

PUBLIC BANK BERHAD

Company Registration No.: 196501000672 (6463-H)

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PILLAR 3 DISCLOSURE

As at 30 June 2024

1. Overview

The information of Public Bank Group ("the Group") below is disclosed pursuant to the requirements of the Bank Negara Malaysia ("BNM")'s Risk-Weighted Capital Adequacy Framework (Basel II) ("RWCAF") - Disclosure Requirements (Pillar 3). Certain information relating to Public Bank Berhad ("the Bank") is presented on a voluntary basis to provide additional information to users.

Minimum Regulatory Capital Requirements

The following tables present the minimum regulatory capital requirements to support the Group's and the Bank's risk-weighted assets:

	30 June 2024		31 December 2023	
	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
Group				
Credit Risk	311,432,079	24,914,566	302,280,158	24,182,413
Market Risk	7,425,832	594,067	7,069,633	565,571
Operational Risk	24,191,041	1,935,283	23,833,549	1,906,684
Large Exposure Risk	619,118	49,529	590,812	47,265
Total	343,668,070	27,493,445	333,774,152	26,701,933
Bank				
Credit Risk	238,364,807	19,069,185	233,968,650	18,717,492
Market Risk	4,176,859	334,149	3,900,674	312,054
Operational Risk	16,272,056	1,301,764	15,942,048	1,275,364
Large Exposure Risk	596,781	47,742	570,086	45,607
Total	259,410,503	20,752,840	254,381,458	20,350,517

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2. Capital Management

Capital Adequacy Ratios and Capital Structure

(a) Capital Adequacy Ratios

Tables (i)-(ii) present the capital adequacy ratios for the following:

- (i) the Group and the Bank
- (ii) the banking subsidiary companies of the Bank

(i) Capital Adequacy Ratios of the Group and of the Bank

	Group		Bank	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Before deducting interim dividends*:				
Common Equity Tier I ("CET I") capital ratio	15.056%	15.235%	13.765%	13.875%
Tier I capital ratio	15.074%	15.253%	13.765%	13.875%
Total capital ratio	17.917%	18.146%	16.841%	16.990%
After deducting interim dividends*:				
CET I capital ratio	14.491%	14.654%	13.017%	13.112%
Tier I capital ratio	14.509%	14.672%	13.017%	13.112%
Total capital ratio	17.352%	17.564%	16.092%	16.227%

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

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.

Regulatory capital requirements

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

Banking institutions are also required to maintain a CCB of 2.5% and a CCyB above the minimum regulatory capital adequacy ratios. A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Group and the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions. The Group and the Bank have applied CCyB on their private sector credit exposures outside Malaysia in line with the respective jurisdictions' requirement to maintain their CCyB. The CCyB is not a requirement for exposures in Malaysia yet but may be applied by regulators in the future.

HLA requirement is applicable to financial institutions designated as domestic systemically important banks ("D-SIBs"). Arising from this, the Group which is designated as a D-SIB by BNM is required to maintain an additional capital buffer of 0.5% to the regulatory capital requirements in line with the BNM's D-SIB Framework.

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2. Capital Management (Cont'd.)**Capital Adequacy Ratios and Capital Structure (Cont'd.)****(a) Capital Adequacy Ratios (Cont'd.)****(ii) Capital Adequacy Ratios of the Banking Subsidiary Companies of the Bank**

	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 June 2024							
Before deducting interim dividends*:							
CET I capital ratio	13.333%	32.281%	26.593%	21.970%	29.590%	N/A	N/A
Tier I capital ratio	13.333%	32.281%	26.593%	21.970%	29.590%	28.047%	N/A
Total capital ratio	16.282%	32.788%	26.891%	22.709%	30.615%	28.331%	23.180%
After deducting interim dividends*:							
CET I capital ratio	13.333%	32.281%	26.593%	21.970%	29.463%	N/A	N/A
Tier I capital ratio	13.333%	32.281%	26.593%	21.970%	29.463%	28.047%	N/A
Total capital ratio	16.282%	32.788%	26.891%	22.709%	30.488%	28.331%	23.180%
31 December 2023							
Before deducting interim dividends*:							
CET I capital ratio	13.232%	39.135%	23.220%	23.008%	29.340%	N/A	N/A
Tier I capital ratio	13.232%	39.135%	23.220%	23.008%	29.340%	27.760%	N/A
Total capital ratio	16.245%	39.748%	23.308%	23.760%	30.369%	28.063%	21.201%
After deducting interim dividends*:							
CET I capital ratio	13.232%	36.393%	23.220%	22.612%	28.958%	N/A	N/A
Tier I capital ratio	13.232%	36.393%	23.220%	22.612%	28.958%	27.760%	N/A
Total capital ratio	16.245%	37.005%	23.308%	23.364%	29.988%	28.063%	21.201%

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

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2. Capital Management (Cont'd.)

Capital Adequacy Ratios and Capital Structure (Cont'd.)

(a) Capital Adequacy Ratios (Cont'd.)

(ii) Capital Adequacy Ratios of the Banking Subsidiary Companies of the Bank (Cont'd.)

- 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.
- 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 Tier 1 capital ratio and solvency ratio requirements are 7.5% and 16.0% respectively. Campu Bank is required to maintain a CCB of 1.25% as imposed by National Bank of Cambodia.
- 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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2. Capital Management (Cont'd.)**Capital Adequacy Ratios and Capital Structure (Cont'd.)****(b) Capital Structure**

The following tables present the capital structure of the Group and of the Bank.

	Group		Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
CET I/Tier I capital				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Other reserves	1,959,636	1,872,244	551,678	366,098
Retained profits	42,883,878	42,160,770	33,524,671	33,087,269
Qualifying non-controlling interests	781,217	755,337	-	-
Less: Goodwill and other intangible assets	(2,633,561)	(2,589,600)	(695,393)	(695,393)
Less: Deferred tax assets, net	(468,268)	(567,305)	(280,401)	(356,565)
Less: Defined benefit pension fund assets	(16,219)	(17,079)	(15,782)	(16,838)
Less: Investment in banking/insurance subsidiary companies and associated companies deducted from CET I capital	(182,721)	(180,183)	(6,793,980)	(6,505,741)
Total CET I capital	51,741,615	50,851,837	35,708,446	35,296,483
Qualifying CET I and additional Tier I capital instruments held by third parties	63,257	60,247	-	-
Total Tier I capital	51,804,872	50,912,084	35,708,446	35,296,483
Tier II capital				
Stage 1 and Stage 2 expected credit loss allowances	3,603,715	3,774,347	2,466,899	2,666,187
Qualifying regulatory reserves	289,186	4,155	512,661	258,421
Subordinated notes	4,998,416	4,998,196	4,998,416	4,998,196
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	727,457	725,806	-	-
Others	150,759	150,759	-	-
Total Tier II capital	9,769,533	9,653,263	7,977,976	7,922,804
Total capital	61,574,405	60,565,347	43,686,422	43,219,287

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3. Credit Risk**Minimum Regulatory Capital Requirements for Credit Risk**

The following tables present the minimum regulatory capital requirements for credit risk of the Group and of the Bank.

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2024				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	74,137,607	74,137,607	475,642	38,051
Public Sector Entities	2,427,652	2,427,120	71,875	5,750
Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	16,211,860	16,211,860	4,812,232	384,979
Insurance Companies, Securities Firms and Fund Managers	893,428	873,470	793,678	63,494
Corporates	90,007,727	85,497,629	67,784,558	5,422,765
Regulatory Retail	165,373,934	163,999,374	125,436,943	10,034,955
Residential Mortgages	160,661,957	160,301,587	73,716,319	5,897,305
Higher Risk Assets	105,752	105,531	158,297	12,664
Other Assets	8,343,349	8,343,349	5,146,514	411,721
Equity Exposures	776,936	776,936	776,936	62,155
Defaulted Exposures	3,868,829	3,865,442	5,405,574	432,446
	522,809,031	516,539,905	284,578,568	22,766,285
Off-Balance Sheet Exposures				
Credit-related Exposures	32,280,747	31,521,540	26,515,849	2,121,268
Derivative Financial Instruments	815,766	815,766	250,872	20,070
Other Treasury-related Exposures	690,556	690,556	33,293	2,663
Defaulted Exposures	36,118	36,118	53,497	4,280
	33,823,187	33,063,980	26,853,511	2,148,281
Total Credit Exposures	556,632,218	549,603,885	311,432,079	24,914,566

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3. Credit Risk (Cont'd.)**Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)**

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
31 December 2023				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	72,655,296	72,655,296	523,027	41,842
Public Sector Entities	2,304,355	2,304,355	30,066	2,405
Banks, DFIs and MDBs	14,655,811	14,655,811	4,772,701	381,816
Insurance Companies, Securities Firms and Fund Managers	600,986	580,339	500,986	40,079
Corporates	87,763,371	83,318,739	64,508,390	5,160,671
Regulatory Retail	161,426,346	160,130,707	122,888,280	9,831,062
Residential Mortgages	155,530,953	155,184,901	70,869,928	5,669,594
Higher Risk Assets	109,595	109,390	164,085	13,127
Other Assets	7,864,278	7,864,278	4,827,994	386,240
Equity Exposures	748,913	748,913	748,913	59,913
Defaulted Exposures	4,377,543	4,375,830	6,077,831	486,227
	508,037,447	501,928,559	275,912,201	22,072,976
Off-Balance Sheet Exposures				
Credit-related Exposures	31,588,958	30,845,514	26,027,288	2,082,183
Derivative Financial Instruments	995,763	995,763	310,497	24,840
Other Treasury-related Exposures	156,888	156,888	17,837	1,427
Defaulted Exposures	9,124	9,124	12,335	987
	32,750,733	32,007,289	26,367,957	2,109,437
Total Credit Exposures	540,788,180	533,935,848	302,280,158	24,182,413

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3. Credit Risk (Cont'd.)**Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)**

Bank Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2024				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	48,798,051	48,798,051	120,890	9,671
Public Sector Entities	74,878	74,346	4,779	382
Banks, DFIs and MDBs	9,026,054	9,026,054	2,393,492	191,479
Insurance Companies, Securities Firms and Fund Managers	76,978	76,660	76,150	6,092
Corporates	68,369,871	64,118,405	49,732,346	3,978,588
Regulatory Retail	125,314,375	124,195,936	93,809,550	7,504,764
Residential Mortgages	119,482,903	119,198,510	54,012,349	4,320,988
Higher Risk Assets	89,980	89,759	134,639	10,771
Other Assets	6,336,855	6,336,855	4,499,533	359,963
Equity Exposures	7,333,408	7,333,408	7,333,408	586,673
Defaulted Exposures	2,492,789	2,490,029	3,495,333	279,627
	387,396,142	381,738,013	215,612,469	17,248,998
Off-Balance Sheet Exposures				
Credit-related Exposures	27,215,042	26,502,410	22,431,137	1,794,491
Derivative Financial Instruments	876,102	876,102	256,496	20,520
Other Treasury-related Exposures	307,616	307,616	14,293	1,143
Defaulted Exposures	33,975	33,975	50,412	4,033
	28,432,735	27,720,103	22,752,338	1,820,187
Total Credit Exposures	415,828,877	409,458,116	238,364,807	19,069,185

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3. Credit Risk (Cont'd.)**Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)**

Bank Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
31 December 2023				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	48,618,045	48,618,045	106,307	8,504
Public Sector Entities	144,649	144,649	3,659	293
Banks, DFIs and MDBs	8,742,848	8,742,848	3,082,378	246,590
Insurance Companies, Securities Firms and Fund Managers	59,711	59,355	58,748	4,700
Corporates	68,935,358	64,827,952	49,600,964	3,968,077
Regulatory Retail	121,002,190	119,968,526	90,560,534	7,244,843
Residential Mortgages	116,390,136	116,116,062	52,198,783	4,175,903
Higher Risk Assets	93,559	93,354	140,031	11,202
Other Assets	6,089,953	6,089,953	4,556,347	364,508
Equity Exposures	7,183,714	7,183,714	7,183,714	574,697
Defaulted Exposures	2,956,594	2,955,481	4,188,807	335,105
	380,216,757	374,799,939	211,680,272	16,934,422
Off-Balance Sheet Exposures				
Credit-related Exposures	26,532,804	25,836,732	21,938,745	1,755,100
Derivative Financial Instruments	1,077,547	1,077,547	323,564	25,885
Other Treasury-related Exposures	153,924	153,924	17,837	1,427
Defaulted Exposures	6,246	6,246	8,232	658
	27,770,521	27,074,449	22,288,378	1,783,070
Total Credit Exposures	407,987,278	401,874,388	233,968,650	18,717,492

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3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures

Tables (a)-(c) present the analysis of credit exposures of financial assets before the effect of credit risk mitigation of the Group as follows:

- (a) Industry analysis
- (b) Geographical analysis based on the geographical location where the credit risk resides
- (c) Maturity analysis based on the residual contractual maturity

For on-balance sheet exposures, the maximum exposure to credit risk equals their carrying amounts. For financial guarantees, the maximum exposure to credit risk is the full amount that the Group would have to pay if the obligations for which the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit granted to customers.

(a) Industry Analysis

Group	Government and Central Banks RM'000	Financial Services RM'000	Transport & Business Services RM'000	Agriculture, Manufacturing, Wholesale & Retail Trade RM'000	Construction & Real Estate RM'000	Residential Mortgages RM'000	Motor Vehicle Financing RM'000	Other Consumer Loans RM'000	Total RM'000
30 June 2024									
On-Balance Sheet Exposures									
Cash and balances with banks (Gross)	1,085,561	11,288,706	-	-	-	-	-	-	12,374,267
Reverse repurchase agreements	3,860	-	-	-	-	-	-	-	3,860
Financial assets at fair value through profit or loss*	1,832,394	599,120	-	-	-	-	-	-	2,431,514
Derivative financial assets	-	273,742	-	-	-	-	-	-	273,742
Financial investments at fair value through other comprehensive income*	49,255,783	4,066,227	171,494	965,335	30,685	-	-	-	54,489,524
Financial investments at amortised cost (Gross)	15,893,702	12,295,356	769,908	382,680	580,950	-	-	-	29,922,596
Gross loans, advances and financing	2,042,245	18,301,543	10,873,027	51,867,615	41,448,405	176,552,631	60,028,512	49,845,359	410,959,337
Statutory deposits with Central Banks	7,661,553	-	-	-	-	-	-	-	7,661,553
	77,775,098	46,824,694	11,814,429	53,215,630	42,060,040	176,552,631	60,028,512	49,845,359	518,116,393
Commitments and Contingencies									
Contingent liabilities	1,997	25,418	140,805	195,472	125,283	-	-	2,837,049	3,326,024
Commitments	1,078,178	1,550,002	3,188,894	15,292,979	9,051,975	20,765,033	12,738	31,736,533	82,676,332
	1,080,175	1,575,420	3,329,699	15,488,451	9,177,258	20,765,033	12,738	34,573,582	86,002,356
Total Credit Exposures	78,855,273	48,400,114	15,144,128	68,704,081	51,237,298	197,317,664	60,041,250	84,418,941	604,118,749

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3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures (Cont'd.)

(a) Industry Analysis (Cont'd.)

Group	Government and Central Banks RM'000	Financial Services RM'000	Transport & Business Services RM'000	Agriculture, Manufacturing, Wholesale & Retail Trade RM'000	Construction & Real Estate RM'000	Residential Mortgages RM'000	Motor Vehicle Financing RM'000	Other Consumer Loans RM'000	Total RM'000
31 December 2023									
On-Balance Sheet Exposures									
Cash and balances with banks (Gross)	1,462,244	9,667,301	-	-	-	-	-	-	11,129,545
Reverse repurchase agreements	851	-	-	-	-	-	-	-	851
Financial assets at fair value through profit or loss*	382,152	1,893,292	-	-	-	-	-	-	2,275,444
Derivative financial assets	-	414,811	-	-	-	-	-	-	414,811
Financial investments at fair value through other comprehensive income*	48,090,484	4,581,943	80,334	860,562	102,517	-	-	-	53,715,840
Financial investments at amortised cost (Gross)	15,474,916	12,236,235	749,663	959,387	540,085	-	-	-	29,960,286
Gross loans, advances and financing	2,036,581	17,424,688	10,653,475	50,934,956	41,199,430	171,253,365	55,724,455	49,769,647	398,996,597
Statutory deposits with Central Banks	7,526,753	-	-	-	-	-	-	-	7,526,753
	<u>74,973,981</u>	<u>46,218,270</u>	<u>11,483,472</u>	<u>52,754,905</u>	<u>41,842,032</u>	<u>171,253,365</u>	<u>55,724,455</u>	<u>49,769,647</u>	<u>504,020,127</u>
Commitments and Contingencies									
Contingent liabilities	1,997	25,494	141,895	250,253	154,375	-	-	2,778,302	3,352,316
Commitments	518,312	1,533,686	3,500,270	15,191,124	9,038,377	20,351,732	21,323	30,371,849	80,526,673
	<u>520,309</u>	<u>1,559,180</u>	<u>3,642,165</u>	<u>15,441,377</u>	<u>9,192,752</u>	<u>20,351,732</u>	<u>21,323</u>	<u>33,150,151</u>	<u>83,878,989</u>
Total Credit Exposures	<u>75,494,290</u>	<u>47,777,450</u>	<u>15,125,637</u>	<u>68,196,282</u>	<u>51,034,784</u>	<u>191,605,097</u>	<u>55,745,778</u>	<u>82,919,798</u>	<u>587,899,116</u>

* Excluding equity securities which do not have any credit risk.

3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures (Cont'd.)

(b) Geographical Analysis

Group	Malaysia RM'000	Hong Kong & China RM'000	Cambodia RM'000	Other Countries RM'000	Total RM'000
30 June 2024					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	2,210,390	4,103,117	2,649,259	3,411,501	12,374,267
Reverse repurchase agreements	-	-	-	3,860	3,860
Financial assets at fair value through profit or loss*	2,431,514	-	-	-	2,431,514
Derivative financial assets	157,982	2,763	-	112,997	273,742
Financial investments at fair value through other comprehensive income*	53,706,559	240,369	-	542,596	54,489,524
Financial investments at amortised cost (Gross)	25,197,753	2,965,320	70,774	1,688,749	29,922,596
Gross loans, advances and financing	381,044,109	15,093,920	6,841,401	7,979,907	410,959,337
Statutory deposits with Central Banks	7,016,054	887	518,234	126,378	7,661,553
	471,764,361	22,406,376	10,079,668	13,865,988	518,116,393
Commitments and Contingencies					
Contingent liabilities	2,569,178	115,553	26,111	615,182	3,326,024
Commitments	68,562,279	1,204,782	1,366,514	11,542,757	82,676,332
	71,131,457	1,320,335	1,392,625	12,157,939	86,002,356
Total Credit Exposures	542,895,818	23,726,711	11,472,293	26,023,927	604,118,749
31 December 2023					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	4,248,883	3,078,886	1,622,669	2,179,107	11,129,545
Reverse repurchase agreements	-	-	-	851	851
Financial assets at fair value through profit or loss*	2,275,444	-	-	-	2,275,444
Derivative financial assets	160,028	26,915	-	227,868	414,811
Financial investments at fair value through other comprehensive income*	53,105,343	-	-	610,497	53,715,840
Financial investments at amortised cost (Gross)	25,301,778	2,932,307	114,750	1,611,451	29,960,286
Gross loans, advances and financing	369,973,664	14,450,783	6,442,464	8,129,686	398,996,597
Statutory deposits with Central Banks	6,890,295	1,342	509,885	125,231	7,526,753
	461,955,435	20,490,233	8,689,768	12,884,691	504,020,127
Commitments and Contingencies					
Contingent liabilities	2,572,798	111,230	26,829	641,459	3,352,316
Commitments	66,335,340	1,421,382	1,264,573	11,505,378	80,526,673
	68,908,138	1,532,612	1,291,402	12,146,837	83,878,989
Total Credit Exposures	530,863,573	22,022,845	9,981,170	25,031,528	587,899,116

* Excluding equity securities which do not have any credit risk.

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3. Credit Risk (Cont'd.)**3.1 Distribution of Credit Exposures (Cont'd.)****(c) Maturity Analysis**

Group	Up to 1 Year RM'000	>1 to 3 Years RM'000	>3 to 5 Years RM'000	>5 Years RM'000	Total RM'000
30 June 2024					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	12,374,267	-	-	-	12,374,267
Reverse repurchase agreements	3,860	-	-	-	3,860
Financial assets at fair value through profit or loss*	1,951,029	314,515	20,320	145,650	2,431,514
Derivative financial assets	107,270	148,536	7,782	10,154	273,742
Financial investments at fair value through other comprehensive income*	9,874,850	22,345,374	15,535,534	6,733,766	54,489,524
Financial investments at amortised cost (Gross)	9,412,942	8,025,040	10,171,680	2,312,934	29,922,596
Gross loans, advances and financing	37,638,927	31,101,935	32,438,226	309,780,249	410,959,337
Statutory deposits with Central Banks	-	-	-	7,661,553	7,661,553
Total On-Balance Sheet Exposures	71,363,145	61,935,400	58,173,542	326,644,306	518,116,393
31 December 2023					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	11,129,545	-	-	-	11,129,545
Reverse repurchase agreements	851	-	-	-	851
Financial assets at fair value through profit or loss*	2,090,840	51,193	61,407	72,004	2,275,444
Derivative financial assets	237,595	51,197	117,511	8,508	414,811
Financial investments at fair value through other comprehensive income*	12,330,845	22,953,361	13,403,523	5,028,111	53,715,840
Financial investments at amortised cost (Gross)	10,441,937	7,238,896	11,418,541	860,912	29,960,286
Gross loans, advances and financing	35,206,476	31,852,005	32,035,573	299,902,543	398,996,597
Statutory deposits with Central Banks	-	-	-	7,526,753	7,526,753
Total On-Balance Sheet Exposures	71,438,089	62,146,652	57,036,555	313,398,831	504,020,127

* Excluding equity securities which do not have any credit risk.

Approximately 14% (31 December 2023: 14%) of the Group's exposures to customers and counterparties are short-term, having contractual maturity of one year or less. About 75% (31 December 2023: 75%) of the Group's gross loans, advances and financing has residual maturity of more than five years. The longer maturity is from the housing loans/financing and hire purchase which made up 58% (31 December 2023: 58%) of the portfolio and are traditionally longer term in nature and well secured.

The residual contractual maturity for off-balance sheet exposures is not presented as the total off-balance sheet exposures do not represent future cash requirements since the Group expects many of these commitments (such as direct credit substitutes) to expire without being called or drawn upon, whereas many of the contingent liabilities (such as letters of credit) are reimbursable by customers.

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures****Composition of Off-Balance Sheet Exposures**

The following tables present the composition of off-balance sheet exposures of the Group and of the Bank. All derivative financial instruments are at their notional amounts.

Group	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
30 June 2024				
Contingent Liabilities				
Direct credit substitutes	902,857		902,857	485,323
Transaction-related contingent items	1,853,937		926,968	484,824
Short-term self-liquidating trade-related contingencies	569,230		113,846	108,618
	3,326,024		1,943,671	1,078,765
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	46,527,659		23,263,286	19,740,305
- not exceeding one year	25,070,424		5,014,086	4,178,409
Unutilised credit card lines	10,479,111		2,095,822	1,571,867
Forward asset purchases	599,138		599,138	5,471
	82,676,332		30,972,332	25,496,052
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	91,418		91,418	27,822
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	30,028,191	93,540	463,696	138,757
- more than one year to five years	1,105,664	-	68,564	34,282
Interest/profit rate related contracts:				
- up to one year	1,123,658	13,729	16,465	5,468
- more than one year to five years	4,458,075	156,319	241,601	62,769
- more than five years	275,492	10,154	25,438	9,594
Commodity related contracts:				
- up to one year	192	-	2	2
	36,991,272	273,742	815,766	250,872
Total Off-Balance Sheet Exposures	123,085,046	273,742	33,823,187	26,853,511

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures (Cont'd.)****Composition of Off-Balance Sheet Exposures (Cont'd.)**

Group	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
31 December 2023				
Contingent Liabilities				
Direct credit substitutes	911,428		911,428	491,337
Transaction-related contingent items	1,862,368		931,184	503,255
Short-term self-liquidating trade-related contingencies	578,520		115,704	111,649
	3,352,316		1,958,316	1,106,241
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	45,139,436		22,569,348	19,204,241
- not exceeding one year	25,481,237		5,096,248	4,248,513
Unutilised credit card lines	9,870,851		1,974,170	1,480,628
Forward asset purchases	35,149		35,149	4,981
	80,526,673		29,674,915	24,938,363
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	121,739		121,739	12,856
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	30,576,582	237,213	603,138	188,054
- more than one year to five years	1,075,140	-	75,260	37,630
Interest/profit rate related contracts:				
- up to one year	50,000	381	506	101
- more than one year to five years	5,471,070	168,707	291,204	75,660
- more than five years	273,440	8,509	25,649	9,046
Commodity related contracts:				
- up to one year	456	1	6	6
	37,446,688	414,811	995,763	310,497
Total Off-Balance Sheet Exposures	121,447,416	414,811	32,750,733	26,367,957

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures (Cont'd.)****Composition of Off-Balance Sheet Exposures (Cont'd.)**

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
30 June 2024				
Bank (excluding Public Bank (L) Ltd.)				
Contingent Liabilities				
Direct credit substitutes	852,191		852,191	446,154
Transaction-related contingent items	1,542,052		771,026	374,375
Short-term self-liquidating trade-related contingencies	166,033		33,207	31,643
	2,560,276		1,656,424	852,172
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	39,093,210		19,546,218	16,851,794
- not exceeding one year	20,134,586		4,026,918	3,252,789
Unutilised credit card lines	9,798,720		1,959,744	1,469,808
Forward asset purchases	235,199		235,199	5,471
	69,261,715		25,768,079	21,579,862
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	72,417		72,417	8,822
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	28,507,073	91,061	452,302	130,035
- more than one year to five years	1,105,664	-	68,564	34,282
Interest rate related contracts:				
- up to one year	1,350,000	10,706	14,006	2,801
- more than one year to five years	6,945,753	159,538	282,453	66,113
- more than five years	400,000	415	20,415	4,083
Commodity related contracts:				
- up to one year	192	-	2	2
	38,308,682	261,720	837,742	237,316
Total	110,203,090	261,720	28,334,662	22,678,172

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures (Cont'd.)****Composition of Off-Balance Sheet Exposures (Cont'd.)**

	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
Bank				
30 June 2024				
Public Bank (L) Ltd.				
Contingent Liabilities				
Direct credit substitutes	11,796		11,796	7,079
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	49,731		24,866	24,866
- not exceeding one year	115,260		23,051	23,041
	164,991		47,917	47,907
Derivative Financial Instruments				
Interest rate related contracts:				
- up to one year	273,658	6,567	7,253	3,626
- more than one year to five years	212,322	9,715	16,084	8,043
- more than five years	75,492	9,739	15,023	7,511
	561,472	26,021	38,360	19,180
Total	738,259	26,021	98,073	74,166
Total Off-Balance Sheet Exposures of the Bank and Public Bank (L) Ltd.	110,941,349	287,741	28,432,735	22,752,338

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures (Cont'd.)****Composition of Off-Balance Sheet Exposures (Cont'd.)**

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
31 December 2023				
Bank (excluding Public Bank (L) Ltd.)				
Contingent Liabilities				
Direct credit substitutes	861,080		861,080	453,361
Transaction-related contingent items	1,513,282		756,641	376,455
Short-term self-liquidating trade-related contingencies	278,834		55,767	53,573
	<u>2,653,196</u>		<u>1,673,488</u>	<u>883,389</u>
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	37,709,254		18,854,408	16,305,181
- not exceeding one year	20,559,687		4,111,937	3,329,061
Unutilised credit card lines	9,305,428		1,861,086	1,395,814
Forward asset purchases	35,149		35,149	4,981
	<u>67,609,518</u>		<u>24,862,580</u>	<u>21,035,037</u>
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	118,775		118,775	12,856
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	29,123,646	230,375	589,105	181,958
- more than one year to five years	1,075,140	-	75,260	37,630
Interest rate related contracts:				
- up to one year	50,000	381	506	101
- more than one year to five years	8,198,300	178,019	349,969	79,897
- more than five years	400,000	596	24,595	4,919
Commodity related contracts:				
- up to one year	456	1	6	6
	<u>38,847,542</u>	<u>409,372</u>	<u>1,039,441</u>	<u>304,511</u>
Total	<u>109,229,031</u>	<u>409,372</u>	<u>27,694,284</u>	<u>22,235,793</u>

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3. Credit Risk (Cont'd.)**3.2 Off-Balance Sheet Exposures (Cont'd.)****Composition of Off-Balance Sheet Exposures (Cont'd.)**

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk- Weighted Assets RM'000
31 December 2023				
Public Bank (L) Ltd.				
Contingent Liabilities				
Direct credit substitutes	11,475		11,475	6,885
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	46,166		23,083	23,083
- not exceeding one year	17,864		3,573	3,564
	64,030		26,656	26,647
Derivative Financial Instruments				
Interest rate related contracts:				
- more than one year to five years	472,770	15,505	25,052	12,526
- more than five years	73,440	7,913	13,054	6,527
	546,210	23,418	38,106	19,053
Total	621,715	23,418	76,237	52,585
Total Off-Balance Sheet Exposures of the Bank and Public Bank (L) Ltd.	109,850,746	432,790	27,770,521	22,288,378

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3. Credit Risk (Cont'd.)**3.3 Credit Risk Mitigation****Credit Risk Mitigation Analysis**

The following tables present the credit risk mitigation analysis of the Group i.e. credit exposures covered by eligible financial collateral and financial guarantees as defined under the Standardised Approach. Eligible financial collateral consists primarily of cash, securities from listed exchange, unit trust or marketable securities. The Group does not have any credit exposure which is reduced through the application of other eligible collateral.

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures Covered by Guarantees RM'000	Total Exposures Covered by Eligible Financial Collateral RM'000	Total Exposures Covered by Other Eligible Collateral RM'000
30 June 2024				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	74,137,607	-	-	-
Public Sector Entities	2,427,652	2,067,746	532	-
Banks, DFIs and MDBs	16,211,860	182,378	-	-
Insurance Companies, Securities Firms and Fund Managers	893,428	510	19,958	-
Corporates	90,007,727	5,194,947	4,510,098	-
Regulatory Retail	165,373,934	646,094	1,374,560	-
Residential Mortgages	160,661,957	-	360,370	-
Higher Risk Assets	105,752	-	221	-
Other Assets	8,343,349	-	-	-
Equity Exposures	776,936	-	-	-
Defaulted Exposures	3,868,829	-	3,387	-
	522,809,031	8,091,675	6,269,126	-
Off-Balance Sheet Exposures				
Credit-related Exposures	32,280,747	172,672	759,207	-
Derivative Financial Instruments	815,766	-	-	-
Other Treasury-related Exposures	690,556	-	-	-
Defaulted Exposures	36,118	-	-	-
	33,823,187	172,672	759,207	-
Total Credit Exposures	556,632,218	8,264,347	7,028,333	-

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3. Credit Risk (Cont'd.)**3.3 Credit Risk Mitigation (Cont'd.)****Credit Risk Mitigation Analysis (Cont'd.)**

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures Covered by Guarantees RM'000	Total Exposures Covered by Eligible Financial Collateral RM'000	Total Exposures Covered by Other Eligible Collateral RM'000
31 December 2023				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	72,655,296	-	-	-
Public Sector Entities	2,304,355	2,154,026	-	-
Banks, DFIs and MDBs	14,655,811	187,516	-	-
Insurance Companies, Securities				
Firms and Fund Managers	600,986	607	20,647	-
Corporates	87,763,371	6,449,111	4,444,632	-
Regulatory Retail	161,426,346	782,047	1,295,639	-
Residential Mortgages	155,530,953	-	346,052	-
Higher Risk Assets	109,595	-	205	-
Other Assets	7,864,278	-	-	-
Equity Exposures	748,913	-	-	-
Defaulted Exposures	4,377,543	-	1,713	-
	508,037,447	9,573,307	6,108,888	-
Off-Balance Sheet Exposures				
Credit-related Exposures	31,588,958	190,003	743,444	-
Derivative Financial Instruments	995,763	-	-	-
Other Treasury-related Exposures	156,888	-	-	-
Defaulted Exposures	9,124	-	-	-
	32,750,733	190,003	743,444	-
Total Credit Exposures	540,788,180	9,763,310	6,852,332	-

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach

Under the Standardised Approach, the Group makes use of credit ratings assigned by credit rating agencies in its calculation of credit risk-weighted assets. The following is a summary of the rules governing the assignment of risk weights under the Standardised Approach. Each rated exposure must be assigned to one of the six credit quality rating categories defined in the table below:

Rating Category	Standard & Poor's	Moody's Investors Service	Fitch Ratings	RAM Rating Services Berhad	Malaysian Rating Corporation Berhad
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB1 to BBB3	BBB+ to BBB-
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	BB1 to BB3	BB+ to BB-
5	B+ to B-	B1 to B3	B+ to B-	B1 to B3	B+ to B-
6	CCC+ and below	Caa1 and below	CCC+ and below	C1 and below	C+ and below

The Group uses a system to automatically execute the selection of ratings and allocation of risk weights. The following table is a summarised risk weight mapping matrix for each credit quality rating category:

Rating Category	Risk Weights Based on Credit Rating of the Counterparty Exposure Class			
	Sovereigns and Central Banks	Corporates	Banking Institutions	
			For Exposure Greater Than Six Months Original Maturity	For Exposure Less Than Six Months Original Maturity
1	0%	20%	20%	20%
2	20%	50%	50%	20%
3	50%	100%	50%	20%
4	100%	100%	100%	50%
5	100%	150%	100%	50%
6	150%	150%	150%	150%

In addition to the above, credit exposures under the counterparty exposure class of Banking Institutions, with an original maturity of three months or less which are denominated and funded in Ringgit Malaysia, are all risk-weighted at 20% regardless of credit rating.

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories

The following tables present the credit exposures of the Group before the effect of credit risk mitigation by credit quality rating categories.

Group Exposure Class	Rating Categories						Unrated RM'000	Total RM'000
	1 RM'000	2 RM'000	3 RM'000	4 RM'000	5 RM'000	6 RM'000		
30 June 2024								
On-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	18,761,409	1,093,612	65,782	-	-	-		19,920,803
- Regulatory Retail	18,286	-	-	-	-	-		18,286
	18,779,695	1,093,612	65,782	-	-	-		19,939,089
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks [#]								
- Sovereigns and Central Banks	1,591,989	70,853,040	-	308,081	1,067,811	316,686		74,137,607
- Public Sector Entities	-	2,402,947	-	-	-	-		2,402,947
- Banks, DFIs and MDBs	-	182,378	-	-	-	-		182,378
- Insurance Companies, Securities Firms and Fund Managers	-	510	-	-	-	-		510
- Corporates	-	2,252,493	-	-	-	-		2,252,493
- Regulatory Retail	-	623,782	-	-	-	-		623,782
	1,591,989	76,315,150	-	308,081	1,067,811	316,686		79,599,717
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	8,011,791	4,394,440	1,133,263	722,801	146,289	-		14,408,584
- Corporates	139,113	30,829	-	-	-	-		169,942
- Regulatory Retail	-	4,026	-	-	-	-		4,026
	8,150,904	4,429,295	1,133,263	722,801	146,289	-		14,582,552
(iv) Exposures risk-weighted using ratings of Insurance Companies, Securities Firms and Fund Managers								
- Insurance Companies, Securities Firms and Fund Managers	99,102	-	-	-	-	-		99,102
Total Rated Exposures	28,621,690	81,838,057	1,199,045	1,030,882	1,214,100	316,686		114,220,460
(b) Total Unrated Exposures							408,588,571	408,588,571
	28,621,690	81,838,057	1,199,045	1,030,882	1,214,100	316,686	408,588,571	522,809,031

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

Group Exposure Class	Rating Categories						Unrated RM'000	Total RM'000
	1 RM'000	2 RM'000	3 RM'000	4 RM'000	5 RM'000	6 RM'000		
30 June 2024								
Off-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	186,494	1,228	-	-	-	-		187,722
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks [#]								
- Sovereigns and Central Banks	-	766,925	-	19,001	-	-		785,926
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	330,264	178,932	24,454	7,513	-	-		541,163
- Corporates	317	3,482	-	-	-	-		3,799
	330,581	182,414	24,454	7,513	-	-		544,962
Total Rated Exposures	517,075	950,567	24,454	26,514	-	-		1,518,610
(b) Total Unrated Exposures							32,304,577	32,304,577
	517,075	950,567	24,454	26,514	-	-	32,304,577	33,823,187
Total Credit Exposures before Credit Risk Mitigation	29,138,765	82,788,624	1,223,499	1,057,396	1,214,100	316,686	440,893,148	556,632,218

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

Group Exposure Class	Rating Categories						Unrated RM'000	Total RM'000
	1 RM'000	2 RM'000	3 RM'000	4 RM'000	5 RM'000	6 RM'000		
31 December 2023								
On-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	18,761,801	1,356,829	198,986	-	-	-		20,317,616
- Regulatory Retail	23,583	-	-	-	-	-		23,583
	18,785,384	1,356,829	198,986	-	-	-		20,341,199
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks [#]								
- Sovereigns and Central Banks	1,578,754	69,518,576	-	385,175	1,087,371	85,420		72,655,296
- Public Sector Entities	-	2,285,751	-	-	-	-		2,285,751
- Banks, DFIs and MDBs	-	187,517	-	-	-	-		187,517
- Insurance Companies, Securities Firms and Fund Managers	-	607	-	-	-	-		607
- Corporates	-	2,814,729	-	-	-	-		2,814,729
- Regulatory Retail	-	751,381	-	-	-	-		751,381
	1,578,754	75,558,561	-	385,175	1,087,371	85,420		78,695,281
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	7,051,513	4,211,514	102,272	737,939	359,765	-		12,463,003
- Corporates	592,225	68,491	-	-	-	-		660,716
- Regulatory Retail	-	4,671	-	-	-	-		4,671
	7,643,738	4,284,676	102,272	737,939	359,765	-		13,128,390
(iv) Exposures risk-weighted using ratings of Insurance Companies, Securities Firms and Fund Managers								
- Insurance Companies, Securities Firms and Fund Managers	98,432	-	-	-	-	-		98,432
Total Rated Exposures	28,106,308	81,200,066	301,258	1,123,114	1,447,136	85,420		112,263,302
(b) Total Unrated Exposures							395,774,145	395,774,145
	28,106,308	81,200,066	301,258	1,123,114	1,447,136	85,420	395,774,145	508,037,447

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

Group Exposure Class	Rating Categories						Unrated RM'000	Total RM'000
	1 RM'000	2 RM'000	3 RM'000	4 RM'000	5 RM'000	6 RM'000		
31 December 2023								
Off-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	186,513	4,685	308	-	-	-		191,506
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks [#]								
- Sovereigns and Central Banks	-	162,601	-	-	-	-		162,601
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	436,735	298,846	19,893	3,906	-	-		759,380
- Corporates	1,833	3,444	-	-	-	-		5,277
- Regulatory Retail	-	-	-	4,026	-	-		4,026
	438,568	302,290	19,893	7,932	-	-		768,683
Total Rated Exposures	625,081	469,576	20,201	7,932	-	-		1,122,790
(b) Total Unrated Exposures							31,627,943	31,627,943
	625,081	469,576	20,201	7,932	-	-	31,627,943	32,750,733
Total Credit Exposures before Credit Risk Mitigation	28,731,389	81,669,642	321,459	1,131,046	1,447,136	85,420	427,402,088	540,788,180

[#] Under the RWCAF, exposures denominated and funded in Ringgit Malaysia and guaranteed by the Federal Government of Malaysia or BNM are accorded a preferential sovereign risk weight of 0%.

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights

The following tables present the credit exposures of the Group and of the Bank after the effect of credit risk mitigation by risk weights.

← Credit Exposures after the Effect of Credit Risk Mitigation →												
Group Risk Weights	Sovereigns/ Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity Exposures	Total Exposures after Credit Risk Mitigation	Total Risk- Weighted Assets
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30 June 2024												
0%	74,213,185	2,067,746	182,378	510	2,131,296	623,782	-	-	3,157,576	-	82,376,473	-
20%	396,208	363,172	12,008,535	99,102	19,087,333	18,286	-	-	49,074	-	32,021,710	6,404,342
35%	-	-	-	-	-	-	104,950,376	-	-	-	104,950,376	36,732,632
50%	2	-	4,283,980	-	1,303,625	15,319	39,139,611	-	-	-	44,742,537	22,371,268
75%	-	-	-	-	-	165,640,484	202,056	-	-	-	165,842,540	124,381,905
100%	344,911	-	491,790	823,772	73,804,723	14,835,443	19,712,609	-	5,136,699	776,936	115,926,883	115,926,883
150%	69,237	-	16,177	-	1,337,182	2,048,623	135,450	136,697	-	-	3,743,366	5,615,049
Total	75,023,543	2,430,918	16,982,860	923,384	97,664,159	183,181,937	164,140,102	136,697	8,343,349	776,936	549,603,885	311,432,079
Risk-Weighted Assets by Exposures	528,009	72,634	5,059,753	843,592	80,279,775	142,150,057	76,369,763	205,046	5,146,514	776,936	311,432,079	
Average Risk Weights	0.7%	3.0%	29.8%	91.4%	82.2%	77.6%	46.5%	150.0%	61.7%	100.0%	56.7%	
Deduction from Total Capital			-							-		-

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

Group Risk Weights	Credit Exposures after the Effect of Credit Risk Mitigation										Total Exposures after Credit Risk Mitigation RM'000	Total Risk- Weighted Assets RM'000
	Sovereigns/ Central Banks RM'000	Public Sector Entities RM'000	Banks, DFIs and MDBs RM'000	Insurance Companies, Securities Firms and Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000		
31 December 2023												
0%	72,188,186	2,154,026	187,517	607	2,696,859	751,381	-	-	3,024,160	-	81,002,736	-
20%	269,606	154,486	10,687,755	98,432	19,542,299	23,583	-	-	15,155	-	30,791,316	6,158,263
35%	-	-	-	-	-	-	103,053,180	-	-	-	103,053,180	36,068,613
50%	2	-	3,892,880	-	1,566,735	26,447	37,019,055	-	-	-	42,505,119	21,252,560
75%	-	-	-	-	-	159,127,237	223,945	-	-	-	159,351,182	119,513,386
100%	404,181	-	758,288	526,862	70,793,170	16,524,293	18,541,604	-	4,824,963	748,913	113,122,274	113,122,274
150%	55,933	-	166,093	-	1,014,758	2,608,663	124,839	139,755	-	-	4,110,041	6,165,062
Total	72,917,908	2,308,512	15,692,533	625,901	95,613,821	179,061,604	158,962,623	139,755	7,864,278	748,913	533,935,848	302,280,158
Risk-Weighted Assets by Exposures	542,003	30,897	5,091,419	546,548	77,007,134	139,800,655	73,474,962	209,633	4,827,994	748,913	302,280,158	
Average Risk Weights	0.7%	1.3%	32.4%	87.3%	80.5%	78.1%	46.2%	150.0%	61.4%	100.0%	56.6%	
Deduction from Total Capital			-							-		-

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

← Credit Exposures after the Effect of Credit Risk Mitigation →												
Bank Risk Weights	Sovereigns/ Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity Exposures	Total Exposures after Credit Risk Mitigation	Total Risk- Weighted Assets
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30 June 2024												
0%	48,957,761	50,449	182,378	510	1,939,758	558,589	-	-	2,881,223	-	54,570,668	-
20%	277,439	27,695	8,365,958	-	15,061,526	18,286	-	-	-	-	23,750,904	4,750,181
35%	-	-	-	-	-	-	79,523,608	-	-	-	79,523,608	27,833,263
50%	2	-	898,234	-	892,306	7,304	28,751,104	-	-	-	30,548,950	15,274,475
75%	-	-	-	-	-	131,031,922	128,584	-	-	-	131,160,506	98,370,379
100%	-	-	495,719	124,514	55,908,136	6,841,447	13,366,369	-	3,364,858	7,333,408	87,434,451	87,434,451
150%	65,845	-	80,198	-	653,479	1,428,648	35,288	114,797	-	-	2,378,255	3,567,383
1250%	-	-	-	-	-	-	-	-	90,774	-	90,774	1,134,675
Total	49,301,047	78,144	10,022,487	125,024	74,455,205	139,886,196	121,804,953	114,797	6,336,855	7,333,408	409,458,116	238,364,807
Risk-Weighted Assets by Exposures	154,256	5,539	2,738,325	124,514	60,346,813	107,265,669	55,724,554	172,196	4,499,533	7,333,408	238,364,807	
Average Risk Weights	0.3%	7.1%	27.3%	99.6%	81.1%	76.7%	45.7%	150.0%	71.0%	100.0%	58.2%	
Deduction from Total Capital			-							-		-

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3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

← Credit Exposures after the Effect of Credit Risk Mitigation →												
Bank Risk Weights	Sovereigns/ Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Equity Exposures	Total Exposures after Credit Risk Mitigation	Total Risk- Weighted Assets
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31 December 2023												
0%	48,614,842	126,356	182,405	607	2,504,537	693,526	-	-	2,572,114	-	54,694,387	-
20%	206,916	22,450	7,587,277	-	15,537,564	23,583	-	-	-	-	23,377,790	4,675,558
35%	-	-	-	-	-	-	78,753,644	-	-	-	78,753,644	27,563,775
50%	2	-	698,862	-	928,247	12,881	27,184,451	-	-	-	28,824,443	14,412,222
75%	-	-	-	-	-	125,908,725	141,124	-	-	-	126,049,849	94,537,387
100%	-	-	1,406,803	138,616	55,356,178	6,861,526	12,575,748	-	3,427,534	7,183,714	86,950,119	86,950,119
150%	55,933	-	166,093	-	852,019	1,908,155	33,751	117,900	-	-	3,133,851	4,700,776
1250%	-	-	-	-	-	-	-	-	90,305	-	90,305	1,128,813
Total	48,877,693	148,806	10,041,440	139,223	75,178,545	135,408,396	118,688,718	117,900	6,089,953	7,183,714	401,874,388	233,968,650
Risk-Weighted Assets by Exposures	125,284	4,490	3,522,829	138,616	60,205,843	104,166,459	53,888,218	176,850	4,556,347	7,183,714	233,968,650	
Average Risk Weights	0.3%	3.0%	35.1%	99.6%	80.1%	76.9%	45.4%	150.0%	74.8%	100.0%	58.2%	
Deduction from Total Capital			-							-		-

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3. Credit Risk (Cont'd.)**3.5 Credit Quality of Gross Loans, Advances and Financing****(a) Past Due But Not Credit-impaired**

Tables (i)-(ii) present the analyses of past due but not credit-impaired loans, advances and financing of the Group by the following:

- (i) Economic purpose
- (ii) Geographical

(i) Economic Purpose

Group	30 June 2024	31 December 2023
	RM'000	RM'000
Purchase of securities	19,074	11,893
Purchase of transport vehicles	7,428,315	7,583,029
Purchase of properties	15,473,415	16,058,991
(Of which: - residential	10,874,664	12,430,033
- non-residential)	4,598,751	3,628,958
Purchase of fixed assets (excluding properties)	5,195	4,326
Personal use	785,050	824,131
Credit card	273,310	265,288
Construction	241,439	198,210
Working capital	5,041,282	1,145,374
Other purpose	160,317	158,576
	29,427,397	26,249,818

(ii) Geographical

Group	30 June 2024	31 December 2023
	RM'000	RM'000
Malaysia	27,763,398	24,882,563
Hong Kong & China	548,706	546,344
Cambodia	723,916	557,263
Other countries	391,377	263,648
	29,427,397	26,249,818

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3. Credit Risk (Cont'd.)**3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)****(b) Credit-impaired Loans, Advances and Financing**

Tables (i)-(iii) present the analyses of credit-impaired loans, advances and financing of the Group and the impairment allowances of the Group by the following:

- (i) Economic purpose
- (ii) Geographical
- (iii) Reconciliation of loss allowance for loans, advances and financing

(i) Economic Purpose

	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2024 RM'000	Net Charge for the Period RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 30 June 2024 RM'000	Collective Assessment Allowance at 30 June 2024 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
Group							
30 June 2024							
Purchase of securities	3,126	8,414	(8,414)	-	-	5,613	5,613
Purchase of transport vehicles	221,985	20,921	24,823	(16,941)	28,803	915,204	944,007
Purchase of properties	1,739,181	157,635	(31,191)	(5,219)	121,225	1,061,617	1,182,842
(Of which: - residential	787,064	8,213	8,191	(2,341)	14,063	407,357	421,420
- non-residential)	952,117	149,422	(39,382)	(2,878)	107,162	654,260	761,422
Purchase of fixed assets (excluding properties)	12,903	2,393	1,587	(2,432)	1,548	3,119	4,667
Personal use	143,919	25,894	60,438	(58,533)	27,799	104,832	132,631
Credit card	12,944	197	896	(28)	1,065	45,174	46,239
Purchase of consumer durables	3	-	-	-	-	1	1
Construction	27,229	1,346	74,153	(73,024)	2,475	151,897	154,372
Working capital	460,127	36,225	43,938	(35,635)	44,528	301,756	346,284
Other purpose	1,785	-	155	-	155	1,227,893	1,228,048
	2,623,202	253,025	166,385	(191,812)	227,598	3,817,106	4,044,704

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3. Credit Risk (Cont'd.)**3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)****(b) Credit-impaired Loans, Advances and Financing (Cont'd.)****(i) Economic Purpose (Cont'd.)**

Group	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2023 RM'000	Net Charge for the Year RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 31 December 2023 RM'000	Collective Assessment Allowance at 31 December 2023 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
31 December 2023							
Purchase of securities	34,242	11,316	(2,902)	-	8,414	2,015	10,429
Purchase of transport vehicles	212,001	20,550	29,179	(28,808)	20,921	904,242	925,163
Purchase of properties	1,510,176	47,317	121,262	(10,944)	157,635	1,055,602	1,213,237
(Of which: - residential	652,007	4,015	11,055	(6,857)	8,213	400,367	408,580
- non-residential)	858,169	43,302	110,207	(4,087)	149,422	655,235	804,657
Purchase of fixed assets (excluding properties)	10,882	2,027	1,721	(1,355)	2,393	3,107	5,500
Personal use	125,795	26,175	117,296	(117,577)	25,894	116,368	142,262
Credit card	19,507	-	196	1	197	52,467	52,664
Construction	24,171	31	1,369	(54)	1,346	148,214	149,560
Working capital	397,359	25,865	64,075	(53,715)	36,225	297,854	334,079
Other purpose	1,239	-	55	(55)	-	1,413,724	1,413,724
	2,335,372	133,281	332,251	(212,507)	253,025	3,993,593	4,246,618

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3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing (Cont'd.)

(ii) Geographical

	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2024 RM'000	Net Charge for the Period RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 30 June 2024 RM'000	Collective Assessment Allowance at 30 June 2024 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
Group							
30 June 2024							
Malaysia	1,698,170	92,266	40,142	(8,447)	123,961	3,542,210	3,666,171
Hong Kong & China	568,002	125,785	96,646	(155,097)	67,334	137,238	204,572
Cambodia	141,241	8,358	9,412	(14,368)	3,402	95,387	98,789
Other countries	215,789	26,616	20,185	(13,900)	32,901	42,271	75,172
	2,623,202	253,025	166,385	(191,812)	227,598	3,817,106	4,044,704
Group							
31 December 2023							
Malaysia	1,489,262	67,432	46,059	(21,225)	92,266	3,737,881	3,830,147
Hong Kong & China	547,102	47,946	223,635	(145,796)	125,785	125,546	251,331
Cambodia	97,900	-	22,126	(13,768)	8,358	84,063	92,421
Other countries	201,108	17,903	40,431	(31,718)	26,616	46,103	72,719
	2,335,372	133,281	332,251	(212,507)	253,025	3,993,593	4,246,618

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing (Cont'd.)

(iii) Reconciliation of Loss Allowance for Loans, Advances and Financing

Movements in loss allowances for loans/financing which reflect the expected credit losses ("ECL") model on impairment are as follows:

Group	12-Month	Lifetime ECL		Total
	ECL	Not Credit-	Credit-	
	(Stage 1)	impaired	impaired	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	1,183,547	2,497,151	565,920	4,246,618
Changes due to loans, advances and financing recognised as at				
1 January 2024:	178,238	(177,305)	(933)	-
- Transfer to Stage 1: 12-Month ECL	194,056	(181,819)	(12,237)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(13,764)	60,055	(46,291)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2,054)	(55,541)	57,595	-
New loans, advances and financing originated	56,893	23,702	7,011	87,606
Net remeasurement due to changes in credit risk	(322,574)	124,767	275,165	77,358
Loans, advances and financing derecognised (other than write-off)	(24,342)	(18,353)	(11,018)	(53,713)
Modifications to contractual cash flows of loans, advances and financing	(1,286)	(7,635)	53,202	44,281
Amount written off	-	-	(362,684)	(362,684)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(8)	(8)
Exchange differences	445	1,649	3,152	5,246
At 30 June 2024	1,070,921	2,443,976	529,807	4,044,704
Group				
At 1 January 2023	2,074,558	1,858,411	375,852	4,308,821
Changes due to loans, advances and financing recognised as at				
1 January 2023:	311,368	(336,808)	25,440	-
- Transfer to Stage 1: 12-Month ECL	344,692	(332,681)	(12,011)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(29,839)	48,611	(18,772)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(3,485)	(52,738)	56,223	-
New loans, advances and financing originated	107,876	62,032	54,936	224,844
Net remeasurement due to changes in credit risk	(1,226,280)	1,083,049	465,220	321,989
Loans, advances and financing derecognised (other than write-off)	(55,627)	(52,037)	(22,992)	(130,656)
Modifications to contractual cash flows of loans, advances and financing	(2,915)	(60,567)	87,209	23,727
Changes in models / risk parameters	(25,232)	(58,636)	(1,892)	(85,760)
Amount written off	(749)	-	(426,176)	(426,925)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(535)	(535)
Exchange differences	548	1,707	8,858	11,113
At 31 December 2023	1,183,547	2,497,151	565,920	4,246,618

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4. Market Risk**Minimum Regulatory Capital Requirements for Market Risk**

The following tables present the minimum regulatory capital requirements for market risk of the Group and of the Bank.

Group	Long Position RM'000	Short Position RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2024				
Interest rate/rate of return risk	32,447,453	(30,477,673)	1,246,598	99,728
Foreign exchange risk	7,300,680	(1,121,655)	6,179,234	494,339
Total	39,748,133	(31,599,328)	7,425,832	594,067

31 December 2023

Interest rate/rate of return risk	33,333,401	(31,466,624)	1,293,710	103,497
Foreign exchange risk	6,530,431	(754,811)	5,775,923	462,074
Total	39,863,832	(32,221,435)	7,069,633	565,571

Bank**30 June 2024**

Interest rate risk	30,404,818	(29,033,720)	1,227,416	98,193
Foreign exchange risk	4,070,889	(3,311,148)	2,949,443	235,956
Total	34,475,707	(32,344,868)	4,176,859	334,149

31 December 2023

Interest rate risk	30,054,635	(30,081,148)	1,214,689	97,175
Foreign exchange risk	3,440,493	(2,822,413)	2,685,985	214,879
Total	33,495,128	(32,903,561)	3,900,674	312,054

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4. Market Risk (Cont'd.)**4.1 Interest Rate/Rate of Return Risk in the Banking Book****Interest Rate/Rate of Return Risk Sensitivity Analysis**

The following table presents the projected Group's sensitivity to a 100 basis point parallel rate movement across all maturities applied on the Group's interest rate/rate of return sensitivity gap as at the reporting date, taking into consideration the behavioural pattern of certain indeterminate maturity of deposits such as demand and savings deposits to reflect the actual sensitivity behavioural of these deposits. Where the current interest rate/rate of return is lower than 1%, the downward rate shock applied is restricted to the prevailing interest rate/rate of return.

Group	30 June 2024		31 December 2023	
	-100 bps	+100 bps	-100 bps	+100 bps
	← Increase/(Decrease) →			
	RM'000	RM'000	RM'000	RM'000
Impact on Net Interest/ Profit Income ("NII/NPI")				
Ringgit Malaysia	(950,643)	870,815	(903,505)	804,415
United States Dollars	(40,440)	33,594	(48,358)	41,881
Hong Kong Dollars	(42,938)	39,747	(37,223)	33,453
Other Currencies	(3,572)	1,062	(26,204)	23,677
Total	(1,037,593)	945,218	(1,015,290)	903,426

**Impact on Economic Value
of Equity ("EVE")**

Ringgit Malaysia	2,740,348	(1,420,872)	2,708,429	(1,373,954)
United States Dollars	149,661	(111,404)	126,981	(84,960)
Hong Kong Dollars	(44,772)	59,483	(45,915)	56,842
Other Currencies	46,709	(36,505)	28,473	(18,470)
Total	2,891,946	(1,509,298)	2,817,968	(1,420,542)

The reported amounts do not capture the impact of business growth or of management actions and are based on the balance sheet as at reporting date. In reality, the Assets & Liabilities Management Committee ("ALCO") seeks to proactively change the interest rate/rate of return risk profile to minimise losses and maximise net revenue. The projection assumes a constant statements of financial position and that all positions run to maturity.

The repricing profile of loans/financing that does not have maturity is based on the earliest possible repricing dates. Actual dates may differ from contractual dates owing to prepayments. Where possible and material, loans/financing prepayments are generally estimated based on past statistics and trends. The impact on the NII/NPI and EVE are measured on a monthly basis for the Bank and quarterly basis for the Group, both of which are reported to the ALCO and the Risk Management Committee.

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5. Equity Exposures in the Banking Book

The following tables present the equity exposures in the banking book and the gains and losses on equity exposures in the banking book of the Group.

(a) Equity Exposures in the Banking Book

Group	30 June 2024		31 December 2023	
	Gross Credit Exposure RM'000	Risk-Weighted Assets RM'000	Gross Credit Exposure RM'000	Risk-Weighted Assets RM'000
<u>Publicly traded</u>				
Holdings of equity investments	1,293	1,293	1,478	1,478
<u>Privately held</u>				
For socio-economic purposes	775,643	775,643	747,435	747,435
Not for socio-economic purposes	36,869	55,304	35,759	53,639
	812,512	830,947	783,194	801,074
Total	813,805	832,240	784,672	802,552

(b) Gains and Losses on Equity Exposures in the Banking Book

Group	30 June 2024 RM'000	31 December 2023 RM'000
Unrealised revaluation gain/(loss) recognised in profit or loss		
- Privately held equity investments	28,172	(29,038)
Unrealised revaluation gain/(loss) recognised in other comprehensive income		
- Privately held equity investments	155	5,928
- Publicly traded equity investments	(185)	(197)
	(30)	5,731

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6. Operational Risk**Minimum Regulatory Capital Requirements for Operational Risk**

The following table presents the minimum regulatory capital requirements for operational risk of the Group and of the Bank, computed using the Basic Indicator Approach.

	30 June 2024		31 December 2023	
	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000	Risk- Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
Group	24,191,041	1,935,283	23,833,549	1,906,684
Bank	16,272,056	1,301,764	15,942,048	1,275,364

7. Shariah Non-Compliance Risk

There were two (2) Shariah Non-Compliance ("SNC") events reported during the period under review due to additional accounts detected following of the portfolio sweep conducted previously. There were SNC income which had materialised from three (3) Actual SNC events confirmed in prior years amounting to a total of RM2,956,005 as at 30 June 2024 (31 December 2023: RM26,000) which had resulted from the closed and settled accounts whereby rectification actions were unable to be performed.

Under the Islamic capital market activities by Public Investment Bank Berhad, an amount of RM10 (31 December 2023: RM23) was recognised as gharamah amount to be channelled to charity as advised by the Shariah Adviser. The Stockbroking Division and Debt Capital Markets Division work closely with the Shariah Adviser to ensure all Islamic capital market transactions comply with the Shariah requirements under the relevant guidelines or best practices issued by BNM, Bursa Malaysia and Securities Commission.