CONTINGENCIES	A27 <u>100,414,257</u>	<u>106,934,447</u>	<u>88,408,993</u>	<u>95,936,229</u>
CAPITAL ADEQUACY	A30			
<u>Before deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.062%	14.815%	12.981%	13.702%
Tier I Capital Ratio	14.116%	14.869%	13.025%	13.745%
Total Capital Ratio	<u>17.249%</u>	<u>18.011%</u>	<u>16.338%</u>	<u>17.053%</u>
<u>After deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.062%	13.951%	12.981%	12.611%
Tier I Capital Ratio	14.116%	14.005%	13.025%	12.654%
Total Capital Ratio	<u>17.249%</u>	<u>17.147%</u>	<u>16.338%</u>	<u>15.962%</u>
Net assets per share attributable to ordinary equity holders of the Bank (RM)	<u>2.42</u>	<u>2.43</u>	<u>1.99</u>	<u>2.06</u>

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

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

Group	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2021	30 September 2020	30 September 2021	30 September 2020
		RM'000	RM'000	RM'000	RM'000
Operating revenue		4,812,084	5,132,825	14,763,875	15,387,170
Interest income	A16	3,345,759	3,485,152	10,102,594	10,827,898
Interest expense	A17	(1,296,507)	(1,576,233)	(3,873,309)	(5,584,016)
Net interest income		2,049,252	1,908,919	6,229,285	5,243,882
Net income from Islamic banking business	A31 (b)	386,400	398,500	1,224,276	939,965
		2,435,652	2,307,419	7,453,561	6,183,847
Fee and commission income	A18 (a)	715,924	747,741	2,273,046	1,961,314
Fee and commission expense	A18 (b)	(203,479)	(214,482)	(650,804)	(569,853)
Net fee and commission income	A18	512,445	533,259	1,622,242	1,391,461
Net gains and losses on financial instruments	A19	23,993	123,469	134,092	412,374
Other operating income	A20	98,667	123,446	281,921	295,504
Net income		3,070,757	3,087,593	9,491,816	8,283,186
Other operating expenses	A21	(976,046)	(948,281)	(3,004,444)	(2,917,876)
Operating profit		2,094,711	2,139,312	6,487,372	5,365,310
Allowance for impairment on loans, advances and financing	A22	(324,435)	(334,616)	(918,926)	(549,741)
Allowance for impairment on other assets	A23	(2,075)	(4,056)	(2,296)	(8,900)
		1,768,201	1,800,640	5,566,150	4,806,669
Share of (loss) / profit after tax of equity accounted associated companies		(2,135)	2,185	(5,736)	3,674
Profit before tax expense and zakat		1,766,066	1,802,825	5,560,414	4,810,343
Tax expense and zakat	B5	(385,568)	(389,482)	(1,229,121)	(1,043,458)
Profit for the period		1,380,498	1,413,343	4,331,293	3,766,885
Profit for the period attributable to:					
- Equity holders of the Bank		1,361,352	1,392,832	4,275,700	3,723,743
- Non-controlling interests		19,146	20,511	55,593	43,142
		1,380,498	1,413,343	4,331,293	3,766,885
Earnings per share:					
- basic / diluted (sen)	B12	7.01	7.18 #	22.03	19.18 #

For comparative purpose, the earnings per share for the quarter and year-to-date ended 30 September 2020 had been adjusted to reflect the bonus issue of 4 bonus shares for every 1 existing ordinary share which was completed on 29 January 2021.

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Profit for the period	1,380,498	1,413,343	4,331,293	3,766,885
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Loss on remeasurements of defined benefit plans	-	(12,391)	-	(138,758)
Net change in revaluation of equity instruments	1,451	29	13,174	7,210
Gain on disposal of equity instruments	-	-	319	-
	1,451	(12,362)	13,493	(131,548)
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	59,930	(254,715)	354,463	149,164
- Net investment hedge	(27,016)	124,965	(158,533)	(78,825)
Net change in revaluation of financial investments at fair value through other comprehensive income	(314,887)	113,964	(1,012,391)	586,712
Net change in cash flow hedges	22,083	3,708	91,751	(123,691)
	(259,890)	(12,078)	(724,710)	533,360
Income tax effect	63,686	(15,859)	205,041	(61,306)
Share of changes in associated companies' reserves	379	571	(1,260)	1,699
Other comprehensive (loss) / income for the period, net of tax	(194,374)	(39,728)	(507,436)	342,205
Total comprehensive income for the period	1,186,124	1,373,615	3,823,857	4,109,090
Total comprehensive income / (loss) for the period attributable to:				
- Equity holders of the Bank	1,160,293	1,382,983	3,721,448	4,040,066
- Non-controlling interests	25,831	(9,368)	102,409	69,024
	1,186,124	1,373,615	3,823,857	4,109,090

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

<u>Bank</u>	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Operating revenue		3,304,949	3,764,107	10,059,141	10,991,814
Interest income	A16	2,964,460	3,090,085	8,976,870	9,584,971
Interest expense	A17	(1,239,696)	(1,501,636)	(3,701,389)	(5,332,190)
Net interest income		1,724,764	1,588,449	5,275,481	4,252,781
Fee and commission income	A18 (a)	236,929	272,483	783,688	715,419
Fee and commission expense	A18 (b)	(59,145)	(75,830)	(197,881)	(219,673)
Net fee and commission income	A18	177,784	196,653	585,807	495,746
Net gains and losses on financial instruments	A19	22,516	116,745	130,814	398,224
Other operating income	A20	85,372	294,392	600,326	623,584
Net income		2,010,436	2,196,239	6,592,428	5,770,335
Other operating expenses	A21	(610,554)	(586,534)	(1,890,823)	(1,836,370)
Operating profit		1,399,882	1,609,705	4,701,605	3,933,965
Allowance for impairment on loans, advances and financing	A22	(194,740)	(232,093)	(645,793)	(314,369)
Allowance for impairment on other assets	A23	(1,584)	(3,198)	(500)	(6,589)
Profit before tax expense and zakat		1,203,558	1,374,414	4,055,312	3,613,007
Tax expense and zakat	B5	(283,403)	(316,598)	(855,620)	(764,174)
Profit for the period		920,155	1,057,816	3,199,692	2,848,833

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FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Profit for the period	920,155	1,057,816	3,199,692	2,848,833
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Loss on remeasurements of defined benefit plans	-	(12,252)	-	(137,204)
Net change in revaluation of equity instruments	1,653	(9)	12,885	7,108
Gain on disposal of equity instruments	-	-	319	-
	1,653	(12,261)	13,204	(130,096)
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(2,535)	(13,987)	1,982	(3,338)
Net change in revaluation of financial investments at fair value through other comprehensive income	(174,615)	37,022	(611,430)	320,020
Net change in cash flow hedges	258	12,578	12,234	(4,914)
	(176,892)	35,613	(597,214)	311,768
Income tax effect	41,845	(8,964)	143,807	(42,697)
Other comprehensive (loss) / income for the period, net of tax	(133,394)	14,388	(440,203)	138,975
Total comprehensive income for the period	786,761	1,072,204	2,759,489	2,987,808

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

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

<u>Group</u>	<u>Non-distributable</u>			<u>Distributable</u>		<u>Total Shareholders' Equity</u> RM'000	<u>Non-controlling Interests</u> RM'000	<u>Total Equity</u> RM'000
	<u>Share Capital</u> RM'000	<u>Regulatory Reserves</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Profits</u> RM'000				
At 1 January 2021	9,417,653	1,219,881	2,030,742	34,579,995	47,248,271	1,178,359	48,426,630	
Profit for the period	-	-	-	4,275,700	4,275,700	55,593	4,331,293	
Other comprehensive (loss) / income for the period	-	-	(554,571)	319	(554,252)	46,816 *	(507,436)	
Total comprehensive (loss) / income for the period	-	-	(554,571)	4,276,019	3,721,448	102,409	3,823,857	
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	205	(205)	-	-	-	
Transfer from regulatory reserves	-	(784,330)	-	784,330	-	-	-	
Transfer to general reserves	-	-	157,885	(157,885)	-	-	-	
Dividends paid	-	-	-	(3,979,192)	(3,979,192)	(7,900)	(3,987,092)	
	-	(784,330)	158,090	(3,352,952)	(3,979,192)	(7,900)	(3,987,092)	
At 30 September 2021	<u>9,417,653</u>	<u>435,551</u>	<u>1,634,261</u>	<u>35,503,062</u>	<u>46,990,527</u>	<u>1,272,868</u>	<u>48,263,395</u>	

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

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

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

Group	<u>Non-distributable</u>			<u>Distributable</u>		Non-controlling Interests	Total Equity
	Share Capital	Regulatory Reserves	Other Reserves	Retained Profits	Shareholders' Equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	9,417,653	2,017,353	1,606,357	30,552,967	43,594,330	1,151,874	44,746,204
Profit for the period	-	-	-	3,723,743	3,723,743	43,142	3,766,885
Other comprehensive income for the period	-	-	316,323	-	316,323	25,882 *	342,205
Total comprehensive income for the period	-	-	316,323	3,723,743	4,040,066	69,024	4,109,090
Transactions with owners / other equity movements:							
Transfer to statutory reserves	-	-	252	(252)	-	-	-
Transfer from regulatory reserves	-	(311,903)	-	311,903	-	-	-
Transfer to general reserves	-	-	83,100	(83,100)	-	-	-
Dividends paid	-	-	-	(1,552,855)	(1,552,855)	(4,729)	(1,557,584)
	-	(311,903)	83,352	(1,324,304)	(1,552,855)	(4,729)	(1,557,584)
At 30 September 2020	9,417,653	1,705,450	2,006,032	32,952,406	46,081,541	1,216,169	47,297,710

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

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

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

<u>Bank</u>	<u>Non-distributable</u>		<u>Distributable</u>		<u>Total</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 2021	9,417,653	1,031,389	1,162,643	28,328,103	39,939,788
Profit for the period	-	-	-	3,199,692	3,199,692
Other comprehensive (loss) / income for the period	-	-	(440,522)	319	(440,203)
Total comprehensive (loss) / income for the period	-	-	(440,522)	3,200,011	2,759,489
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	195	(195)	-
Transfer from regulatory reserves	-	(617,645)	-	617,645	-
Dividends paid	-	-	-	(3,979,192)	(3,979,192)
	-	(617,645)	195	(3,361,742)	(3,979,192)
At 30 September 2021	9,417,653	413,744	722,316	28,166,372	38,720,085

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

<----- 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 2020	9,417,653	1,619,452	873,228	25,168,037	37,078,370
Profit for the period	-	-	-	2,848,833	2,848,833
Other comprehensive income for the period	-	-	138,975	-	138,975
Total comprehensive income for the period	-	-	138,975	2,848,833	2,987,808
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	252	(252)	-
Transfer from regulatory reserves	-	(229,678)	-	229,678	-
Dividends paid	-	-	-	(1,552,855)	(1,552,855)
	-	(229,678)	252	(1,323,429)	(1,552,855)
At 30 September 2020	9,417,653	1,389,774	1,012,455	26,693,441	38,513,323

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	Group		Bank	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	5,560,414	4,810,343	4,055,312	3,613,007
Adjustments for non-cash items:				
Share of loss / (profit) after tax of equity accounted associated companies	5,736	(3,674)	-	-
Allowance for impairment on loans and financing	1,060,189	714,084	716,462	396,341
Depreciation of right-of-use assets and property and equipment	279,713	267,036	216,319	203,556
Net gain on financial instruments	(131,829)	(381,890)	(129,118)	(368,338)
Dividend income	(1,427)	(2,284)	(564,901)	(436,478)
Allowance for impairment on other assets	2,296	8,900	500	6,589
Other non-cash items	(1,895)	6,734	(9,185)	(4,372)
Operating profit before working capital changes	<u>6,773,197</u>	<u>5,419,249</u>	<u>4,285,389</u>	<u>3,410,305</u>
Changes in working capital:				
Increase in operating assets	(7,247,450)	(2,420,946)	(2,496,859)	(1,996,763)
Increase in operating liabilities	10,779,154	14,116,414	7,559,228	11,701,035
Cash generated from operations	<u>10,304,901</u>	<u>17,114,717</u>	<u>9,347,758</u>	<u>13,114,577</u>
Tax expense and zakat paid	(558,206)	(612,986)	(298,634)	(355,309)
Net cash generated from operating activities	<u>9,746,695</u>	<u>16,501,731</u>	<u>9,049,124</u>	<u>12,759,268</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(83,675)	(100,982)	(50,142)	(56,374)
Addition to investment properties	(14)	(62)	-	-
Proceeds from disposal of properties	12,994	8,651	12,969	7,712
Net (purchase) / sale of financial investments	(80,102)	(7,889,167)	229,720	(5,890,230)
Investment in collective investments	-	-	(123,581)	(151,314)
Additional investment in an associated company	(45,000)	-	(22,500)	-
Dividends received	1,427	2,284	819,346	561,842
Net cash (used in) / generated from investing activities	<u>(194,370)</u>	<u>(7,979,276)</u>	<u>865,812</u>	<u>(5,528,364)</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

	Group		Bank	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Cash Flows from Financing Activities				
Dividends paid	(3,987,092)	(1,557,584)	(3,979,192)	(1,552,855)
Repayment of lease liabilities	(58,903)	(95,233)	(37,929)	(71,958)
Redemption of debt securities	(1,520,000)	-	(1,000,000)	-
Net cash used in financing activities	<u>(5,565,995)</u>	<u>(1,652,817)</u>	<u>(5,017,121)</u>	<u>(1,624,813)</u>
Net change in cash and cash equivalents	3,986,330	6,869,638	4,897,815	5,606,091
Cash and cash equivalents at beginning of the year	17,328,281	12,191,838	12,320,333	7,922,755
Exchange differences on translation of opening balances	<u>332,824</u>	116,079	-	-
Cash and cash equivalents at end of the period	<u>21,647,435</u>	<u>19,177,555</u>	<u>17,218,148</u>	<u>13,528,846</u>
Note:				
Cash and balances with banks	23,929,686	20,845,573	17,777,696	14,116,062
Less: Balances with banks with original maturity more than three months	<u>(2,282,251)</u>	<u>(1,668,018)</u>	<u>(559,548)</u>	<u>(587,216)</u>
Cash and cash equivalents at end of the period	<u>21,647,435</u>	<u>19,177,555</u>	<u>17,218,148</u>	<u>13,528,846</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

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

A1. Basis of Preparation

The unaudited condensed interim financial statements for the 3rd quarter and nine months ended 30 September 2021 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: financial assets at fair value through profit or loss ("FVTPL"), financial investments at fair value through other comprehensive income ("FVOCI"), derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2020. 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 2020.

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

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2020, except for the adoption of the following during the current financial period:

Effective for annual periods commencing on or after 1 January 2021

- Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) - Amendments were made on some specific requirements of those standards with respect to issues affecting financial reporting during the reform of an interest rate benchmark. The amendments provide a practical expedient whereby a company would not derecognise or adjust the carrying amount of financial instruments for modifications required by interest rate benchmark reform, but would instead update the effective interest rate to reflect the change in the interest rate benchmark. On hedging relationship, entities would be required to amend the formal designation of a hedging relationship to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform. However, the modification does not constitute discontinuation of the hedging relationship nor the designation of a new hedging relationship.

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

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic

Following Bank Negara Malaysia ("BNM")'s letters dated 24 March 2020, 24 July 2020 and 17 August 2020 on measures to assist borrowers/customers affected by the COVID-19 pandemic, BNM had on 31 May 2021 extended the eligibility period of various repayment assistance from 30 June 2021 to on or before 31 December 2021.

- i) Definition of defaulted exposures under the policy documents on Capital Adequacy Framework and Capital Adequacy Framework for Islamic Banks

In applying the definition of defaulted exposures under the above policies to loans/financing for which repayment assistance is extended:

- a) The determination of "days past due" should be based on the new repayment terms of a loan/financing that has been rescheduled and restructured. Where the repayment terms include a repayment deferral, the determination of days past due should exclude the deferred repayment period;

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A1. Basis of Preparation (continued)

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic (continued)

- b) For loans/financing to individuals or SMEs, a borrower/customer should not be considered to be in default based on "unlikeliness to repay" at the time the repayment assistance is granted, except where the loan/financing is sold by the banking institution at a material loss or the borrower/customer is subjected to bankruptcy actions. Banking institutions are also expected to consider whether the financial difficulties faced by the borrowers/customers are unlikely to be temporary; and
- c) For loans/financing to corporates, the assessment of "unlikeliness to repay" should not be based solely on the borrower/customer taking up an offer of repayment assistance extended by the banking institution but based on a more holistic assessment of all relevant indicators and information available on the corporate borrower/customer.

Regulatory Capital Treatment

The regulatory capital treatment above shall apply to loans/financing denominated in Malaysian Ringgit or foreign currency that meet the following criteria:

- a) The principal or interest/profit, or both, is not in arrears exceeding 90 days as at the date of application for repayment assistance; and
- b) The application for repayment assistance by a borrower/customer is received on or before 31 December 2021.

The regulatory capital treatment would also be applicable to rescheduled and restructured loans/financing that are facilitated by Agensi Kaunseling dan Pengurusan Kredit, the Small Debt Resolution Scheme and the Corporate Debt Restructuring Committee.

ii) Classification in the Central Credit Reference Information System ("CCRIS")

For rescheduled and restructured ("R&R") individual, SME and corporate loans/financing with arrears not exceeding 90 days as at the date of application for repayment assistance and where application for repayment assistance is received on or before 31 December 2021, including a loan/financing that is restructured and rescheduled more than once, the loan/financing need not be reported as R&R in CCRIS.

iii) Drawdown of prudential buffers

Banking institutions are allowed to:

- a) Drawdown the capital conservation buffer of 2.5%;
- b) Operate below the minimum Liquidity Coverage Ratio ("LCR") of 100%;
- c) Reduce the regulatory reserves held against expected losses to 0%; and
- d) Minimum Net Stable Funding Ratio ("NSFR") is lowered to 80% from 100%.

However, banking institutions are required to rebuild the said buffers and restore them to the minimum regulatory requirements by 30 September 2021. BNM will review this timeline if current expectations change materially.

As at the reporting date, the Group and the Bank have not drawn down any of the prudential buffers.

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A1. Basis of Preparation (continued)

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic (continued)

In line with the announcement made by the Prime Minister of Malaysia on the *Pakej Perlindungan Rakyat dan Pemulihan Ekonomi* (PEMULIH package), the Association of Banks in Malaysia and Association of Islamic Banking and Financial Institutions Malaysia had on 29 June 2021 announced that from 7 July 2021, banks will be offering a 6-month moratorium on the instalment of all credit facilities (excluding credit cards) for the following borrowers/customers on an opt in basis:-

- i) All individuals (including all B40, M40 and T20 borrowers/customers);
- ii) All microenterprises; and
- iii) All small and medium enterprises ("SMEs") that have been affected by the COVID-19 pandemic.

For credit card facilities, the banks will offer conversion of a borrower's/customer's outstanding balances into a 3-year term loan/financing with reduced interest/profit rates.

This moratorium is applicable for loans/financing approved before 1 July 2021 and are not in arrears for more than 90 days on the date the request is submitted. In addition, CCRIS records will also be unaffected by opting in this moratorium.

MFRS 9 Financial Instruments and financial reporting requirements

The Group and the Bank had incorporated management overlays to cater for the impact of the COVID-19 pandemic and the associated relief measures in the measurement of expected credit losses ("ECL").

These management overlays are made to reflect the macroeconomic outlook and potential deterioration in credit risk of loans/financing under relief assistance. The management overlays involved significant level of judgment and reflect management's views of possible severities of the pandemic and paths of recovery in the forward looking assessment for ECL estimation purposes.

The borrowers or customers who had received relief assistance remain in their existing stages unless they have been individually identified as not viable or with subsequent indicators of significant increase in credit risk from each of their pre-COVID-19 status. Hence, in the absence of other factors relevant to the assessment of whether there has been a significant increase in credit risk, the relief assistance provided do not automatically result in migration from Stage 1 (12-month ECL) to Stage 2 (lifetime ECL).

- i) Forward looking macro-economic information and assumptions

The economic outlook from various sources, forward looking information and assumptions relating to COVID-19 have been considered in the Group's and the Bank's forward looking models.

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A1. Basis of Preparation (continued)

MFRS 9 Financial Instruments and financial reporting requirements (continued)

ii) Management overlay for loans/financing under relief assistance

The Group and the Bank exercised judgment, adapted and estimated based on the information on-hand in the provision of management overlays to cater for potential deterioration of credit risk of borrowers/customers who came forward to apply for multiple relief and/or other forms of relief assistance.

As the circumstances surrounding the COVID-19 pandemic remain fluid, the Group and the Bank will continue to review and monitor closely the abovementioned assumptions and management overlay if current expectations change materially.

The following Malaysian Financial Reporting Standard ("MFRS") and Amendments to MFRSs have been issued by MASB that are applicable to the Group and the Bank but are not yet effective:

Effective for annual periods commencing on or after 1 April 2021

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)

Effective for annual periods commencing on or after 1 January 2022

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

Effective for annual periods commencing on or after 1 January 2023

- MFRS 17 Insurance Contracts
- Amendments to MFRS 17 Insurance Contracts
- Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts)
- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)

COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases) - The original amendment issued in 2020 allows lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions. It applies to rent concessions that reduce the lease payments due on or before 30 June 2021. This amendment extends the availability of the practical expedient for another 12 months, i.e. permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

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A1. Basis of Preparation (continued)

The following Malaysian Financial Reporting Standard ("MFRS") and Amendments to MFRSs have been issued by MASB that are applicable to the Group and the Bank but are not yet effective (continued):

Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020" - The Annual Improvements cover the following amendments that are applicable to the Group and the Bank:

- i) **MFRS 9 Financial Instruments** - It clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- ii) **Illustrative Examples accompanying MFRS 16 Leases** - It deletes the Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.

Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations) - The amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by MASB in April 2018.

Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment) - The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company shall recognise such sales proceeds and related cost in profit or loss.

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets) - The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

MFRS 17 Insurance Contracts - MFRS 17 introduces consistent accounting for all insurance contracts based on a current measurement model. Under MFRS 17, the general model requires entities to recognise and measure a group of insurance contracts at: (i) a risk-adjusted present value of future cash flows that incorporates information that is consistent with observable market information; plus (ii) an amount representing the unearned profit in the group of contracts.

Amendments to MFRS 17 Insurance Contracts - The amendments are designed to minimise the risk of disruption to implementation already underway and do not change the fundamental principles of the standard or reduce the usefulness of information for investors. In addition, the amendments also defer the effective date of MFRS 17 by two years to annual reporting periods beginning on or after 1 January 2023.

Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts) - The amendments extend the expiry date for the temporary exemption from applying MFRS 9 Financial Instruments by two years to annual periods beginning on or after 1 January 2023, to be aligned with the effective date of MFRS 17, which replaces MFRS 4.

Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements) - The amendments provide clarification on the requirements for classifying liabilities as current or non-current, and specifically on the following:

- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists.
- Management expectations about events after the balance sheet date, for example on whether a covenant will be breached, or whether early settlement will take place, are not relevant.
- The amendments clarify the situations that are considered settlement of a liability.

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A1. Basis of Preparation (continued)

The following Malaysian Financial Reporting Standard ("MFRS") and Amendments to MFRSs have been issued by MASB that are applicable to the Group and the Bank but are not yet effective (continued):

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

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

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes) - The amendments clarifies how companies should account for deferred tax on transactions such as leases and decommissioning obligation. The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

The adoption of MFRS 17 Insurance Contracts is not expected to have any material financial impact on the financial statements of the Group as the Group's insurance business is immaterial.

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

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2020 was not qualified.

A3. Comments about Seasonal or Cyclical Factors

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

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

Other than as disclosed in Note A1, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank in the current financial period.

A5. Changes in Estimates

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

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A6. Debt and Equity Securities

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

a) **Bonus Issues of up to 15,528,553,388 Bonus Shares on the Basis of 4 Bonus Shares for Every 1 Existing Public Bank Berhad Share**

Subsequent to the approvals obtained from BNM and Bursa Malaysia Securities Berhad on 18 December 2020, and shareholders' approval via an Extraordinary General Meeting held on 12 January 2021, the Bank had on 29 January 2021 announced the listing and quotation of 15,528,553,388 bonus shares.

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

The Bank had redeemed the fifth tranche of Senior MTNs amounting to RM1,000 million in nominal value on the maturity date.

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

The Bank's wholly-owned Islamic banking subsidiary company, Public Islamic Bank Berhad had redeemed the 1st tranche of Senior Sukuk Murabahah amounting to RM520 million in nominal value on the maturity date.

A7. Dividends Paid and Distributed

During the current nine months period ended 30 September 2021 :

a) An interim dividend of 13.0 sen per share for the financial year ended 31 December 2020 amounting to RM2,523,389,926 was paid on 22 March 2021.

b) A first interim dividend of 7.5 sen per share in respect of the financial year ending 31 December 2021, amounting to RM1,455,801,780 was paid on 23 September 2021.

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	-	109,517	-	109,517
Malaysian Government Securities	542,670	464,553	542,670	464,553
Malaysian Government Investment Issues	298,899	330,325	267,235	330,325
	<u>841,569</u>	<u>904,395</u>	<u>809,905</u>	<u>904,395</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	445,219	478,772	419,743	451,376
Debt securities:				
- Cagamas bonds	-	200,339	-	200,339
	<u>445,219</u>	<u>679,111</u>	<u>419,743</u>	<u>651,715</u>
Total financial assets at FVTPL	<u>1,286,788</u>	<u>1,583,506</u>	<u>1,229,648</u>	<u>1,556,110</u>

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	484,940	700,094	484,940	700,094
Malaysian Government Securities	17,510,934	17,302,295	17,064,622	16,966,318
Malaysian Government Investment Issues	23,616,288	23,398,381	12,748,526	12,865,030
Other foreign government securities	158,482	156,877	-	-
	<u>41,770,644</u>	<u>41,557,647</u>	<u>30,298,088</u>	<u>30,531,442</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>947,723</u>	<u>938,442</u>	<u>947,723</u>	<u>938,442</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,574	1,382	-	-
- Unquoted shares	392,960	379,025	386,175	372,474
Debt securities:				
- Cagamas bonds	304,388	503,931	201,322	400,484
- Unquoted corporate bonds / sukuk	5,067,426	5,166,976	794,486	810,727
	<u>5,766,348</u>	<u>6,051,314</u>	<u>1,381,983</u>	<u>1,583,685</u>
Total financial investments at FVOCI	<u>48,484,715</u>	<u>48,547,403</u>	<u>32,627,794</u>	<u>33,053,569</u>

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

The following expected credit losses ("ECL") for debt instruments are not recognised in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value:

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	11,111	1,919	-	13,030
New financial investments purchased	3,665	650	-	4,315
Net allowance made	1,355	-	-	1,355
Amount derecognised	(3,523)	(534)	-	(4,057)
Change in models / risk parameters	(13)	-	-	(13)
Exchange differences	11	79	-	90
At 30 September 2021	<u>12,606</u>	<u>2,114</u>	<u>-</u>	<u>14,720</u>
At 1 January 2020	7,616	796	-	8,412
New financial investments purchased	7,962	1,183	-	9,145
Net allowance made	2,692	-	-	2,692
Amount derecognised	(7,219)	-	-	(7,219)
Change in models / risk parameters	63	-	-	63
Exchange differences	(3)	(60)	-	(63)
At 31 December 2020	<u>11,111</u>	<u>1,919</u>	<u>-</u>	<u>13,030</u>
Bank				
At 1 January 2021	5,484	-	-	5,484
New financial investments purchased	2,889	-	-	2,889
Net allowance written back	(15)	-	-	(15)
Amount derecognised	(2,852)	-	-	(2,852)
At 30 September 2021	<u>5,506</u>	<u>-</u>	<u>-</u>	<u>5,506</u>
At 1 January 2020	4,352	-	-	4,352
New financial investments purchased	6,770	-	-	6,770
Net allowance made	255	-	-	255
Amount derecognised	(5,859)	-	-	(5,859)
Change in models / risk parameters	(34)	-	-	(34)
At 31 December 2020	<u>5,484</u>	<u>-</u>	<u>-</u>	<u>5,484</u>

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A10. Financial Investments at Amortised Cost

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	1,084,651	1,071,562	1,084,651	1,071,562
Malaysian Government Investment Issues	7,987,961	7,750,118	3,893,847	3,870,625
Foreign Government Treasury Bills	1,063,313	1,039,673	47,319	60,911
Other foreign government securities	1,144,377	1,528,131	5,025	5,762
	<u>11,280,302</u>	<u>11,389,484</u>	<u>5,030,842</u>	<u>5,008,860</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,873,574</u>	<u>1,832,725</u>	<u>1,090,789</u>	<u>1,060,142</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	4,767,246	4,780,804	4,767,246	4,780,804
- Unquoted corporate bonds / sukuk	8,977,918	9,606,182	7,715,307	7,999,629
	<u>13,745,164</u>	<u>14,386,986</u>	<u>12,482,553</u>	<u>12,780,433</u>
Allowance for impairment	(4,486)	(5,175)	(3,491)	(4,174)
Total financial investments at amortised cost	<u><u>26,894,554</u></u>	<u><u>27,604,020</u></u>	<u><u>18,600,693</u></u>	<u><u>18,845,261</u></u>

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A10. Financial Investments at Amortised Cost (continued)

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

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	5,156	-	19	5,175
New financial investments purchased	349	-	-	349
Net allowance written back	(40)	-	-	(40)
Amount derecognised	(437)	-	-	(437)
Exchange differences	(561)	-	-	(561)
At 30 September 2021	<u>4,467</u>	<u>-</u>	<u>19</u>	<u>4,486</u>
At 1 January 2020	4,527	-	19	4,546
New financial investments purchased	622	-	-	622
Net allowance made	278	-	-	278
Amount derecognised	(754)	-	-	(754)
Exchange differences	483	-	-	483
At 31 December 2020	<u>5,156</u>	<u>-</u>	<u>19</u>	<u>5,175</u>
Bank				
At 1 January 2021	4,155	-	19	4,174
Net allowance written back	(36)	-	-	(36)
Amount derecognised	(73)	-	-	(73)
Exchange differences	(574)	-	-	(574)
At 30 September 2021	<u>3,472</u>	<u>-</u>	<u>19</u>	<u>3,491</u>
At 1 January 2020	3,726	-	19	3,745
New financial investments purchased	65	-	-	65
Net allowance made	236	-	-	236
Amount derecognised	(362)	-	-	(362)
Exchange differences	490	-	-	490
At 31 December 2020	<u>4,155</u>	<u>-</u>	<u>19</u>	<u>4,174</u>

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A11. Loans, Advances and Financing

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Overdrafts	9,578,954	9,464,586	6,818,653	6,667,586
Term loans / financing				
- Housing loans / financing	139,058,948	131,511,581	106,459,629	101,898,138
- Syndicated term loans / financing	3,863,995	3,842,179	991,618	1,160,411
- Hire purchase receivables	54,537,513	54,760,909	42,616,392	43,331,042
- Other term loans / financing	129,155,433	128,504,129	101,226,744	101,330,530
Credit card receivables	1,905,436	1,996,528	1,856,196	1,954,379
Bills receivables	62,268	64,900	46,116	51,758
Trust receipts	209,461	194,102	116,056	103,974
Claims on customers under acceptance credits	2,467,504	2,691,792	2,322,019	2,517,347
Revolving credits	10,520,148	10,499,096	8,279,272	8,651,661
Staff loans *	2,152,256	2,121,425	1,856,946	1,845,539
Gross loans, advances and financing	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>
Allowance for impairment on loans and financing:				
- Expected credit losses	(3,713,635)	(2,848,446)	(2,697,414)	(2,073,391)
- Stage 1: 12-Month ECL	(1,847,303)	(1,528,896)	(1,263,850)	(1,054,961)
- Stage 2: Lifetime ECL not credit-impaired	(1,606,217)	(1,046,834)	(1,274,930)	(845,848)
- Stage 3: Lifetime ECL credit-impaired	(260,115)	(272,716)	(158,634)	(172,582)
Net loans, advances and financing	<u>349,798,281</u>	<u>342,802,781</u>	<u>269,892,227</u>	<u>267,438,974</u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM6,702,000 (2020: RM7,232,000) and RM6,702,000 (2020 - RM7,050,000) respectively.

a) By class

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Retail loans / financing *				
- Housing loans / financing	139,058,960	131,511,594	106,459,629	101,898,138
- Hire purchase	54,294,660	54,512,804	42,616,392	43,331,042
- Credit cards	1,905,436	1,996,528	1,856,196	1,954,379
- Other loans / financing ^	112,504,226	111,116,862	84,516,977	84,296,422
	<u>307,763,282</u>	<u>299,137,788</u>	<u>235,449,194</u>	<u>231,479,981</u>
Corporate loans / financing	45,748,634	46,513,439	37,140,447	38,032,384
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

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

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

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A11. Loans, Advances and Financing (continued)

b) By type of customer

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Non-bank financial institutions				
- Stock-broking companies	5,523	969	5,523	969
- Others	14,133,654	13,973,772	12,943,486	12,685,217
Business enterprises				
- Small and medium enterprises	72,212,059	70,742,571	58,218,685	57,359,814
- Others	26,238,693	27,969,048	19,928,673	22,017,281
Government and statutory bodies	1,025,424	1,018,079	12,857	15,843
Individuals	236,414,961	228,442,845	179,520,840	175,512,155
Other entities	24,814	29,121	19,748	22,698
Foreign entities	3,456,788	3,474,822	1,939,829	1,898,388
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

c) By interest/profit rate sensitivity

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Fixed rate				
- Housing loans / financing	1,013,389	786,457	22,879	23,381
- Hire purchase receivables	51,894,049	52,260,020	42,466,266	43,163,759
- Other fixed rate loans / financing	21,775,153	22,659,120	11,945,616	11,910,692
Variable rate				
- Base rate / base lending rate plus	228,189,598	219,697,158	186,353,912	181,127,943
- Cost plus	36,785,993	37,001,413	31,513,925	32,966,166
- Other variable rates	13,853,734	13,247,059	287,043	320,424
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

d) By residual contractual maturity

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Maturity within one year	29,038,236	29,828,393	19,931,611	21,712,839
More than one year to three years	26,078,009	27,587,328	21,274,515	22,453,205
More than three years to five years	33,439,071	31,575,192	26,372,451	24,315,669
More than five years	264,956,600	256,660,314	205,011,064	201,030,652
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

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A11. Loans, Advances and Financing (continued)

e) By geographical distribution

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Malaysia	330,469,661	323,728,119	271,884,343	268,793,402
Hong Kong SAR and the People's Republic of China	14,098,420	13,607,461	-	-
Cambodia	4,618,702	4,606,971	-	-
Other countries	4,325,133	3,708,676	705,298	718,963
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

f) Gross loans, advances and financing by economic purpose

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Purchase of securities	4,211,722	4,359,446	3,705,414	3,937,183
Purchase of transport vehicles	54,773,473	54,982,651	42,856,732	43,552,949
Purchase of landed properties	226,498,948	218,890,201	178,794,362	174,208,388
(of which: - residential	144,695,133	135,970,426	111,266,000	105,640,480
- non-residential)	81,803,815	82,919,775	67,528,362	68,567,908
Purchase of fixed assets (excluding landed properties)	469,381	443,942	87,255	87,120
Personal use	13,099,705	13,742,077	6,856,564	7,653,250
Credit card	1,905,436	1,996,528	1,856,196	1,954,379
Purchase of consumer durables	660	798	180	103
Construction	7,686,983	7,396,048	5,727,088	5,718,835
Working capital	40,773,834	38,874,027	29,091,219	27,605,664
Other purpose	4,091,774	4,965,509	3,614,631	4,794,494
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

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A11. Loans, Advances and Financing (continued)

g) Gross loans, advances and financing by sectors

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Agriculture, hunting, forestry and fishing	3,182,327	3,280,896	2,590,841	2,282,306
Mining and quarrying	270,694	314,277	144,345	164,594
Manufacturing	11,578,045	11,111,565	8,441,039	8,407,467
Electricity, gas and water	118,352	129,803	50,327	55,895
Construction	18,252,359	16,032,004	14,466,804	12,702,933
Wholesale & retail trade and restaurants & hotels	30,314,732	28,914,864	24,916,867	23,847,726
Transport, storage and communication	4,515,548	4,450,488	2,785,075	3,236,937
Finance, insurance and business services	18,710,175	19,724,670	16,533,166	17,314,287
Real estate	25,579,388	28,710,902	19,628,539	22,360,371
Community, social and personal services	3,438,823	3,495,524	2,060,683	2,140,910
Households	236,241,324	228,317,274	180,912,773	176,945,619
Others	1,310,149	1,168,960	59,182	53,320
	<u>353,511,916</u>	<u>345,651,227</u>	<u>272,589,641</u>	<u>269,512,365</u>

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Bankers' acceptances rediscounted	-	3,000	-	3,000

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At 1 January	1,251,218	1,604,919	885,514	1,144,133
Impaired during the period / year	887,887	1,223,521	560,190	735,365
Reclassified as non-impaired	(589,005)	(814,904)	(415,712)	(571,151)
Recoveries	(171,078)	(272,687)	(113,692)	(202,723)
Amount written off	(200,942)	(443,016)	(91,563)	(181,090)
Loans / financing converted to foreclosed properties	(29,105)	(40,569)	(24,767)	(35,885)
Exchange differences	8,472	(6,046)	858	(3,135)
Closing balance	<u>1,157,447</u>	<u>1,251,218</u>	<u>800,828</u>	<u>885,514</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.33%</u>	<u>0.36%</u>	<u>0.29%</u>	<u>0.33%</u>

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A11. Loans, Advances and Financing (continued)

j) Impaired loans, advances and financing by geographical distribution

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Malaysia	895,169	995,962	745,498	824,162
Hong Kong SAR and the People's Republic of China	124,237	120,136	-	-
Cambodia	26,101	28,801	-	-
Other countries	111,940	106,319	55,330	61,352
	<u>1,157,447</u>	<u>1,251,218</u>	<u>800,828</u>	<u>885,514</u>

k) Impaired loans, advances and financing by economic purpose

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Purchase of transport vehicles	207,800	175,309	151,078	122,349
Purchase of landed properties	545,453	647,802	414,065	505,315
(of which: - residential	378,459	440,544	265,668	327,157
- non-residential)	166,994	207,258	148,397	178,158
Purchase of fixed assets (excluding landed properties)	11,194	12,779	675	660
Personal use	92,500	106,756	27,347	40,292
Credit card	12,646	13,812	12,161	13,221
Purchase of consumer durables	1	1	1	1
Construction	16,282	15,077	11,635	10,484
Working capital	266,336	274,330	178,660	187,869
Other purpose	5,235	5,352	5,206	5,323
	<u>1,157,447</u>	<u>1,251,218</u>	<u>800,828</u>	<u>885,514</u>

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A11. Loans, Advances and Financing (continued)

1) Impaired loans, advances and financing by sectors

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Agriculture, hunting, forestry and fishing	20,202	19,093	20,137	19,038
Mining and quarrying	11,686	11,398	11,447	11,167
Manufacturing	78,813	70,438	49,595	43,123
Electricity, gas and water	5,271	5,041	-	-
Construction	103,674	101,758	95,063	88,572
Wholesale & retail trade and restaurants & hotels	117,810	143,872	88,739	111,171
Transport, storage and communication	15,808	16,723	11,397	12,391
Finance, insurance and business services	45,884	58,637	27,601	38,587
Real estate	9,008	19,658	7,224	15,012
Community, social and personal services	6,635	7,363	5,333	5,808
Households	722,638	777,078	482,921	539,288
Others	20,018	20,159	1,371	1,357
	<u>1,157,447</u>	<u>1,251,218</u>	<u>800,828</u>	<u>885,514</u>

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A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows:

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	1,528,896	1,046,834	272,716	2,848,446
Changes due to loans, advances and financing recognised as at 1 January 2021:	142,907	(123,682)	(19,225)	-
- Transfer to Stage 1: 12-Month ECL	177,974	(164,149)	(13,825)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(32,784)	56,235	(23,451)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2,283)	(15,768)	18,051	-
New loans, advances and financing originated	75,506	42,740	17,257	135,503
Net remeasurement due to changes in credit risk	292,345	195,362	191,927	679,634
Loans, advances and financing derecognised (other than write-off)	(42,633)	(90,656)	(17,784)	(151,073)
Modifications to contractual cash flows of loans, advances and financing	(3,258)	213,054	13,339	223,135
Changes in models / risk parameters	(150,127)	321,339	-	171,212
Amount written off	-	-	(200,942)	(200,942)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(93)	(93)
Exchange differences	3,667	1,226	2,920	7,813
At 30 September 2021	<u>1,847,303</u>	<u>1,606,217</u>	<u>260,115</u>	<u>3,713,635</u>

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A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2020	970,934	649,912	371,101	1,991,947
Changes due to loans, advances and financing recognised as at 1 January 2020:	151,935	(112,251)	(39,684)	-
- Transfer to Stage 1: 12-Month ECL	177,300	(156,613)	(20,687)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(21,736)	68,918	(47,182)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(3,629)	(24,556)	28,185	-
New loans, advances and financing originated	110,881	34,662	42,105	187,648
Net remeasurement due to changes in credit risk	204,467	94,965	374,733	674,165
Loans, advances and financing derecognised (other than write-off)	(59,557)	(48,010)	(24,364)	(131,931)
Modifications to contractual cash flows of loans, advances and financing	(24,201)	241,484	(308)	216,975
Changes in models / risk parameters	176,112	187,105	903	364,120
Amount written off	-	-	(443,016)	(443,016)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(241)	(241)
Exchange differences	(1,675)	(1,033)	(8,513)	(11,221)
At 31 December 2020	1,528,896	1,046,834	272,716	2,848,446

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A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Bank				
At 1 January 2021	1,054,961	845,848	172,582	2,073,391
Changes due to loans and advances recognised as at 1 January 2021:	111,020	(89,966)	(21,054)	-
- Transfer to Stage 1: 12-Month ECL	137,061	(128,273)	(8,788)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(25,609)	44,051	(18,442)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(432)	(5,744)	6,176	-
New loans and advances originated	40,136	17,056	763	57,955
Net remeasurement due to changes in credit risk	193,074	141,549	99,455	434,078
Loans and advances derecognised (other than write-off)	(18,597)	(63,611)	(11,448)	(93,656)
Modifications to contractual cash flows of loans and advances	(3,238)	167,457	9,992	174,211
Changes in models / risk parameters	(113,803)	256,597	-	142,794
Amount written off	-	-	(91,563)	(91,563)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(93)	(93)
Exchange differences	297	-	-	297
At 30 September 2021	<u>1,263,850</u>	<u>1,274,930</u>	<u>158,634</u>	<u>2,697,414</u>

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A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Bank				
At 1 January 2020	670,917	535,186	228,571	1,434,674
Changes due to loans and advances recognised as at 1 January 2020:	120,559	(83,463)	(37,096)	-
- Transfer to Stage 1: 12-Month ECL	137,132	(125,123)	(12,009)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(16,195)	50,121	(33,926)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(378)	(8,461)	8,839	-
New loans and advances originated	66,627	17,714	889	85,230
Net remeasurement due to changes in credit risk	95,730	53,720	178,570	328,020
Loans and advances derecognised (other than write-off)	(26,583)	(38,864)	(16,324)	(81,771)
Modifications to contractual cash flows of loans and advances	(16,802)	201,468	(1,379)	183,287
Changes in models / risk parameters	144,801	160,087	682	305,570
Amount written off	-	-	(181,090)	(181,090)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(241)	(241)
Exchange differences	(288)	-	-	(288)
At 31 December 2020	<u>1,054,961</u>	<u>845,848</u>	<u>172,582</u>	<u>2,073,391</u>

A12. Other Assets

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Deferred handling fees	220,258	230,011	177,130	189,988
Interest / Income receivable	34,862	22,706	4,573	484
Other receivables, deposits and prepayments	1,831,115	2,003,908	1,507,443	1,518,677
Collateral pledged for derivative transactions	190,064	386,994	190,064	386,994
Employee benefits	-	2,748	-	2,703
Amount due from trust funds	210,670	259,116	-	-
Foreclosed properties	206,929	191,162	181,958	170,327
Outstanding contracts on clients' accounts	158,336	311,659	-	-
Amount due from subsidiary companies	-	-	45,366	46,967
Distribution receivable from collective investments	-	-	26,908	28,176
Dividend receivable from subsidiary companies	-	-	570,300	823,477
	<u>2,852,234</u>	<u>3,408,304</u>	<u>2,703,742</u>	<u>3,167,793</u>

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A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	64,234,016	59,355,197	50,941,358	47,669,930
- Savings deposits	51,050,554	46,244,527	34,610,038	31,119,195
- Fixed deposits	208,725,102	204,543,978	153,895,840	149,670,726
	<u>324,009,672</u>	<u>310,143,702</u>	<u>239,447,236</u>	<u>228,459,851</u>
Money market deposits	54,853,774	55,669,218	49,422,680	49,576,393
Other deposits	45,468	57,831	32,780	42,469
	<u>378,908,914</u>	<u>365,870,751</u>	<u>288,902,696</u>	<u>278,078,713</u>

b) By type of customer

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Federal and state governments	6,434,257	8,369,668	2,376,373	4,291,436
Local government and statutory authorities	3,405,442	4,062,758	2,215,480	3,210,402
Business enterprises	105,175,817	100,540,241	83,115,345	80,071,334
Individuals	198,776,903	186,738,461	158,578,880	148,149,825
Foreign customers	9,589,468	9,484,501	4,646,676	4,499,011
Others	55,527,027	56,675,122	37,969,942	37,856,705
	<u>378,908,914</u>	<u>365,870,751</u>	<u>288,902,696</u>	<u>278,078,713</u>

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Due within six months	210,264,647	218,744,626	160,575,319	164,809,471
More than six months to one year	52,863,508	41,230,618	42,636,343	34,317,332
More than one year to three years	443,438	232,592	100,605	115,979
More than three years to five years	6,992	5,360	5,962	4,337
More than five years	291	-	291	-
	<u>263,578,876</u>	<u>260,213,196</u>	<u>203,318,520</u>	<u>199,247,119</u>

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A14. Deposits from Banks

	Group		Bank	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Licensed banks	2,458,726	2,948,196	826,081	1,948,884
Licensed Islamic banks	400,000	-	-	-
Licensed investment banks	605,720	428,612	431,343	416,091
Bank Negara Malaysia	2,291,866	1,883,775	2,216,608	1,809,409
Other financial institutions	3,964,398	5,481,645	6,915,986	9,001,951
	<u>9,720,710</u>	<u>10,742,228</u>	<u>10,390,018</u>	<u>13,176,335</u>

A15. Other Liabilities

	Group		Bank	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Interest / Income payable	1,441,536	1,784,522	1,089,580	1,357,913
Other payables and accruals	2,966,716	2,977,882	2,266,162	2,292,787
Collateral received for derivative transactions	19,158	95,359	19,158	95,359
Amount due to trust funds	186,390	126,832	-	-
Unprocessed sales and / or redemptions	97,641	221,849	-	-
Employee benefits	22,025	-	21,620	-
Accrued restoration costs	72,065	70,846	72,185	71,581
Allowance for impairment on loan / financing commitments and financial guarantees	72,083	70,176	57,452	56,372
Outstanding contracts on clients' accounts	143,113	260,299	-	-
Dividend payable to shareholders	22,988	21,014	22,988	2,738
Amount due to subsidiary companies	-	-	14,179	21,776
	<u>5,043,715</u>	<u>5,628,779</u>	<u>3,563,324</u>	<u>3,898,526</u>

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A15. Other Liabilities (continued)

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

Group	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2021	56,000	13,663	513	70,176
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2021:				
- Transfer to Stage 1: 12-Month ECL	2,871	(2,655)	(216)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	3,582	(3,512)	(70)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(710)	890	(180)	-
	(1)	(33)	34	-
New loan / financing commitments and financial guarantees originated	3,152	1,252	32	4,436
Net remeasurement due to changes in credit risk	(5,211)	2,012	204	(2,995)
Loan / financing commitments and financial guarantees derecognised	(2,348)	(1,773)	(88)	(4,209)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(145)	2,014	55	1,924
Changes in models / risk parameters	(2,294)	4,916	-	2,622
Exchange differences	128	1	-	129
At 30 September 2021	52,153	19,430	500	72,083
At 1 January 2020	42,845	8,475	1,624	52,944
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2020:				
- Transfer to Stage 1: 12-Month ECL	1,857	(1,315)	(542)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	2,924	(2,851)	(73)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(1,062)	1,584	(522)	-
	(5)	(48)	53	-
New loan / financing commitments and financial guarantees originated	4,817	1,729	42	6,588
Net remeasurement due to changes in credit risk	15	684	(580)	119
Loan / financing commitments and financial guarantees derecognised	(3,285)	(1,308)	(27)	(4,620)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(235)	1,415	(5)	1,175
Changes in models / risk parameters	10,061	3,983	1	14,045
Exchange differences	(75)	-	-	(75)
At 31 December 2020	56,000	13,663	513	70,176

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A15. Other Liabilities (continued)

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

Bank	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2021	44,815	11,134	423	56,372
Changes due to loan commitments and financial guarantees recognised as at 1 January 2021:	2,349	(2,197)	(152)	-
- Transfer to Stage 1: 12-Month ECL	2,948	(2,901)	(47)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(598)	727	(129)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(1)	(23)	24	-
New loan commitments and financial guarantees originated	2,323	870	32	3,225
Net remeasurement due to changes in credit risk	(4,188)	1,877	183	(2,128)
Loan commitments and financial guarantees derecognised	(1,548)	(1,712)	(87)	(3,347)
Modifications to contractual cash flows of loan commitments and financial guarantees	(114)	1,338	47	1,271
Changes in models / risk parameters	(1,798)	3,857	-	2,059
At 30 September 2021	41,839	15,167	446	57,452
At 1 January 2020	34,904	7,534	1,292	43,730
Changes due to loan commitments and financial guarantees recognised as at 1 January 2020:	1,554	(1,208)	(346)	-
- Transfer to Stage 1: 12-Month ECL	2,546	(2,493)	(53)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(987)	1,325	(338)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(5)	(40)	45	-
New loan commitments and financial guarantees originated	3,102	1,348	24	4,474
Net remeasurement due to changes in credit risk	(278)	86	(524)	(716)
Loan commitments and financial guarantees derecognised	(2,914)	(1,222)	(23)	(4,159)
Modifications to contractual cash flows of loan commitments and financial guarantees	(221)	1,016	(1)	794
Changes in models/risk parameters	8,668	3,580	1	12,249
At 31 December 2020	44,815	11,134	423	56,372

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A16. Interest Income

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Group</u>				
Loans and advances	2,824,975	2,913,949	8,584,527	9,070,951
Balances with banks	65,626	68,660	130,368	182,433
Financial investments at fair value through other comprehensive income	250,172	268,052	764,005	834,092
Financial investments at amortised cost	191,277	217,826	576,341	662,305
Others	7,741	12,207	28,744	43,503
	<u>3,339,791</u>	<u>3,480,694</u>	<u>10,083,985</u>	<u>10,793,284</u>
Financial assets at fair value through profit or loss	5,968	4,458	18,609	34,614
	<u>3,345,759</u>	<u>3,485,152</u>	<u>10,102,594</u>	<u>10,827,898</u>
	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Bank</u>				
Loans and advances	2,485,326	2,569,189	7,590,482	7,998,064
Balances with banks	58,838	58,717	108,691	157,190
Financial investments at fair value through other comprehensive income	198,892	220,812	612,374	691,489
Financial investments at amortised cost	193,622	213,577	577,563	637,938
Others	21,817	23,453	69,231	66,656
	<u>2,958,495</u>	<u>3,085,748</u>	<u>8,958,341</u>	<u>9,551,337</u>
Financial assets at fair value through profit or loss	5,965	4,337	18,529	33,634
	<u>2,964,460</u>	<u>3,090,085</u>	<u>8,976,870</u>	<u>9,584,971</u>

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A17. Interest Expense

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks	46,381	60,974	157,183	204,486
Deposits from customers	1,092,177	1,333,770	3,237,652	4,827,165
Loans sold to Cagamas	48,924	59,333	145,176	176,711
Debt securities issued and other borrowed funds	96,895	107,768	293,496	328,341
Others	12,130	14,388	39,802	47,313
	<u>1,296,507</u>	<u>1,576,233</u>	<u>3,873,309</u>	<u>5,584,016</u>

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks	44,903	63,466	154,144	221,802
Deposits from customers	1,036,909	1,258,991	3,070,953	4,569,133
Loans sold to Cagamas	48,924	59,333	145,176	176,711
Debt securities issued and other borrowed funds	94,599	105,069	286,614	315,899
Others	14,361	14,777	44,502	48,645
	<u>1,239,696</u>	<u>1,501,636</u>	<u>3,701,389</u>	<u>5,332,190</u>

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A18. Net Fee and Commission Income

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	122,779	118,260	393,619	339,971
Service charges and fees	72,138	92,274	220,259	240,821
Guarantee fees	6,759	9,649	23,199	22,894
Commitment fees	18,705	12,873	53,492	49,426
Unit trust management fees	341,635	299,478	999,948	828,962
Fee on sale of trust units	102,772	119,136	374,237	266,065
Brokerage and commissions from stockbroking activities	36,087	82,526	160,568	172,965
Other fee and commission income	15,049	13,545	47,724	40,210
	<u>715,924</u>	<u>747,741</u>	<u>2,273,046</u>	<u>1,961,314</u>
(b) Fee and commission expense:				
Unit trust agency fee	(139,879)	(130,164)	(432,956)	(331,126)
Debit / credit card related fee	(53,540)	(68,647)	(179,149)	(201,445)
Loan related fee	(3,868)	(5,840)	(12,736)	(13,431)
Other fee and commission expense	(6,192)	(9,831)	(25,963)	(23,851)
	<u>(203,479)</u>	<u>(214,482)</u>	<u>(650,804)</u>	<u>(569,853)</u>
Net fee and commission income	<u>512,445</u>	<u>533,259</u>	<u>1,622,242</u>	<u>1,391,461</u>
	3rd Quarter Ended	3rd Quarter Ended	Nine Months Ended	Nine Months Ended
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	145,195	174,804	487,858	451,472
Service charges and fees	58,848	69,439	193,983	174,206
Guarantee fees	6,224	8,882	21,710	21,234
Commitment fees	16,679	10,706	47,511	43,117
Other fee and commission income	9,983	8,652	32,626	25,390
	<u>236,929</u>	<u>272,483</u>	<u>783,688</u>	<u>715,419</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(53,541)	(67,848)	(179,070)	(199,150)
Loan related fee	(3,238)	(5,146)	(10,981)	(11,813)
Other fee and commission expense	(2,366)	(2,836)	(7,830)	(8,710)
	<u>(59,145)</u>	<u>(75,830)</u>	<u>(197,881)</u>	<u>(219,673)</u>
Net fee and commission income	<u>177,784</u>	<u>196,653</u>	<u>585,807</u>	<u>495,746</u>

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A19. Net Gains and Losses on Financial Instruments

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Group				
Net gain / (loss) arising on financial assets at fair value through profit or loss:				
- net gain / (loss) on disposal	2,184	5,614	(1,259)	26,597
- gross dividend income	523	30	2,095	1,603
- unrealised revaluation (loss) / gain	(1,244)	1,368	(33,279)	31,821
	<u>1,463</u>	<u>7,012</u>	<u>(32,443)</u>	<u>60,021</u>
Net (loss) / gain arising on trading derivatives				
- unrealised revaluation (loss) / gain	(3)	-	(6)	77
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	21,634	111,004	163,274	349,688
- gross dividend income	426	1,934	1,427	2,284
	<u>22,060</u>	<u>112,938</u>	<u>164,701</u>	<u>351,972</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	-	1,755	-
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	139	1,018	(89)	155
- cash flow hedge	334	2,501	174	149
	<u>473</u>	<u>3,519</u>	<u>85</u>	<u>304</u>
Net gains and losses on financial instruments	<u>23,993</u>	<u>123,469</u>	<u>134,092</u>	<u>412,374</u>

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Bank</u>				
Net gain / (loss) arising on financial assets at fair value through profit or loss:				
- net gain / (loss) on disposal	2,087	5,614	(1,364)	26,803
- gross dividend income	494	-	1,977	1,483
- unrealised revaluation (loss) / gain	(1,193)	1,383	(31,360)	30,006
	<u>1,388</u>	<u>6,997</u>	<u>(30,747)</u>	<u>58,292</u>
Net (loss) / gain arising on trading derivatives				
- unrealised revaluation (loss) / gain	(3)	-	(6)	77
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	20,492	105,937	158,545	338,403
- gross dividend income	317	1,600	1,083	1,600
	<u>20,809</u>	<u>107,537</u>	<u>159,628</u>	<u>340,003</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	-	1,755	-
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(12)	(290)	10	(297)
- cash flow hedge	334	2,501	174	149
	<u>322</u>	<u>2,211</u>	<u>184</u>	<u>(148)</u>
Net gains and losses on financial instruments	<u>22,516</u>	<u>116,745</u>	<u>130,814</u>	<u>398,224</u>

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A20. Other Operating Income

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	71,424	72,632	195,437	190,398
Rental income from:				
- investment properties	3,803	3,805	11,211	11,217
- other properties	2,625	2,867	7,990	8,660
Net gain on disposal of property and equipment	28	51	346	625
Net gain on disposal of foreclosed properties	91	90	88	292
Net gain / (loss) on revaluation of investment properties	12	18	1,899	(6,382)
Others	20,684	43,983	64,950	90,694
Total other operating income	98,667	123,446	281,921	295,504
	3rd Quarter Ended	30 September	Nine Months Ended	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Distribution income from collective investments	39,321	50,563	122,313	152,554
Dividend income from subsidiary companies				
- quoted outside Malaysia	-	-	21,505	13,324
- unquoted in Malaysia	-	-	420,000	269,000
	39,321	50,563	563,818	434,878
Other income:				
Foreign exchange profit / (loss)	25,308	219,268	(32,535)	121,790
Rental income from other properties	2,881	3,439	9,218	10,413
Net gain on disposal of property and equipment	19	9	321	120
Net gain on disposal of foreclosed properties	91	90	88	292
Others	17,752	21,023	59,416	56,091
	46,051	243,829	36,508	188,706
Total other operating income	85,372	294,392	600,326	623,584

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A21. Other Operating Expenses

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Personnel costs				
- Salaries, allowances and bonuses	589,822	577,472	1,811,324	1,747,241
- Pension costs	88,996	83,356	270,926	253,633
- Others	37,021	33,386	115,378	118,560
	715,839	694,214	2,197,628	2,119,434
Establishment costs				
- Depreciation	92,824	84,598	279,713	267,036
- Insurance	5,869	5,765	18,435	17,853
- Water and electricity	11,051	11,804	32,390	35,876
- General repairs and maintenance	35,913	35,717	105,676	102,034
- Information technology expenses	15,722	16,031	47,209	49,021
- Others	23,520	23,724	68,804	67,851
	184,899	177,639	552,227	539,671
Marketing expenses				
- Advertisement and publicity	12,913	14,412	46,619	42,607
- Others	11,710	18,387	49,536	54,007
	24,623	32,799	96,155	96,614
Administration and general expenses				
- Communication expenses	17,426	15,605	54,943	47,979
- Legal and professional fees	9,061	10,405	28,812	27,277
- Others	24,198	17,619	74,679	86,901
	50,685	43,629	158,434	162,157
Total other operating expenses	976,046	948,281	3,004,444	2,917,876

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A21. Other Operating Expenses (continued)

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Personnel costs				
- Salaries, allowances and bonuses	440,139	429,762	1,359,034	1,313,817
- Pension costs	77,864	72,364	236,972	219,729
- Others	29,410	26,331	90,740	93,897
	547,413	528,457	1,686,746	1,627,443
Establishment costs				
- Depreciation	70,915	63,085	216,319	203,556
- Insurance	4,896	4,819	15,114	14,680
- Water and electricity	7,160	8,062	21,706	24,728
- General repairs and maintenance	32,290	31,216	92,521	88,955
- Information technology expenses	7,596	6,486	21,388	22,061
- Others	11,745	12,602	33,690	34,531
	134,602	126,270	400,738	388,511
Marketing expenses				
- Advertisement and publicity	6,269	5,657	25,289	16,782
- Others	6,252	8,843	23,116	28,807
	12,521	14,500	48,405	45,589
Administration and general expenses				
- Communication expenses	14,323	13,368	45,974	37,645
- Legal and professional fees	5,670	6,507	18,123	16,970
- Others	9,008	1,056	28,321	37,719
	29,001	20,931	92,418	92,334
Cost of resource sharing charged to Public Islamic Bank Berhad *	(112,983)	(103,624)	(337,484)	(317,507)
Total other operating expenses	610,554	586,534	1,890,823	1,836,370

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Credit related	(49,197)	(45,862)	(146,485)	(139,790)
Non-credit branch support	(41,850)	(39,237)	(125,076)	(118,487)
Other administration function	(21,936)	(18,525)	(65,923)	(59,230)
	(112,983)	(103,624)	(337,484)	(317,507)

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A22. Allowance for Impairment on Loans, Advances and Financing

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses	372,838	386,019	1,060,189	714,084
Impaired loans and financing written off	6	9	23	41
Impaired loans and financing recovered	(48,409)	(51,412)	(141,286)	(164,384)
	<u>324,435</u>	<u>334,616</u>	<u>918,926</u>	<u>549,741</u>

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses	218,422	258,722	716,462	396,341
Impaired loans written off	6	9	23	41
Impaired loans recovered	(23,688)	(26,638)	(70,692)	(82,013)
	<u>194,740</u>	<u>232,093</u>	<u>645,793</u>	<u>314,369</u>

A23. Allowance for Impairment on Other Assets

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	578	1,418	1,600	2,964
- Financial investments at amortised cost	(106)	201	(128)	411
- Deposits and placements with banks and other financial institutions	4	(12)	15	414
Allowance made / (written back) on:				
- Foreclosed properties	1,600	2,449	789	5,094
- Other receivables	(1)	-	20	17
	<u>2,075</u>	<u>4,056</u>	<u>2,296</u>	<u>8,900</u>

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	59	598	22	1,289
- Financial investments at amortised cost	(76)	188	(109)	243
Allowance made on:				
- Foreclosed properties	1,601	2,412	587	5,057
	<u>1,584</u>	<u>3,198</u>	<u>500</u>	<u>6,589</u>

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A24. Segment Information

	←----- Operating Segments ----->							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
3rd Quarter Ended 30 September 2021												
External revenue	621,189	2,247,713	373,264	216,558	50,507	444,921	14,049	422,477	4,390,678	421,406	-	4,812,084
Revenue from other segments	405	439,910	6,030	331,816	150	11,935	280	137,313	927,839	3,474	(931,313)	-
	<u>621,594</u>	<u>2,687,623</u>	<u>379,294</u>	<u>548,374</u>	<u>50,657</u>	<u>456,856</u>	<u>14,329</u>	<u>559,790</u>	<u>5,318,517</u>	<u>424,880</u>	<u>(931,313)</u>	<u>4,812,084</u>
Net interest income / (expense) and												
Islamic banking income	195,413	1,478,351	158,341	18,662	9,398	1,821	(3,379)	275,624	2,134,231	301,429	(8)	2,435,652
Other income	571	187,070	8,486	68,630	22,218	282,651	1,931	25,697	597,254	47,457	(9,606)	635,105
Net income / (expense)	<u>195,984</u>	<u>1,665,421</u>	<u>166,827</u>	<u>87,292</u>	<u>31,616</u>	<u>284,472</u>	<u>(1,448)</u>	<u>301,321</u>	<u>2,731,485</u>	<u>348,886</u>	<u>(9,614)</u>	<u>3,070,757</u>
Other operating expenses	(61,435)	(508,680)	(5,085)	(13,570)	(11,907)	(65,877)	(6,411)	(143,376)	(816,341)	(169,319)	9,614	(976,046)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(102,997)	(129,015)	(86,659)	-	31	-	-	-	(318,640)	(5,795)	-	(324,435)
(Allowance) / Writeback of Allowance												
for impairment on other assets	-	(1,601)	-	(95)	(5)	-	-	60	(1,641)	(434)	-	(2,075)
Profit / (Loss) by segments	<u>31,552</u>	<u>1,026,125</u>	<u>75,083</u>	<u>73,627</u>	<u>19,735</u>	<u>218,595</u>	<u>(7,859)</u>	<u>158,005</u>	<u>1,594,863</u>	<u>173,338</u>	<u>-</u>	<u>1,768,201</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(2,135)	-		(2,135)
Profit before tax expense and zakat									<u>1,592,728</u>	<u>173,338</u>	<u>-</u>	<u>1,766,066</u>

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A24. Segment Information (continued)

	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
3rd Quarter Ended 30 September 2020												
External revenue	608,156	2,269,032	393,954	242,652	87,712	418,955	13,825	652,781	4,687,067	445,758	-	5,132,825
Revenue from other segments	674	642,364	6,586	425,755	150	11,455	187	141,596	1,228,767	7,139	(1,235,906)	-
	<u>608,830</u>	<u>2,911,396</u>	<u>400,540</u>	<u>668,407</u>	<u>87,862</u>	<u>430,410</u>	<u>14,012</u>	<u>794,377</u>	<u>5,915,834</u>	<u>452,897</u>	<u>(1,235,906)</u>	<u>5,132,825</u>
Net interest income / (expense) and												
Islamic banking income	143,834	1,450,731	162,940	56,772	8,787	1,016	(3,538)	194,595	2,015,137	292,290	(8)	2,307,419
Other income	830	215,300	207	102,009	42,210	258,046	2,059	97,854	718,515	71,135	(9,476)	780,174
Net income / (expense)	<u>144,664</u>	<u>1,666,031</u>	<u>163,147</u>	<u>158,781</u>	<u>50,997</u>	<u>259,062</u>	<u>(1,479)</u>	<u>292,449</u>	<u>2,733,652</u>	<u>363,425</u>	<u>(9,484)</u>	<u>3,087,593</u>
Other operating expenses	(58,606)	(486,138)	(4,315)	(12,057)	(12,573)	(67,892)	(6,397)	(136,356)	(784,334)	(173,431)	9,484	(948,281)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(2,172)	(165,809)	(123,350)	-	21	3	-	-	(291,307)	(43,309)	-	(334,616)
Allowance for impairment on												
other assets	-	(2,449)	-	(270)	(16)	-	-	(1,123)	(3,858)	(198)	-	(4,056)
Profit / (Loss) by segments	<u>83,886</u>	<u>1,011,635</u>	<u>35,482</u>	<u>146,454</u>	<u>38,429</u>	<u>191,173</u>	<u>(7,876)</u>	<u>154,970</u>	<u>1,654,153</u>	<u>146,487</u>	<u>-</u>	<u>1,800,640</u>
Reconciliation of segment profits to consolidated profits:												
Share of profit after tax of equity accounted associated companies									2,185	-		2,185
Profit before tax expense and zakat									<u>1,656,338</u>	<u>146,487</u>		<u>1,802,825</u>

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A24. Segment Information (continued)

	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
Nine Months Ended 30 September 2021												
External revenue	1,888,915	6,736,271	1,127,682	642,477	189,201	1,375,701	42,262	1,496,401	13,498,910	1,264,965	-	14,763,875
Revenue from other segments	989	1,311,551	16,773	1,014,210	514	35,014	876	321,822	2,701,749	13,709	(2,715,458)	-
	1,889,904	8,047,822	1,144,455	1,656,687	189,715	1,410,715	43,138	1,818,223	16,200,659	1,278,674	(2,715,458)	14,763,875
Net interest income / (expense) and												
Islamic banking income	595,541	4,351,551	476,919	133,429	27,743	4,929	(10,096)	990,821	6,570,837	882,749	(25)	7,453,561
Other income	1,675	611,049	26,431	265,912	86,511	847,668	6,012	61,164	1,906,422	162,375	(30,542)	2,038,255
Net income / (expense)	597,216	4,962,600	503,350	399,341	114,254	852,597	(4,084)	1,051,985	8,477,259	1,045,124	(30,567)	9,491,816
Other operating expenses	(190,361)	(1,568,238)	(15,561)	(41,107)	(38,767)	(208,978)	(19,134)	(440,261)	(2,522,407)	(512,604)	30,567	(3,004,444)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(312,368)	(399,191)	(170,424)	-	387	(2)	-	-	(881,598)	(37,328)	-	(918,926)
Allowance for impairment on												
other assets	-	(790)	-	(192)	(53)	-	-	(1,132)	(2,167)	(129)	-	(2,296)
Profit / (Loss) by segments	94,487	2,994,381	317,365	358,042	75,821	643,617	(23,218)	610,592	5,071,087	495,063	-	5,566,150
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(5,736)	-		(5,736)
Profit before tax expense and zakat									5,065,351	495,063		5,560,414
Cost income ratio	31.9%	31.6%	3.1%	10.3%	33.9%	24.5%	n/a	41.9%	29.8%	49.0%		31.7%

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A24. Segment Information (continued)

	←----- Operating Segments ----->								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
Nine Months Ended 30 September 2021													
Gross loans, advances and financing	52,019,969	236,084,002	41,879,681	-	364,683	119,852	1,474	-	330,469,661	23,042,255			353,511,916
Loans growth	-0.7%	3.5%	-2.1%	-	-2.6%	3.2%	3.1%	-	2.1%	5.1%			2.3%
Impaired loans, advances and financing	195,840	632,804	65,699	-	-	826	-	-	895,169	262,278			1,157,447
Impaired loan and financing ratio	0.4%	0.3%	0.2%	-	-	0.7%	-	-	0.3%	1.1%			0.3%
Deposits from customers	-	287,728,608	164,504	61,434,192	1,132,666	-	-	-	350,459,970	28,448,944			378,908,914
Deposits growth	-	4.5%	-24.2%	0.9%	10.6%	-	-	-	3.9%	0.1%			3.6%
Segment assets	<u>51,345,806</u>	<u>294,752,090</u>	<u>41,032,336</u>	<u>72,301,921</u>	<u>2,273,727</u>	<u>582,411</u>	<u>827,424</u>	<u>51,507,169</u>	<u>514,622,884</u>	<u>39,833,318</u>	<u>(98,303,183)</u>		<u>456,153,019</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									116,410	16			116,426
Unallocated assets									2,489,418	-			2,489,418
Intangible assets									775,493	1,692,593			2,468,086
Total assets									<u>518,004,205</u>	<u>41,525,927</u>			<u>461,226,949</u>

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A24. Segment Information (continued)

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
Nine Months Ended 30 September 2020													
External revenue	1,855,464	7,313,453	1,317,015	861,183	199,329	1,096,156	41,047	1,303,062	13,986,709	1,400,461	-	15,387,170	
Revenue from other segments	1,623	1,738,508	22,970	1,462,365	528	34,818	738	440,956	3,702,506	45,285	(3,747,791)	-	
	<u>1,857,087</u>	<u>9,051,961</u>	<u>1,339,985</u>	<u>2,323,548</u>	<u>199,857</u>	<u>1,130,974</u>	<u>41,785</u>	<u>1,744,018</u>	<u>17,689,215</u>	<u>1,445,746</u>	<u>(3,747,791)</u>	<u>15,387,170</u>	
Net interest income / (expense) and Islamic banking income	471,229	4,087,182	458,268	129,434	23,699	4,260	(13,311)	126,103	5,286,864	897,006	(23)	6,183,847	
Other income	1,711	534,483	15,944	312,333	91,888	703,038	5,809	286,864	1,952,070	179,255	(31,986)	2,099,339	
Net income / (expense)	472,940	4,621,665	474,212	441,767	115,587	707,298	(7,502)	412,967	7,238,934	1,076,261	(32,009)	8,283,186	
Other operating expenses (Allowance) / Writeback of allowance for impairment on loans, advances and financing	(194,740)	(1,503,185)	(13,632)	(35,930)	(36,461)	(194,361)	(18,786)	(430,481)	(2,427,576)	(522,309)	32,009	(2,917,876)	
Allowance for impairment on other assets	-	(5,111)	-	(231)	(32)	-	-	(2,097)	(7,471)	(1,429)	-	(8,900)	
Profit / (Loss) by segments	<u>188,185</u>	<u>2,861,327</u>	<u>348,480</u>	<u>405,606</u>	<u>80,273</u>	<u>512,712</u>	<u>(26,288)</u>	<u>(19,611)</u>	<u>4,350,684</u>	<u>455,985</u>	<u>-</u>	<u>4,806,669</u>	
Reconciliation of segment profits to consolidated profits: Share of profit after tax of equity accounted associated companies									3,674	-		3,674	
Profit before tax expense and zakat									<u>4,354,358</u>	<u>455,985</u>		<u>4,810,343</u>	
Cost income ratio	41.2%	32.5%	2.9%	8.1%	31.5%	27.5%	n/a	104.2%	33.5%	48.5%		35.2%	

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A24. Segment Information (continued)

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
Nine Months Ended 30 September 2020													
Gross loans, advances and financing Loans growth	51,308,980 4.5%	224,505,036 4.3%	43,672,734 3.1%	- -	380,573 8.9%	114,940 10.1%	1,503 -2.8%	- -	319,983,766 4.2%	22,358,288 -4.1%		342,342,054 3.6%	
Impaired loans, advances and financing	106,200	761,089	21,013	-	-	516	-	-	888,818	225,954		1,114,772	
Impaired loan and financing ratio	0.2%	0.3%	0.0%	-	-	0.4%	-	-	0.3%	1.0%		0.3%	
Deposits from customers	-	272,766,180	183,449	60,655,266	1,094,388	-	-	-	334,699,283	29,103,760		363,803,043	
Deposits growth	-	5.1%	-7.1%	-6.4%	46.6%	-	-	-	2.9%	3.4%		3.0%	
Segment assets	<u>51,091,147</u>	<u>280,745,946</u>	<u>43,021,062</u>	<u>74,913,565</u>	<u>2,169,822</u>	<u>570,622</u>	<u>832,396</u>	<u>53,157,607</u>	<u>506,502,167</u>	<u>40,368,287</u>	<u>(101,151,195)</u>	<u>445,719,259</u>	
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									80,439	16		80,455	
Unallocated assets									2,040,681	-		2,040,681	
Intangible assets									775,493	1,693,763		2,469,256	
Total assets									<u>509,398,780</u>	<u>42,062,066</u>		<u>450,309,651</u>	

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A24. Segment Information (continued)

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

A25. Subsequent Events

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

A26. Changes in the Composition of the Group

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

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A27. Commitments and Contingencies

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

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Contingent liabilities				
Direct credit substitutes	934,243	914,667	889,366	870,920
Transaction-related contingent items	1,667,353	1,668,612	1,379,839	1,390,714
Short term self-liquidating trade-related contingencies	475,593	401,318	116,079	208,040
	3,077,189	2,984,597	2,385,284	2,469,674
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	31,076,988	31,342,568	23,243,800	24,724,600
- not exceeding one year	24,906,036	26,297,443	19,927,585	21,594,955
Unutilised credit card lines	8,735,890	8,161,401	8,435,943	7,910,938
Forward asset purchases	451,421	42,424	405,358	42,424
	65,170,335	65,843,836	52,012,686	54,272,917
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	22,606,547	28,020,406	21,382,021	26,902,244
- more than one year to five years	3,446,815	2,978,728	3,446,815	2,978,728
Interest / Profit rate related contracts:				
- up to one year	2,446,850	1,507,160	2,946,850	1,426,800
- more than one year to five years	2,839,909	4,718,304	5,034,313	6,185,260
- more than five years	825,588	880,810	1,200,000	1,700,000
Commodity related contracts:				
- up to one year	1,024	606	1,024	606
	32,166,733	38,106,014	34,011,023	39,193,638
	100,414,257	106,934,447	88,408,993	95,936,229

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A28. Derivative Financial Instruments

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

Group	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 30 September 2021												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,389,957	418	-	1,390,375	3,827	6	-	3,833	4,452	-	-	4,452
- Swaps	20,470,775	-	-	20,470,775	96,165	-	-	96,165	99,181	-	-	99,181
- Options	117,877	-	-	117,877	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	1,024	-	-	1,024	-	-	-	-	4	-	-	4
	<u>21,979,633</u>	<u>418</u>	<u>-</u>	<u>21,980,051</u>	<u>99,992</u>	<u>6</u>	<u>-</u>	<u>99,998</u>	<u>103,637</u>	<u>-</u>	<u>-</u>	<u>103,637</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	220,000	-	431,184	651,184	-	-	-	-	2,883	-	30,848	33,731
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	627,938	418,625	-	1,046,563	5,521	883	-	6,404	-	-	-	-
Interest / Profit rate related contracts												
- Swaps	2,226,850	684,313	2,550,000	5,461,163	-	-	26,555	26,555	20,216	13,220	7,551	40,987
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	2,043,950	983,822	3,027,772	-	1,867	-	1,867	-	89,204	5,910	95,114
	<u>3,074,788</u>	<u>3,146,888</u>	<u>3,965,006</u>	<u>10,186,682</u>	<u>5,521</u>	<u>2,750</u>	<u>26,555</u>	<u>34,826</u>	<u>23,099</u>	<u>102,424</u>	<u>44,309</u>	<u>169,832</u>
Total	<u>25,054,421</u>	<u>3,147,306</u>	<u>3,965,006</u>	<u>32,166,733</u>	<u>105,513</u>	<u>2,756</u>	<u>26,555</u>	<u>134,824</u>	<u>126,736</u>	<u>102,424</u>	<u>44,309</u>	<u>273,469</u>

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A28. Derivative Financial Instruments (continued)

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

Group As at 31 December 2020	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,566,305	4,036	-	1,570,341	7,973	22	-	7,995	9,149	-	-	9,149
- Swaps	26,020,528	-	-	26,020,528	221,548	-	-	221,548	409,212	-	-	409,212
- Options	31,773	-	-	31,773	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	606	-	-	606	3	-	-	3	-	-	-	-
	<u>27,619,212</u>	<u>4,036</u>	<u>-</u>	<u>27,623,248</u>	<u>229,524</u>	<u>22</u>	<u>-</u>	<u>229,546</u>	<u>418,361</u>	<u>-</u>	<u>-</u>	<u>418,361</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	80,360	220,000	413,854	714,214	-	-	-	-	152	5,676	45,460	51,288
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	401,800	1,004,500	-	1,406,300	-	37,784	-	37,784	13,172	-	-	13,172
Interest / Profit rate related contracts												
- Swaps	1,426,800	2,765,260	2,200,000	6,392,060	-	-	2,428	2,428	4,363	62,966	29,667	96,996
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	1,767,866	202,326	1,970,192	-	9,610	7,642	17,252	-	46,239	-	46,239
	<u>1,908,960</u>	<u>5,757,626</u>	<u>2,816,180</u>	<u>10,482,766</u>	<u>-</u>	<u>47,394</u>	<u>10,070</u>	<u>57,464</u>	<u>17,687</u>	<u>114,881</u>	<u>75,127</u>	<u>207,695</u>
Total	<u>29,528,172</u>	<u>5,761,662</u>	<u>2,816,180</u>	<u>38,106,014</u>	<u>229,524</u>	<u>47,416</u>	<u>10,070</u>	<u>287,010</u>	<u>436,048</u>	<u>114,881</u>	<u>75,127</u>	<u>626,056</u>

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A28. Derivative Financial Instruments (continued)

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

Bank	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 30 September 2021												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,251,349	418	-	1,251,767	3,670	6	-	3,676	4,237	-	-	4,237
- Swaps	19,384,857	-	-	19,384,857	95,118	-	-	95,118	94,894	-	-	94,894
- Options	117,877	-	-	117,877	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	1,024	-	-	1,024	-	-	-	-	4	-	-	4
	<u>20,755,107</u>	<u>418</u>	<u>-</u>	<u>20,755,525</u>	<u>98,788</u>	<u>6</u>	<u>-</u>	<u>98,794</u>	<u>99,135</u>	<u>-</u>	<u>-</u>	<u>99,135</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	220,000	-	-	220,000	-	-	-	-	2,883	-	-	2,883
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	627,938	418,625	-	1,046,563	5,521	883	-	6,404	-	-	-	-
Interest rate related contracts												
- Swaps	2,726,850	684,313	5,550,000	8,961,163	7,295	-	144,753	152,048	20,216	13,220	17,107	50,543
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	2,043,950	983,822	3,027,772	-	1,867	-	1,867	-	89,204	5,910	95,114
	<u>3,574,788</u>	<u>3,146,888</u>	<u>6,533,822</u>	<u>13,255,498</u>	<u>12,816</u>	<u>2,750</u>	<u>144,753</u>	<u>160,319</u>	<u>23,099</u>	<u>102,424</u>	<u>23,017</u>	<u>148,540</u>
Total	<u>24,329,895</u>	<u>3,147,306</u>	<u>6,533,822</u>	<u>34,011,023</u>	<u>111,604</u>	<u>2,756</u>	<u>144,753</u>	<u>259,113</u>	<u>122,234</u>	<u>102,424</u>	<u>23,017</u>	<u>247,675</u>

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A28. Derivative Financial Instruments (continued)

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

Bank As at 31 December 2020	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,513,465	4,036	-	1,517,501	7,917	22	-	7,939	9,112	-	-	9,112
- Swaps	24,955,206	-	-	24,955,206	207,812	-	-	207,812	407,859	-	-	407,859
- Options	31,773	-	-	31,773	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	606	-	-	606	3	-	-	3	-	-	-	-
	<u>26,501,050</u>	<u>4,036</u>	<u>-</u>	<u>26,505,086</u>	<u>215,732</u>	<u>22</u>	<u>-</u>	<u>215,754</u>	<u>416,971</u>	<u>-</u>	<u>-</u>	<u>416,971</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	-	220,000	-	220,000	-	-	-	-	-	5,676	-	5,676
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	401,800	1,004,500	-	1,406,300	-	37,784	-	37,784	13,172	-	-	13,172
Interest rate related contracts												
- Swaps	1,426,800	3,265,260	4,400,000	9,092,060	-	13,634	184,829	198,463	4,363	62,966	30,984	98,313
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	1,767,866	202,326	1,970,192	-	9,610	7,642	17,252	-	46,239	-	46,239
	<u>1,828,600</u>	<u>6,257,626</u>	<u>4,602,326</u>	<u>12,688,552</u>	<u>-</u>	<u>61,028</u>	<u>192,471</u>	<u>253,499</u>	<u>17,535</u>	<u>114,881</u>	<u>30,984</u>	<u>163,400</u>
Total	<u>28,329,650</u>	<u>6,261,662</u>	<u>4,602,326</u>	<u>39,193,638</u>	<u>215,732</u>	<u>61,050</u>	<u>192,471</u>	<u>469,253</u>	<u>434,506</u>	<u>114,881</u>	<u>30,984</u>	<u>580,371</u>

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A28. Derivative Financial Instruments (continued)

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

Market Risk

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

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Bank have a gain in a contract. As at the reporting date, the amounts of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, were RM134,824,000 (2020: RM287,010,000) and RM259,113,000 (2020: RM469,253,000) respectively. These amounts will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

- iii) Cash Requirements of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at the reporting date, the Group and the Bank had posted cash collateral of RM190,064,000 (2020: RM386,994,000) on their derivative contracts.

- iv) There have been no changes since the end of the previous financial year in respect of the following:
- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group and of the Bank are discussed in the audited annual financial statements for the financial year ended 31 December 2020 and Pillar 3 Disclosures section of the 2020 Annual Report.

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A29. a) Fair Value Measurements

Determination of Fair Value and Fair Value Hierarchy

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

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

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

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

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

Group	Level 1	Level 2	Level 3	Total
30 September 2021	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	841,569	-	841,569
- Non-money market instruments	-	-	445,219	445,219
	-	841,569	445,219	1,286,788
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	41,770,644	-	41,770,644
- Money market instruments	-	947,723	-	947,723
- Non-money market instruments	1,574	5,371,814	392,960	5,766,348
	1,574	48,090,181	392,960	48,484,715
Derivative financial assets	-	134,824	-	134,824
Total financial assets measured at fair value	1,574	49,066,574	838,179	49,906,327
Non-financial assets				
Investment properties	-	-	721,766	721,766
Financial liabilities				
Derivative financial liabilities	-	273,469	-	273,469
Total financial liabilities measured at fair value	-	273,469	-	273,469

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Group	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	904,395	-	904,395
- Non-money market instruments	-	200,339	478,772	679,111
	-	1,104,734	478,772	1,583,506
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	41,557,647	-	41,557,647
- Money market instruments	-	938,442	-	938,442
- Non-money market instruments	1,382	5,670,907	379,025	6,051,314
	1,382	48,166,996	379,025	48,547,403
Derivative financial assets	-	287,010	-	287,010
Total financial assets measured at fair value	1,382	49,558,740	857,797	50,417,919
Non-financial assets				
Investment properties	-	-	712,885	712,885
Financial liabilities				
Derivative financial liabilities	-	626,056	-	626,056
Total financial liabilities measured at fair value	-	626,056	-	626,056

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	Level 1	Level 2	Level 3	Total
30 September 2021	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	809,905	-	809,905
- Non-money market instruments	-	-	419,743	419,743
	-	809,905	419,743	1,229,648
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	30,298,088	-	30,298,088
- Money market instruments	-	947,723	-	947,723
- Non-money market instruments	-	995,808	386,175	1,381,983
	-	32,241,619	386,175	32,627,794
Derivative financial assets	-	259,113	-	259,113
Total financial assets measured at fair value	-	33,310,637	805,918	34,116,555
Financial liabilities				
Derivative financial liabilities	-	247,675	-	247,675
Total financial liabilities measured at fair value	-	247,675	-	247,675

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	904,395	-	904,395
- Non-money market instruments	-	200,339	451,376	651,715
	-	1,104,734	451,376	1,556,110
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	30,531,442	-	30,531,442
- Money market instruments	-	938,442	-	938,442
- Non-money market instruments	-	1,211,211	372,474	1,583,685
	-	32,681,095	372,474	33,053,569
Derivative financial assets	-	469,253	-	469,253
Total financial assets measured at fair value	-	34,255,082	823,850	35,078,932
Financial liabilities				
Derivative financial liabilities	-	580,371	-	580,371
Total financial liabilities measured at fair value	-	580,371	-	580,371

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial period (2020: None).

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Group	<- Unquoted Equity Securities ->			
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Investment Properties RM'000	Total RM'000
At 1 January 2021	478,772	379,025	712,885	1,570,682
Recognised in profit or loss				
- unrealised revaluation (loss) / gain	(33,553)	-	1,899	(31,654)
Recognised in other comprehensive income				
- unrealised revaluation gain	-	12,982	-	12,982
- realised gain on disposal	-	319	-	319
Addition	-	-	14	14
Disposal	-	(55)	-	(55)
Exchange differences	-	689	6,968	7,657
At 30 September 2021	<u>445,219</u>	<u>392,960</u>	<u>721,766</u>	<u>1,559,945</u>
At 1 January 2020	445,428	351,538	753,095	1,550,061
Recognised in profit or loss				
- unrealised revaluation gain / (loss)	33,344	-	(18,124)	15,220
Recognised in other comprehensive income				
- unrealised revaluation gain	-	28,150	-	28,150
Addition	-	-	99	99
Transfer to owner occupied property	-	-	(20,000)	(20,000)
Exchange differences	-	(663)	(2,185)	(2,848)
At 31 December 2020	<u>478,772</u>	<u>379,025</u>	<u>712,885</u>	<u>1,570,682</u>

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	<- Unquoted Equity Securities ->		
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Total RM'000
At 1 January 2021	451,376	372,474	823,850
Recognised in profit or loss			
- unrealised revaluation loss	(31,633)	-	(31,633)
Recognised in other comprehensive income			
- unrealised revaluation gain	-	12,885	12,885
- realised gain on disposal	-	319	319
Disposal	-	(55)	(55)
Exchange differences	-	552	552
At 30 September 2021	419,743	386,175	805,918
At 1 January 2020	419,940	345,113	765,053
Recognised in profit or loss			
- unrealised revaluation gain	31,436	-	31,436
Recognised in other comprehensive income			
- unrealised revaluation gain	-	27,971	27,971
Exchange differences	-	(610)	(610)
At 31 December 2020	451,376	372,474	823,850

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A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

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

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

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

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

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A30. Capital Adequacy

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

	Group		Bank	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	14.062%	14.815%	12.981%	13.702%
Tier I capital ratio	14.116%	14.869%	13.025%	13.745%
Total capital ratio	<u>17.249%</u>	<u>18.011%</u>	<u>16.338%</u>	<u>17.053%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.062%	13.951%	12.981%	12.611%
Tier I capital ratio	14.116%	14.005%	13.025%	12.654%
Total capital ratio	<u>17.249%</u>	<u>17.147%</u>	<u>16.338%</u>	<u>15.962%</u>

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Components of CET I, Tier I and Tier II capital:				
<u>CET I / Tier I capital:</u>				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Other reserves	1,320,106	1,518,824	610,598	793,110
Retained profits	33,249,915	34,290,480	27,101,134	28,373,510
Qualifying non-controlling interests	705,336	682,379	-	-
Less: Goodwill and other intangible assets	(2,468,086)	(2,417,727)	(695,393)	(695,393)
Less: Deferred tax assets, net	(569,754)	(81,637)	(339,995)	-
Less: Defined benefit pension fund assets	-	(2,748)	-	(2,059)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(148,101)</u>	<u>(105,998)</u>	<u>(6,205,741)</u>	<u>(6,183,241)</u>
Total CET I capital	41,507,069	43,301,226	29,888,256	31,703,580
Additional Tier I capital securities	99,792	99,702	99,792	99,702
Qualifying CET I and additional Tier I capital instruments held by third parties	<u>59,283</u>	<u>57,785</u>	<u>-</u>	<u>-</u>
Total Tier I capital	<u>41,666,144</u>	<u>43,458,713</u>	<u>29,988,048</u>	<u>31,803,282</u>

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A30. Capital Adequacy (continued)

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
<u>Tier II capital</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,354,748	2,664,293	2,605,371	1,966,983
Qualifying regulatory reserves	-	670,140	23,116	686,899
Subordinated notes	4,999,997	4,999,992	4,999,997	4,999,992
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	761,792	718,503	-	-
Others	130,972	130,972	-	-
Total Tier II capital	<u>9,247,509</u>	<u>9,183,900</u>	<u>7,628,484</u>	<u>7,653,874</u>
Total capital	<u>50,913,653</u>	<u>52,642,613</u>	<u>37,616,532</u>	<u>39,457,156</u>

Excludes expected credit loss allowances restricted from Tier II capital of the Group of RM190,514,000 (31 December 2020 : Nil).

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

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

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

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A30. Capital Adequacy (continued)

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

Regulatory capital requirements

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

A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Group and the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions. The Group and the Bank have applied CCyB on their private sector credit exposures outside Malaysia in line with the respective jurisdictions' requirement to maintain their CCyB. The CCyB is not a requirement for exposures in Malaysia yet but may be applied by regulators in the future.

Effective from 31 January 2021, 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.

Prudential buffers and transitional arrangements

Prior to the COVID-19 pandemic, banking institutions are required to maintain a CCB of 2.5%. However, effective from 25 March 2020, banking institutions are allowed to drawdown the CCB of 2.5% to manage the impact of the COVID-19 pandemic but are required to rebuild this buffer after 31 December 2020 as well as to meet the minimum regulatory requirements by 30 September 2021. As at the reporting date, the Group and the Bank continued to maintain a CCB of 2.5%.

As allowed under the BNM's Capital Adequacy Frameworks on Capital Components, financial institutions which elect to apply the transitional arrangements for regulatory capital treatment of accounting provisions are allowed to add back a portion of the Stage 1 and Stage 2 provisions for expected credit losses to CET I capital over a four-year period from financial year beginning 2020, or a three-year period from financial year beginning 2021. As at the reporting date, the Group and the Bank have not applied the said transitional arrangements.

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

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Credit risk	268,379,834	266,754,650	210,278,924	212,310,530
Market risk	5,351,407	4,719,681	5,290,922	4,741,815
Operational risk	20,797,608	20,141,735	14,052,411	13,689,994
Large exposure risk	643,875	668,423	618,399	641,027
	<u>295,172,724</u>	<u>292,284,489</u>	<u>230,240,656</u>	<u>231,383,366</u>

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A30. Capital Adequacy (continued)

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

	Public Islamic Bank Berhad¹	Public Investment Bank Berhad²	Public Bank (L) Ltd.³	Public Bank (Hong Kong) Limited⁴	Public Finance Limited⁴	Cambodian Public Bank Plc⁵	Public Bank Vietnam Limited⁶
30 September 2021							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	11.560%	43.755%	26.217%	20.380%	26.522%	N/A	N/A
Tier I capital ratio	11.560%	43.755%	26.217%	20.380%	26.522%	N/A	N/A
Total capital ratio	14.988%	44.215%	26.236%	21.146%	27.555%	21.423%	30.805%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	11.560%	43.755%	26.217%	20.380%	26.522%	N/A	N/A
Tier I capital ratio	11.560%	43.755%	26.217%	20.380%	26.522%	N/A	N/A
Total capital ratio	14.988%	44.215%	26.236%	21.146%	27.555%	21.423%	30.805%
31 December 2020							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	12.176%	49.642%	27.913%	19.590%	25.675%	N/A	N/A
Tier I capital ratio	12.176%	49.642%	27.913%	19.590%	25.675%	N/A	N/A
Total capital ratio	15.751%	50.101%	27.931%	20.347%	26.703%	19.808%	36.233%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	12.176%	41.315%	27.913%	19.568%	23.684%	N/A	N/A
Tier I capital ratio	12.176%	41.315%	27.913%	19.568%	23.684%	N/A	N/A
Total capital ratio	15.751%	41.773%	27.931%	20.325%	24.712%	19.808%	36.233%

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

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A30. Capital Adequacy (continued)

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

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

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A30. Capital Adequacy (continued)

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

- ⁵ The amount presented here is the solvency ratio of Cambodian Public Bank Plc ("Campu Bank"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with National Bank of Cambodia Prakas B7-010-182 and B7-00-46 (amended by Prakas No. B7-04-206 and Prakas No. B7-07-135). This ratio is derived as Campu Bank's net worth divided by its risk-weighted assets and off-balance sheet items. The minimum regulatory solvency ratio requirement is 15.0%.
- ⁶ The amount presented here is the capital adequacy ratio of Public Bank Vietnam Limited ("PBVN"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with the State Bank of Vietnam ("SBV") Circular No.41/2016/TT-NHNN and is derived as PBVN's capital divided by its risk-weighted assets for credit risk, market risk and operational risk. The minimum regulatory capital adequacy ratio requirement is 8.0%.

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A31. Operations of Islamic Banking

a) Statement of Financial Position As At 30 September 2021

	Note	Group	
		30 September 2021 RM'000	31 December 2020 RM'000
ASSETS			
Cash and balances with banks		50,278	2,112,828
Financial assets at fair value through profit or loss		31,664	-
Derivative financial assets		9,556	1,317
Financial investments at fair value through other comprehensive income		10,020,401	9,717,771
Financial investments at amortised cost		4,463,246	4,520,961
Financing and advances	A31(d)	57,607,052	54,176,355
Other assets		199,593	232,231
Statutory deposits with Bank Negara Malaysia		249,350	168,200
Deferred tax assets		136,924	-
Collective investment		574,437	565,504
Investment in an associated company		67,500	45,000
Right-of-use assets		16,189	17,137
Property and equipment		3,275	3,525
Total Assets		73,429,465	71,560,829
LIABILITIES AND ISLAMIC			
BANKING FUNDS			
Deposits from customers	A31(e)	63,650,324	61,817,897
Deposits from banks		2,288,896	2,067,854
Bills and acceptances payable		391	481
Derivative financial liabilities		125,493	196,035
Senior Sukuk Murabahah		-	519,950
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		17,629	18,227
Other liabilities		429,925	412,542
Provision for zakat and taxation		246,344	318
Deferred tax liabilities		-	104,135
Total Liabilities		67,759,002	66,137,439
Islamic Banking Funds		5,670,463	5,423,390
Total Liabilities and Islamic Banking Funds		73,429,465	71,560,829
COMMITMENTS AND CONTINGENCIES		14,060,327	11,946,719

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A31. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 3rd Quarter and Nine Months Ended 30 September 2021

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	587,437	631,669	1,826,757	1,816,901
Income derived from investment of Islamic Banking Funds	49,383	55,562	153,406	157,620
Allowance for impairment on financing and advances	(78,186)	(31,622)	(202,400)	(68,920)
Allowance for impairment on other assets	(32)	(128)	(296)	(277)
Total distributable income	558,602	655,481	1,777,467	1,905,324
Income attributable to depositors and others	(282,905)	(320,703)	(848,066)	(1,130,261)
Total net income	275,697	334,778	929,401	775,063
Other operating expenses	(125,422)	(114,965)	(376,442)	(353,600)
Profit before zakat and taxation	150,275	219,813	552,959	421,463
Zakat	337	(81)	(713)	(243)
Taxation	(36,458)	(51,879)	(131,778)	(98,309)
Profit for the period	114,154	167,853	420,468	322,911

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Income derived from investment of depositors' funds and others	587,437	631,669	1,826,757	1,816,901
Income derived from investment of Islamic Banking Funds	49,383	55,562	153,406	157,620
Income attributable to depositors and others	(282,905)	(320,703)	(848,066)	(1,130,261)
	353,915	366,528	1,132,097	844,260
Elimination of inter-company income and expenses	32,485	31,972	92,179	95,705
Net income from Islamic banking business	386,400	398,500	1,224,276	939,965

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A31. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 3rd Quarter and Nine Months Ended 30 September 2021

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
<u>Group</u>				
Profit for the period	<u>114,154</u>	167,853	<u>420,468</u>	<u>322,911</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Loss on remeasurements of defined benefit plan	-	(139)	-	(1,554)
<u>Items that may be reclassified to profit or loss:</u>				
Net change in revaluation of financial investments at fair value through other comprehensive income	(102,755)	33,879	(307,668)	177,746
Net change in cash flow hedges	21,825	(8,870)	79,517	(118,777)
	<u>(80,930)</u>	<u>25,009</u>	<u>(228,151)</u>	<u>58,969</u>
Income tax effect	19,423	(5,968)	54,756	(13,779)
Other comprehensive (loss) / income for the period, net of tax	<u>(61,507)</u>	<u>18,902</u>	<u>(173,395)</u>	<u>43,636</u>
Total comprehensive income for the period	<u><u>52,647</u></u>	<u><u>186,755</u></u>	<u><u>247,073</u></u>	<u><u>366,547</u></u>

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A31. Operations of Islamic Banking (continued)

d) Financing and Advances

By type and contract

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
30 September 2021							
At amortised cost							
Cash line	1,637,139	-	-	-	-	-	1,637,139
Term financing							
- House financing	5,467,711	-	-	20,743,997	-	-	26,211,708
- Syndicated financing	1,370,304	-	-	-	-	-	1,370,304
- Hire purchase receivables	-	9,188,104	-	-	-	-	9,188,104
- Other term financing	4,616,801	-	1,736,739	12,846,467	-	157,206	19,357,213
Credit card receivables	-	-	-	-	-	42,337	42,337
Bills receivables	-	-	-	-	465	-	465
Trust receipts	-	-	-	-	5,054	-	5,054
Claims on customers under acceptance credits	-	-	-	-	140,739	-	140,739
Revolving credits	208,606	-	-	-	-	-	208,606
Staff financing	-	11,723	-	104,773	-	-	116,496
Gross financing and advances	13,300,561	9,199,827	1,736,739	33,695,237	146,258	199,543	58,278,165
Allowance for impairment on financing and advances:							
- Expected credit losses							(671,113)
- Stage 1: 12-Month ECL							(325,005)
- Stage 2: Lifetime ECL not credit-impaired							(294,301)
- Stage 3: Lifetime ECL credit-impaired							(51,807)
Net financing and advances							57,607,052

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A31. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

By type and contract (continued)

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 2020							
At amortised cost							
Cash line	1,515,623	-	-	-	-	-	1,515,623
Term financing							
- House financing	5,470,603	-	-	18,168,232	-	-	23,638,835
- Syndicated financing	1,341,516	-	-	-	-	-	1,341,516
- Hire purchase receivables	-	8,798,205	-	-	-	-	8,798,205
- Other term financing	4,680,794	-	1,702,074	12,205,232	-	211,199	18,799,299
Credit card receivables	-	-	-	-	-	34,699	34,699
Bill receivables	-	-	-	-	1,114	-	1,114
Trust receipts	-	-	-	-	4,155	-	4,155
Claims on customers under acceptance credits	-	-	-	-	162,079	-	162,079
Revolving credits	248,884	-	-	-	-	-	248,884
Staff financing	-	11,002	-	94,943	-	-	105,945
Gross financing and advances	13,257,420	8,809,207	1,702,074	30,468,407	167,348	245,898	54,650,354
Allowance for impairment on financing and advances:							
- Expected credit losses							(473,999)
- Stage 1: 12-Month ECL							(249,018)
- Stage 2: Lifetime ECL not credit-impaired							(175,333)
- Stage 3: Lifetime ECL credit-impaired							(49,648)
Net financing and advances							<u>54,176,355</u>

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A31. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	30 September 2021 RM'000	31 December 2020 RM'000
At 1 January	169,421	275,050
Impaired during the period / year	158,399	190,044
Reclassified as non-impaired	(127,731)	(191,093)
Recoveries	(26,763)	(39,279)
Amount written off	(22,362)	(60,617)
Financing converted to foreclosed properties	(4,338)	(4,684)
Closing balance	<u>146,626</u>	<u>169,421</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.25%</u>	<u>0.31%</u>

e) Deposits from Customers

	Group	
	30 September 2021 RM'000	31 December 2020 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	9,961,882	8,561,432
Demand deposit		
- Qard	6,809,032	5,815,770
Term deposit		
- Commodity Murabahah	40,064,591	40,003,712
- Special term deposit account		
- Commodity Murabahah	6,814,819	7,436,983
	<u>63,650,324</u>	<u>61,817,897</u>

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

B1. Performance Review

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

Key Profit or Loss Items:	Group			
	Nine Months Ended			
	30 September	30 September		
	2021	2020	Variance	
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	5,560,414	4,810,343	750,071	15.6
Net profit attributable to equity holders of the Bank	4,275,700	3,723,743	551,957	14.8
Other comprehensive (loss) / income (net)	(507,436)	342,205	(849,641)	(248.3)

Key Balance Sheet Items:	Group			
	As At	As At		
	30 September	30 September		
	2021	2020	Variance	
	RM'000	RM'000	RM'000	%
Gross loans, advances and financing	353,511,916	342,342,054	11,169,862	3.3
Gross impaired loan and financing (%)	0.33%	0.33%	n/a	-
Deposits from customers	378,908,914	363,803,043	15,105,871	4.2

The Group's pre-tax profit for the nine months ended 30 September 2021 increased by RM750.1 million or 15.6% to RM5,560.4 million as compared to the pre-tax profit in the previous corresponding period of RM4,810.3 million. Net profit attributable to equity holders increased by RM552.0 million or 14.8% to RM4,275.7 million over the same period. Included in the previous corresponding period were modification loss on COVID-19 relief measures of RM498.4 million and the negative effect of Overnight Policy Rate ("OPR") reduction of 125 basis points. Due to this low base effect coupled with positive loans and deposits growth achieved in the current period, net interest income and net income from Islamic banking business grew by RM985.4 million (+18.8%) and RM284.3 million (+30.2%) respectively. Net fee and commission income increased by RM230.8 million (+16.6%) mainly due to higher fee income from fund management and banking related services. These were partially offset by higher loan impairment allowance of RM369.2 million (-67.2%), lower investment income of RM278.3 million (-67.5%) which was in tandem with current market condition, and higher other operating expenses of RM86.6 million (-3.0%). The higher loan impairment allowance was mainly arising from pre-emptive allowance made in anticipation of the potential effect of COVID-19 pandemic.

Other comprehensive loss (net) of the Group for the current period was RM507.4 million as compared to other comprehensive income (net) of RM342.2 million in the previous corresponding period, mainly due to fluctuation from revaluation of financial investments in the current period arising from unfavourable market condition. These were partially offset by gain on cash flow hedges in the current period as compared to a loss recorded in the previous corresponding period, loss on remeasurements of defined benefit plans recognised in the previous corresponding period and higher gain on foreign currency translation in respect of foreign operations.

The Group's profit continued to be supported by positive loans and customer deposits growth. Gross loans grew by RM11.2 billion or 3.3% to RM353.5 billion as at 30 September 2021 as compared to RM342.3 billion as at 30 September 2020, mainly driven by growth in mortgage financing, hire purchase financing and lending to SMEs. Total deposits from customers increased by 4.2% or RM15.1 billion to RM378.9 billion as at 30 September 2021. The Group's gross impaired loan ratio continued to remain low and stable at 0.3% as at 30 September 2021.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.1%, 14.1% and 17.2% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio stood at 145.6% as at 30 September 2021.

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B1. Performance Review (continued)

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

The performance of the respective operating segments for the nine months ended 30 September 2021 as compared to the previous corresponding period is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	Group		Nine Months Ended	
	30 September	30 September	Variance	
	2021	2020	RM'000	%
	RM'000	RM'000		
Retail operations	2,994,381	2,861,327	133,054	4.7
Hire purchase	94,487	188,185	(93,698)	(49.8)
Corporate lending	317,365	348,480	(31,115)	(8.9)
Treasury and capital market operations	358,042	405,606	(47,564)	(11.7)
Investment banking	75,821	80,273	(4,452)	(5.5)
Fund management	643,617	512,712	130,905	25.5
Head office, funding center and others	581,638	(42,225)	623,863	> 1,000.0
Total domestic operations	5,065,351	4,354,358	710,993	16.3
Overseas operations	495,063	455,985	39,078	8.6
	5,560,414	4,810,343	750,071	15.6

- 1) Retail operations – Pre-tax profit increased by RM133.1 million (+4.7%) to RM2,994.4 million mainly due to higher net interest income on higher average loan balances and higher fee and other income. These were partially offset by higher loan impairment allowance made in anticipation of potential effect of COVID-19 pandemic and higher other operating expenses.
- 2) Hire purchase – Pre-tax profit decreased by RM93.7 million (-49.8%) to RM94.5 million mainly due to higher loan impairment allowance made in anticipation of potential effect of COVID-19 pandemic, partially offset by higher net interest income.
- 3) Corporate lending – Pre-tax profit decreased by RM31.1 million (-8.9%) to RM317.4 million mainly due to higher loan impairment allowance made in anticipation of potential effect of COVID-19 pandemic, partially offset by higher net interest income and fee income.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM47.6 million (-11.7%) to RM358.0 million mainly due to lower investment income.
- 5) Investment banking – Pre-tax profit decreased by RM4.5 million (-5.5%) to RM75.8 million mainly due to lower stock-broking income, lower investment income and higher other operating expenses, partially offset by higher net interest income.
- 6) Fund management – Pre-tax profit increased by RM130.9 million (+25.5%) to RM643.6 million mainly due to higher management fee from higher average net asset value of funds and higher fee income on sale of trust units arising from higher equity sales achieved. These were partially offset by higher other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit of RM581.6 million was recorded in the current period as compared to pre-tax loss of RM42.2 million in the previous corresponding period. The loss incurred in the previous corresponding period was mainly due to the modification loss on COVID-19 relief measures and the negative effect of OPR reduction of 125 bps. These were partially offset by lower investment income in the current period.
- 8) Overseas operations – Pre-tax profit increased by RM39.1 million (+8.6%) to RM495.1 million mainly due to lower loan impairment allowance and other operating expenses. These were partially offset by lower other income and net interest income.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss Items:	Group 3rd Quarter Ended		Variance RM'000	%
	30 September 2021 RM'000	30 September 2020 RM'000		
Profit before tax expense and zakat	1,766,066	1,802,825	(36,759)	(2.0)
Net profit attributable to equity holders of the Bank	1,361,352	1,392,832	(31,480)	(2.3)
Other comprehensive loss (net)	(194,374)	(39,728)	(154,646)	(389.3)

For the 3rd quarter ended 30 September 2021, the Group registered a pre-tax profit of RM1,766.1 million, a decrease of RM36.8 million or 2.0% as compared to the pre-tax profit of RM1,802.8 million in the previous year corresponding quarter. Net profit attributable to equity holders decreased by RM31.5 million or 2.3% to RM1,361.4 million over the same period. The decrease was mainly due to lower investment income of RM99.5 million (-80.6%) in tandem with the current unfavourable market condition, lower fee income and other income of RM45.6 million (-6.9%) and higher other operating expenses of RM27.8 million (-2.9%). These were partially offset by higher net interest income of RM140.3 million (+7.4%).

Other comprehensive loss (net) of the Group for the current quarter increased by RM154.6 million to RM194.4 million, mainly due to fluctuation from revaluation of financial investments for the quarter under review, partially offset by gain on foreign currency translation in respect of foreign operations in the current quarter as compared to a loss in the previous year corresponding quarter and higher gain on cash flow hedges.

Performance of the respective operating segments for the 3rd quarter ended 30 September 2021 as compared to the previous year corresponding quarter is analysed as follows:-

Profit Before Tax by Segments:	3rd Quarter Ended		Variance RM'000	%
	30 September 2021 RM'000	30 September 2020 RM'000		
Retail operations	1,026,125	1,011,635	14,490	1.4
Hire purchase	31,552	83,886	(52,334)	(62.4)
Corporate lending	75,083	35,482	39,601	111.6
Treasury and capital market operations	73,627	146,454	(72,827)	(49.7)
Investment banking	19,735	38,429	(18,694)	(48.6)
Fund management	218,595	191,173	27,422	14.3
Head office, funding center and others	148,011	149,279	(1,268)	(0.8)
Total domestic operations	1,592,728	1,656,338	(63,610)	(3.8)
Overseas operations	173,338	146,487	26,851	18.3
	<u>1,766,066</u>	<u>1,802,825</u>	<u>(36,759)</u>	<u>(2.0)</u>

- 1) Retail operations – Pre-tax profit increased by RM14.5 million (+1.4%) to RM1,026.1 million mainly due to lower loan impairment allowance and higher net interest income. These were partially offset by lower fee and other income and higher other operating expenses.
- 2) Hire purchase – Pre-tax profit decreased by RM52.3 million (-62.4%) to RM31.6 million mainly due to higher loan impairment allowance made in anticipation of the potential effect of COVID-19 pandemic, partially offset by higher net interest income.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax profit increased by RM39.6 million (+111.6%) to RM75.1 million mainly due to lower loan impairment allowance made in the current quarter.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM72.8 million (-49.7%) to RM73.6 million mainly due to lower net interest income and lower investment income.
- 5) Investment banking – Pre-tax profit decreased by RM18.7 million (-48.6%) to RM19.7 million mainly due to lower stock-broking income arising from lower business volume in the equity market.
- 6) Fund management business – Pre-tax profit increased by RM27.4 million (+14.3%) to RM218.6 million mainly due to higher management fee from higher average net asset value of funds and lower other operating expenses, partially offset by lower fee income on sale of trust units.
- 7) Head office, funding center and others – Pre-tax profit decreased marginally by RM1.3 million (-0.8%) to RM148.0 million mainly due to lower investment income, higher other operating expenses and share of loss of an associated company. These were partially offset by higher net interest income.
- 8) Overseas Operations – Pre-tax profit increased by RM26.9 million (+18.3%) to RM173.3 million mainly due to lower loan impairment allowance and higher net interest income, partially offset by lower other income.

B2. Variation of Results Against Preceding Quarter

Key Profit or Loss Items:	Group Quarter Ended		Variance	
	30 September 2021	30 June 2021		
	RM'000	RM'000		
Profit before tax expense and zakat	1,766,066	1,795,401	(29,335)	(1.6)
Net profit attributable to equity holders of the Bank	1,361,352	1,384,380	(23,028)	(1.7)
Other comprehensive (loss) / income (net)	(194,374)	106,337	(300,711)	(282.8)

For the 3rd quarter ended 30 September 2021, the Group registered a pre-tax profit of RM1,766.1 million, a decrease of RM29.3 million or 1.6% as compared to the pre-tax profit of RM1,795.4 million for the preceding quarter ended 30 June 2021. Net profit attributable to equity holders decreased by RM23.0 million or 1.7% to RM1,361.4 million over the same period. The lower earnings were mainly due to lower net interest income and Islamic banking income of RM57.3 million (-2.7%) and RM18.6 million (-4.6%) respectively arising from modification loss recognised on loans/financing moratorium, lower investment income of RM26.3 million (-52.3%) and lower foreign exchange income of RM10.5 million (-12.8%). These were partially offset by lower loan impairment allowance of RM71.6 million (+18.1%) and lower other operating expenses of RM24.6 million (+2.5%).

Other comprehensive loss (net) of the Group for the current quarter was RM194.4 million as compared to other comprehensive income (net) of RM106.3 million in the immediate preceding quarter, mainly due to fluctuation from revaluation of financial investments and lower gain on revaluation of equity securities in the current quarter. These were partially offset by gain on cash flow hedges in the current quarter and higher gain on foreign currency translation in respect of foreign operations.

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B3. Prospects for 2021

The global economy is recovering as the world continues to adapt and adjust to the new normal macro environment, although the pace of recovery may vary across countries. Accommodative fiscal and monetary policies are expected to provide the much needed support to the global recovery. Overall, the balance of risks remains tilted to the downside as the outlook hinges on the developments related to the pandemic and potential challenges ahead.

Advanced economies, including the United States of America, Europe and Japan are expected to progressively recover in 2021. Asia's economic growth is also expected to improve in tandem with the global economic recovery, albeit at a slower-than-expected growth owing to the resurgence and spread of the COVID-19 pandemic in the second half of 2021.

For Malaysia, the relaxation of the nationwide containment allowing more economic sectors to operate along with higher adaptability of firms to operate in the new normal environment as well as continued policy support are expected to some extent mitigate the impact of the containment in the second and third quarter of 2021. In addition, fiscal and financial measures will continue to cushion the impact on businesses and households to provide the much needed financial and fiscal support for an economic recovery. The Malaysian banking system remains resilient underpinned by ample liquidity and healthy capital buffers.

The Public Bank Group continues to proactively provide repayment assistance through flexible repayment packages, including loan moratorium, to extend the much needed financial relief to customers during these difficult times. In line with the Government's Economic Recovery Package (PEMULIH), Public Bank is offering a six-month loan repayment moratorium to individuals, SMEs and microenterprises affected by the pandemic.

The banking industry in collaboration with Agensi Kaunseling dan Pengurusan Kredit (AKPK) introduced the Financial Management and Resilience Programme (URUS) from 15 November 2021 until 31 January 2022, which provides repayment assistance to B50 borrowers who lost their jobs or experience income loss of at least 50%. URUS provides repayment assistance in the form of interest/profit waiver for a period of 3 months, with the option of reduced instalments for up to 24 months.

The Public Bank Group continues to operate efficiently, maintain prudence in management of credit risk, proactively manage any potential stress in asset quality whilst preserving its sound corporate governance and risk management practices.

The Public Bank Group will continue to support financing in residential properties, in tandem with the Government's initiative to promote home ownership, especially for first time home buyers. The Group will also continue to support financing for purchase of passenger vehicles and lending to SMEs.

The Public Bank Group will continue to adapt to the new normal business environment and intensify digitalisation efforts to provide greater convenience to customers. The Group will also continue to deliver efficient customer service through its extensive network of physical and digital channels, while sustaining its position as a market leader in both the domestic retail and consumer segments. Similarly, the Group will also remain supportive of its corporate lending business by leveraging on its strong franchise and relationship with customers.

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

The private retail unit trust industry continues to grow in tandem with market conditions. The Public Bank Group offers a comprehensive range of unit trust products, as it continues to embrace technology to cater to the needs of investors.

The Public Bank Group remains committed to strengthen its regional presence, while leveraging on its strong branding and prudent management practices.

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B3. Prospects for 2021 (continued)

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

For long term sustainability, the Public Bank Group will continue to enhance its service delivery standards and infrastructure leveraging on the advancement of technology, to provide seamless delivery of banking services across its multi-delivery channels.

B4. Profit Forecast or Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group and the Bank.

B5. Tax Expense and Zakat

The analysis of the tax expense for the 3rd quarter and nine months ended 30 September 2021 are as follows:

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	305,257	438,566	1,281,015	1,035,888
Overseas income tax	35,843	25,644	98,836	91,599
	341,100	464,210	1,379,851	1,127,487
Under / (Over) provision in prior years				
- Malaysian income tax	843,759	2	843,759	-
- Overseas income tax	3,653	(8)	3,601	1,491
	1,188,512	464,204	2,227,211	1,128,978
Deferred tax expense / (income)				
- Relating to origination and reversal of temporary differences	40,912	(74,803)	(155,284)	(85,763)
- Over provision	(843,519)	-	(843,519)	-
Tax expense	385,905	389,401	1,228,408	1,043,215
Zakat	(337)	81	713	243
	385,568	389,482	1,229,121	1,043,458

The Group's effective tax rate for the 3rd quarter and nine months ended 30 September 2021 and 30 September 2020 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.

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B5. Tax Expense and Zakat (continued)

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	234,023	378,588	951,812	824,526
Overseas income tax	680	1,369	3,300	8,904
	<u>234,703</u>	<u>379,957</u>	<u>955,112</u>	<u>833,430</u>
Under / (Over) provision in prior years				
- Malaysian income tax	703,126	-	703,126	-
- Overseas income tax	3,653	-	4,271	(1,140)
	<u>941,482</u>	<u>379,957</u>	<u>1,662,509</u>	<u>832,290</u>
Deferred tax expense / (income)				
- Relating to origination and reversal of temporary differences	45,047	(63,359)	(103,763)	(68,116)
- Over provision	(703,126)	-	(703,126)	-
	<u>283,403</u>	<u>316,598</u>	<u>855,620</u>	<u>764,174</u>

The Bank's effective tax rate for the 3rd quarter and nine months ended 30 September 2021 and 30 September 2020 were lower than the statutory tax rate mainly due to certain income not subject to tax.

B6. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced but not completed as at 30 September 2021.

B7. Status of Utilisation of Proceeds Raised from Corporate Proposals

The proceeds raised from the issuance of all debt securities and borrowings have been used for working capital, general banking and other corporate purposes, as intended.

B8. Financial Risk Management

There have been no significant changes since the end of the previous financial year in respect of the following:

- i) risk management policies in place for mitigating and controlling the risks associated with foreign exchange, interest/profit rate, liquidity and funding.
- ii) the hedging policies in respect of foreign exchange and interest/profit rate exposures.

The above information are discussed in the Financial Risk Management section of the audited annual financial statements for the financial year ended 31 December 2020 and Pillar 3 Disclosures section of the 2020 Annual Report.

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B9. Debt Securities Issued and Other Borrowed Funds

Group	More Than 1 Year		Less Than 1 Year		Sub-total		Total RM'000
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
Unsecured							
As At 30 September 2021							
Hong Kong Dollar ("HKD") term loan	-	-	590,642	-	590,642	-	590,642
United States Dollar ("USD") term loan	-	-	836,844	-	836,844	-	836,844
USD syndicated term loan	-	-	1,547,207	-	1,547,207	-	1,547,207
RM Senior Medium Term notes / sukuk murabahah	-	1,799,638	-	-	-	1,799,638	1,799,638
RM Subordinated notes / sukuk murabahah	-	3,500,000	-	2,499,997	-	5,999,997	5,999,997
RM Additional Tier I capital securities	-	99,792	-	-	-	99,792	99,792
	-	5,399,430	2,974,693	2,499,997	2,974,693	7,899,427	10,874,120
As At 31 December 2020							
HKD term loan	567,956	-	-	-	567,956	-	567,956
USD term loan	802,881	-	-	-	802,881	-	802,881
USD syndicated term loan	1,482,366	-	-	-	1,482,366	-	1,482,366
RM Senior Medium Term notes / sukuk murabahah	-	1,799,522	-	1,519,935	-	3,319,457	3,319,457
RM Subordinated notes / sukuk murabahah	-	5,999,992	-	-	-	5,999,992	5,999,992
RM Additional Tier I capital securities	-	99,702	-	-	-	99,702	99,702
	2,853,203	7,899,216	-	1,519,935	2,853,203	9,419,151	12,272,354
As At 30 September 2020							
HKD term loan	587,364	-	-	-	587,364	-	587,364
USD term loan	830,176	-	-	-	830,176	-	830,176
USD syndicated term loan	1,532,184	-	-	-	1,532,184	-	1,532,184
RM Senior Medium Term notes / sukuk murabahah	-	1,799,484	-	1,519,887	-	3,319,371	3,319,371
RM Subordinated notes / sukuk murabahah	-	5,999,991	-	-	-	5,999,991	5,999,991
RM Additional Tier I capital securities	-	99,672	-	-	-	99,672	99,672
	2,949,724	7,899,147	-	1,519,887	2,949,724	9,419,034	12,368,758

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

Bank	More Than 1 Year		Less Than 1 Year		Sub-total		Total
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
Unsecured							
As At 30 September 2021							
USD term loan	-	-	836,844	-	836,844	-	836,844
USD syndicated term loan	-	-	1,547,207	-	1,547,207	-	1,547,207
RM Senior Medium Term notes	-	1,799,638	-	-	-	1,799,638	1,799,638
RM Subordinated notes	-	3,000,000	-	1,999,997	-	4,999,997	4,999,997
RM Additional Tier I capital securities	-	99,792	-	-	-	99,792	99,792
	-	4,899,430	2,384,051	1,999,997	2,384,051	6,899,427	9,283,478
As At 31 December 2020							
USD term loan	802,881	-	-	-	802,881	-	802,881
USD syndicated term loan	1,482,366	-	-	-	1,482,366	-	1,482,366
RM Senior Medium Term notes	-	1,799,522	-	999,985	-	2,799,507	2,799,507
RM Subordinated notes	-	4,999,992	-	-	-	4,999,992	4,999,992
RM Additional Tier I capital securities	-	99,702	-	-	-	99,702	99,702
	2,285,247	6,899,216	-	999,985	2,285,247	7,899,201	10,184,448
As At 30 September 2020							
USD term loan	830,176	-	-	-	830,176	-	830,176
USD syndicated term loan	1,532,184	-	-	-	1,532,184	-	1,532,184
RM Senior Medium Term notes	-	1,799,484	-	999,959	-	2,799,443	2,799,443
RM Subordinated notes	-	4,999,991	-	-	-	4,999,991	4,999,991
RM Additional Tier I capital securities	-	99,672	-	-	-	99,672	99,672
	2,362,360	6,899,147	-	999,959	2,362,360	7,899,106	10,261,466
Exchange rates used:	HKD	USD					
As at 30 September 2021	0.53760	4.18625					
As at 31 December 2020	0.51820	4.01800					
As at 30 September 2020	0.53635	4.15500					

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B10. Changes in Material Litigation

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

B11. Dividends

No dividend has been proposed for the 3rd quarter ended 30 September 2021.

B12. Earnings Per Share

	3rd Quarter Ended		Nine Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Net profit attributable to equity holders (RM'000)	1,361,352	1,392,832	4,275,700	3,723,743
Weighted average number of ordinary shares in issue ('000)	19,410,692	3,882,138	19,410,692	3,882,138
Bonus issue subsequent to year end ('000)	-	15,528,554	-	15,528,554
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	19,410,692	19,410,692 [#]	19,410,692	19,410,692 [#]
Basic earnings per share (sen)				
- Before issuance of bonus shares	7.01	35.88	22.03	95.92
- After issuance of bonus shares	7.01	7.18 [#]	22.03	19.18 [#]

[#] For comparative purpose, the earnings per share for the quarter and year-to-date ended 30 September 2020 had been adjusted to reflect the bonus issue of 4 bonus shares for every 1 existing ordinary share which was completed on 29 January 2021.

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.