

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	31 March 2022 RM'000	31 December 2021 RM'000
ASSETS			
Cash and balances with banks		295,634	659,606
Derivative financial assets		31,171	14,587
Financial investments at fair value through other comprehensive income	A8	11,025,913	10,241,995
Financial investments at amortised cost	A9	5,427,067	5,493,069
Financing and advances	A10	61,191,440	59,315,652
Other assets	A11	206,223	201,811
Statutory deposits with Bank Negara Malaysia		170,800	181,500
Deferred tax assets		194,966	194,892
Collective investment		580,085	577,254
Investment in an associated company		67,500	67,500
Right-of-use assets		14,827	14,992
Property and equipment		3,266	3,415
TOTAL ASSETS		79,208,892	76,966,273
LIABILITIES			
Deposits from customers	A12	67,309,220	66,307,110
Deposits from banks and other financial institutions	A13	3,137,698	2,105,771
Bills and acceptances payable		339	284
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		68,883	103,576
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		15,378	15,483
Other liabilities	A14	711,362	640,889
Provision for zakat and taxation		81,324	81,736
TOTAL LIABILITIES		73,424,204	71,354,849

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	31 March 2022 RM'000	31 December 2021 RM'000
EQUITY			
Share capital		2,732,717	2,732,717
Other reserves		(140,046)	(162,091)
Retained profits		3,192,017	3,040,798
TOTAL EQUITY		5,784,688	5,611,424
TOTAL LIABILITIES AND EQUITY		79,208,892	76,966,273
COMMITMENTS AND CONTINGENCIES	A28	14,015,940	14,261,352
CAPITAL ADEQUACY	A27		
<u>Before deducting interim dividend *</u>			
Common Equity Tier I Capital Ratio		11.365%	11.777%
Tier I Capital Ratio		11.365%	11.777%
Total Capital Ratio		14.661%	15.142%
<u>After deducting interim dividend *</u>			
Common Equity Tier I Capital Ratio		11.365%	11.777%
Tier I Capital Ratio		11.365%	11.777%
Total Capital Ratio		14.661%	15.142%
Net assets per share attributable to ordinary equity holder of the Bank (RM)		25.02	24.27

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

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	1st Quarter Ended		Three Months Ended	
		31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Income derived from investment of depositors' funds and others	A15	623,043	630,160	623,043	630,160
Income derived from investment of shareholder's funds	A16	51,346	54,117	51,346	54,117
Allowance for impairment on financing and advances	A17	(25,242)	(30,608)	(25,242)	(30,608)
Allowance for impairment on other assets	A18	(126)	(86)	(126)	(86)
Total distributable income		649,021	653,583	649,021	653,583
Income attributable to depositors and others	A19	(302,310)	(280,754)	(302,310)	(280,754)
Total net income		346,711	372,829	346,711	372,829
Personnel expenses	A20	(5,895)	(6,018)	(5,895)	(6,018)
Other overheads and expenditures	A21	(125,008)	(120,420)	(125,008)	(120,420)
Profit before zakat and taxation		215,808	246,391	215,808	246,391
Zakat		(705)	(525)	(705)	(525)
Taxation		(63,884)	(58,424)	(63,884)	(58,424)
Profit for the period		151,219	187,442	151,219	187,442
Earnings per share - basic / diluted (sen)	A22	65.4	81.1	65.4	81.1

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Profit for the period	<u>151,219</u>	187,442	<u>151,219</u>	187,442
Other comprehensive (loss) / income :				
<u>Items that may be reclassified to profit or loss:</u>				
Revaluation reserves:				
- Net change in revaluation of financial investments at fair value through other comprehensive income	<u>(22,548)</u>	(211,529)	<u>(22,548)</u>	(211,529)
Hedging reserves:				
- Net change in cash flow hedges	<u>51,555</u>	64,748	<u>51,555</u>	64,748
	<u>29,007</u>	(146,781)	<u>29,007</u>	(146,781)
Income tax relating to components of other comprehensive (loss) / income :				
- Revaluation reserves	5,411	50,767	5,411	50,767
- Hedging reserves	<u>(12,373)</u>	(15,539)	<u>(12,373)</u>	(15,539)
	<u>(6,962)</u>	35,228	<u>(6,962)</u>	35,228
Other comprehensive income / (loss) for the period, net of tax	<u>22,045</u>	(111,553)	<u>22,045</u>	(111,553)
Total comprehensive income for the period	<u>173,264</u>	75,889	<u>173,264</u>	75,889

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	<----- Non-distributable ----->						Distributable	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserves RM'000	Hedging Reserves RM'000	Defined Benefit Reserves RM'000	Regulatory Reserve RM'000	Other Reserves RM'000	Retained Profits RM'000	
At 1 January 2022	2,732,717	(99,858)	(67,878)	5,473	-	172	3,040,798	5,611,424
Profit for the period	-	-	-	-	-	-	151,219	151,219
Other comprehensive (loss) / income for the period	-	(17,137)	39,182	-	-	-	-	22,045
Total comprehensive (loss) / income for the period	-	(17,137)	39,182	-	-	-	151,219	173,264
At 31 March 2022	2,732,717	(116,995)	(28,696)	5,473	-	172	3,192,017	5,784,688

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	<----- Non-distributable ----->						Distributable	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserves RM'000	Hedging Reserves RM'000	Defined Benefit Reserves RM'000	Regulatory Reserve RM'000	Other Reserves RM'000	Retained Profits RM'000	
At 1 January 2021	2,732,717	192,730	(148,851)	4,697	156,181	172	2,327,859	5,265,505
Profit for the period	-	-	-	-	-	-	187,442	187,442
Other comprehensive (loss) / income for the period	-	(160,762)	49,209	-	-	-	-	(111,553)
Total comprehensive (loss) / income for the period	-	(160,762)	49,209	-	-	-	187,442	75,889
Transactions with owner / other equity movements:								
Transfer from regulatory reserve	-	-	-	-	(17,139)	-	17,139	-
	-	-	-	-	(17,139)	-	17,139	-
At 31 March 2021	<u>2,732,717</u>	<u>31,968</u>	<u>(99,642)</u>	<u>4,697</u>	<u>139,042</u>	<u>172</u>	<u>2,532,440</u>	<u>5,341,394</u>

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	31 March 2022 RM'000	31 March 2021 RM'000
Profit before zakat and taxation	215,808	246,391
Adjustments for non-cash items	28,896	(11,685)
Operating profit before working capital changes	<u>244,704</u>	<u>234,706</u>
Changes in working capital:		
Net changes in operating assets	(1,901,498)	(1,467,282)
Net changes in operating liabilities	2,103,851	944,601
Cash generated from / (used in) operations	<u>447,057</u>	<u>(287,975)</u>
Zakat and tax paid	(72,037)	(12,337)
Tax refunded	-	4,847
Net cash generated from / (used in) operating activities	<u>375,020</u>	<u>(295,465)</u>
Net cash (used in) / generated from investing activities	(738,742)	75,080
Net cash used in financing activities	<u>(250)</u>	<u>(197)</u>
Net change in cash and cash equivalents	<u>(363,972)</u>	<u>(220,582)</u>
Cash and cash equivalents at beginning of the year	659,606	2,112,828
Cash and cash equivalents at end of the period	<u><u>295,634</u></u>	<u><u>1,892,246</u></u>
Note:		
Cash and balances with banks	295,634	1,892,246
Less: Balances with banks with original maturity more than three months	-	-
Cash and cash equivalents at end of the period	<u><u>295,634</u></u>	<u><u>1,892,246</u></u>

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

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

A1. Basis of Preparation

The unaudited condensed interim financial statements for the 1st quarter ended 31 March 2022 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: financial assets at fair value through profit or loss ("FVTPL"), financial investments at fair value through other comprehensive income ("FVOCI") and derivative financial instruments.

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"). The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2021. 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 Bank since the financial year ended 31 December 2021.

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 2021, except for the adoption of the following during the current financial period:

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)

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 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 from 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.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

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

The adoption of the above amendments did not have any financial impact to the Bank.

Continuous Assistance to Customers Affected by the COVID-19 Pandemic Amid Path to Economic Recovery

Since 2020, the Bank has proactively offered various flexible financing repayment assistance programmes for customers who faced financial difficulties during the COVID-19 pandemic. As business activities resumed since the end of 2021, the economy is expected to gradually recover. Nevertheless, there remain downside risks to the economy and the overall macro outlook of the economy will hinge on developments related to the pandemic. In view of global headwinds facing the economy which include potential economic disruption and uncertain speed of economic recovery, the Bank will continue to monitor the impact of the pandemic for any potential deterioration in credit risk of financing.

From 15 November 2021 to 31 March 2022, banks alongside Agensi Kaunseling dan Pengurusan Kredit (“AKPK”) have offered the Financial Management and Resilience Programme (“URUS”) to B50 customers who met certain criteria. Under URUS, the Bank provided customers with personalised financial plans which encompass options of either profit waiver of 3 months or profit waiver together with reduced instalments of up to 24 months.

To assist B50 customers who are affected by the recent flood and have enrolled for the flood relief assistance programme, which involves deferment of repayment/payment up to 6 monthly instalments, the Bank will offer URUS, if required. URUS will be offered to the eligible B50 customers until 31 July 2022 or upon the expiry of the flood relief assistance programme, whichever is earlier.

MFRS 9 Financial Instruments and financial reporting requirements

The Bank continued to maintain 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 reflect the macroeconomic outlook and potential deterioration in credit risk of financing that could be affected by the COVID-19 pandemic. 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.

i) Forward looking macro-economic information and assumptions

The Bank has incorporated the assumptions in the forward looking models to reflect the evolving situation with respect to COVID-19 arising from the following uncertainties:

- The extent and duration of measures due to recent resurgence of COVID-19 cases globally;
- The expected impact on the economy, including the timing and speed of the economic response; and
- The effects of various government relief and support measures, in particular their impact on the extent and duration of economic recovery.

ii) Management overlays for financing under relief assistance

For the management overlays maintained, the Bank has exercised judgment, adapted and estimated based on information on-hand.

The Bank will continue to review and monitor closely the abovementioned assumptions and management overlays if current expectations change materially.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

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

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)
- Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17 Insurance Contracts)

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.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

The following MFRS and Amendments to MFRSs have been issued by MASB but are not yet effective to the Bank (continued):

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.

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 disclosures.

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.

Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17 Insurance Contracts) - In order to avoid the temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of MFRS 17 and MFRS 9, the amendment provides an option for the presentation of comparative information about financial assets as if the classification and measurement requirements of MFRS 9 had been applied to that financial asset.

The adoption of MFRS 17 Insurance Contracts and its related Amendments are not expected to have any financial impact on the financial statements of the Bank as it is not applicable to the Bank.

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A2. Auditors' Report on Preceding Audited Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2021 was not qualified.

A3. Comments about Seasonal or Cyclical Factors

The operations of the 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 Bank in the current financial period.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

During the 1st quarter ended 31 March 2022:

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

Subsequent to 1st quarter ended 31 March 2022 which have not been reflected in the financial statements for the current period:

On 13 May 2022, the share capital of the Bank was increased from RM2,732,717,000 comprising 231,217,000 ordinary shares to RM3,032,717,000 comprising 243,217,000 ordinary shares by way of issuance and allotment of 12,000,000 new ordinary shares at an issue price of RM25.00 per new ordinary share to its holding company, Public Bank Berhad.

A7. Dividends Paid, Distributed and Declared

No dividend has been paid nor declared during the 1st quarter ended 31 March 2022.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A8. Financial Investments at Fair Value through Other Comprehensive Income ("FVOCI")

	31 March 2022 RM'000	31 December 2021 RM'000
At fair value		
Government securities and treasury bills:		
Malaysian Government Investment Issues	<u>11,025,913</u>	<u>10,241,995</u>

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	
At 1 January 2022	1,765	-	-	1,765
New financial investments purchased	164	-	-	164
Net allowance written back	(3)	-	-	(3)
Amount derecognised	(24)	-	-	(24)
At 31 March 2022	<u>1,902</u>	<u>-</u>	<u>-</u>	<u>1,902</u>
At 1 January 2021	1,610	-	-	1,610
New financial investments purchased	800	-	-	800
Net allowance made	2	-	-	2
Amount derecognised	(647)	-	-	(647)
At 31 December 2021	<u>1,765</u>	<u>-</u>	<u>-</u>	<u>1,765</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A9. Financial Investments at Amortised Cost

	31 March 2022 RM'000	31 December 2021 RM'000
At amortised cost		
Government securities and treasury bills:		
Malaysian Government Investment Issues	4,103,039	4,092,251
Non-money market instruments:		
Debt securities		
- Cagamas sukuk	1,111,635	1,103,390
- Unquoted corporate sukuk	213,316	298,362
	1,324,951	1,401,752
Allowance for impairment	(923)	(934)
Total financial investments at amortised cost	5,427,067	5,493,069

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

	12-Month ECL (Stage 1) RM'000	Lifetime ECL Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	934	-	-	934
New financial investments purchased	-	-	-	-
Net allowance made	3	-	-	3
Amount derecognised	(14)	-	-	(14)
At 31 March 2022	923	-	-	923
At 1 January 2021	769	-	-	769
New financial investments purchased	286	-	-	286
Net allowance written back	(3)	-	-	(3)
Amount derecognised	(118)	-	-	(118)
At 31 December 2021	934	-	-	934

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances

a. By type and contract

31 March 2022	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
At amortised cost							
Cash line	1,595,572	-	-	-	-	-	1,595,572
Term financing							
- House financing	5,397,690	-	-	23,138,374	-	-	28,536,064
- Syndicated financing	1,370,174	-	-	-	-	-	1,370,174
- Hire purchase receivables	-	9,923,784	-	-	-	-	9,923,784
- Other term financing	4,723,987	-	1,663,496	13,447,096	-	156,162	19,990,741
Credit card receivables	-	-	-	-	-	54,473	54,473
Bills receivables	-	-	-	-	710	-	710
Trust receipts	-	-	-	-	5,218	-	5,218
Claims on customers under acceptance credits	-	-	-	-	190,739	-	190,739
Revolving credits	150,209	-	-	-	-	-	150,209
Staff financing	-	12,691	-	109,441	-	-	122,132
Gross financing and advances	13,237,632	9,936,475	1,663,496	36,694,911	196,667	210,635	61,939,816
Less : Allowance for impairment on financing and advances							
- Expected credit losses							(748,376)
- Stage 1: 12-Month ECL							(401,574)
- Stage 2: Lifetime ECL not credit-impaired							(308,990)
- Stage 3: Lifetime ECL credit-impaired							(37,812)
Net financing and advances							61,191,440

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances (continued)

a. By type and contract (continued)

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

All the financing and advances are located in Malaysia.

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances (continued)

b. By class

	31 March 2022 RM'000	31 December 2021 RM'000
Retail financing *		
- House financing	28,536,064	27,416,659
- Hire purchase	9,923,784	9,569,371
- Credit cards	54,473	51,488
- Other financing ^	<u>18,388,312</u>	<u>18,098,175</u>
	56,902,633	55,135,693
Corporate financing	<u>5,037,183</u>	<u>4,907,320</u>
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

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

^ *Included in other financing are term financing, trade financing, cash line and revolving credits.*

c. By type of customer

	31 March 2022 RM'000	31 December 2021 RM'000
Domestic non-bank financial institutions		
- Others	1,025,195	1,277,429
Domestic business enterprises		
- Small and medium enterprises	10,148,982	10,012,187
- Others	3,477,993	3,107,412
Government and statutory bodies	1,012,755	1,001,907
Individuals	46,101,936	44,472,234
Other domestic entities	4,153	4,478
Foreign entities	<u>168,802</u>	<u>167,366</u>
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

d. By rate of return sensitivity

	31 March 2022 RM'000	31 December 2021 RM'000
Fixed rate		
- House financing	220,917	214,979
- Hire purchase receivables	9,923,409	9,568,986
- Other fixed rate financing	3,880,203	3,590,876
Variable rate		
- Base rate / base financing rate plus	44,475,282	43,045,489
- Cost plus	<u>3,440,005</u>	<u>3,622,683</u>
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances (continued)

e. By residual contractual maturity

	31 March 2022 RM'000	31 December 2021 RM'000
Maturity within one year	2,315,516	2,619,719
More than one year to three years	3,623,346	3,173,331
More than three years to five years	4,555,648	4,597,363
More than five years	51,445,306	49,652,600
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

f. By economic purpose

	31 March 2022 RM'000	31 December 2021 RM'000
Purchase of transport vehicles	9,936,477	9,582,156
Purchase of landed properties	41,461,341	40,157,899
(of which: - residential	<u>29,270,906</u>	<u>28,147,415</u>
- non-residential)	<u>12,190,435</u>	<u>12,010,484</u>
Purchase of fixed assets (excluding landed properties)	338	350
Personal use	3,087,726	3,047,753
Credit card	54,473	51,488
Purchase of consumer durables	479	480
Construction	952,054	918,143
Working capital	5,607,352	5,666,542
Other purpose	839,576	618,202
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

g. By sectors

	31 March 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	465,438	467,084
Mining and quarrying	114,343	124,844
Manufacturing	1,566,928	1,557,619
Electricity, gas and water	25,230	5,269
Construction	2,825,393	2,671,339
Wholesale & retail trade and restaurants & hotels	3,264,739	3,199,424
Transport, storage and communication	1,198,827	938,448
Finance, insurance and business services	1,515,031	1,747,674
Real estate	3,363,910	3,377,338
Community, social and personal services	1,385,014	1,371,257
Households	46,214,963	44,582,717
Gross financing and advances	<u>61,939,816</u>	<u>60,043,013</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances (continued)

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

	31 March 2022 RM'000	31 December 2021 RM'000
At 1 January	132,260	169,421
Impaired during the period / year	20,228	189,972
Reclassified as non-credit impaired	(12,990)	(156,605)
Recoveries	(8,185)	(34,891)
Amount written off	(10,118)	(31,288)
Financing converted to foreclosed properties	(1,661)	(4,349)
Closing balance	<u>119,534</u>	<u>132,260</u>
Gross impaired financing as a percentage of gross financing and advances	<u>0.19%</u>	<u>0.22%</u>

i. Impaired financing and advances by economic purpose

	31 March 2022 RM'000	31 December 2021 RM'000
Purchase of transport vehicles	27,030	29,141
Purchase of landed properties	75,475	84,414
(of which: - residential	42,467	48,885
- non-residential)	33,008	35,529
Personal use	13,808	15,350
Credit card	178	150
Working capital	3,025	3,187
Other purpose	18	18
	<u>119,534</u>	<u>132,260</u>

j. Impaired financing and advances by sectors

	31 March 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	86	66
Mining and quarrying	247	242
Manufacturing	570	589
Construction	1,809	3,500
Wholesale & retail trade and restaurants & hotels	1,403	1,295
Transport, storage and communication	305	329
Finance, insurance and business services	23,375	23,566
Real estate	1,493	1,754
Community, social and personal services	1,221	1,229
Households	89,025	99,690
	<u>119,534</u>	<u>132,260</u>

All the impaired financing and advances are located in Malaysia.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A10. Financing and Advances (continued)

k. Movements in loss allowance for 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	
At 1 January 2022	401,495	283,903	41,963	727,361
Changes due to financing and advances recognised as at 1 January 2022:	19,710	(17,873)	(1,837)	-
- Transfer to Stage 1: 12-Month ECL	23,500	(22,195)	(1,305)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(3,776)	5,241	(1,465)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(14)	(919)	933	-
New financing and advances originated	3,133	1,079	-	4,212
Net remeasurement due to changes in credit risk	(20,836)	44,323	8,229	31,716
Financing and advances derecognised (other than write-off)	(1,855)	(1,285)	(1,426)	(4,566)
Modifications to contractual cash flows of financing and advances	(73)	(1,157)	1,001	(229)
Changes in models / risk parameters	-	-	-	-
Amount written off	-	-	(10,118)	(10,118)
At 31 March 2022	401,574	308,990	37,812	748,376
At 1 January 2021	249,018	175,333	49,648	473,999
Changes due to financing and advances recognised as at 1 January 2021:	35,289	(27,761)	(7,528)	-
- Transfer to Stage 1: 12-Month ECL	40,343	(36,853)	(3,490)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(4,904)	10,447	(5,543)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(150)	(1,355)	1,505	-
New financing and advances originated	13,100	7,603	492	21,195
Net remeasurement due to changes in credit risk	147,856	36,301	32,412	216,569
Financing and advances derecognised (other than write-off)	(5,340)	(22,846)	(5,754)	(33,940)
Modifications to contractual cash flows of financing and advances	(1,338)	50,529	3,980	53,171
Changes in models / risk parameters	(36,319)	64,744	1	28,426
Amount written off	(771)	-	(31,288)	(32,059)
At 31 December 2021	401,495	283,903	41,963	727,361

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A11. Other Assets

	31 March 2022 RM'000	31 December 2021 RM'000
Deferred handling fees	49,099	46,133
Income receivable	-	51
Other receivables, deposits and prepayments	131,432	130,466
Employee benefits	733	935
Foreclosed properties	24,959	24,226
	206,223	201,811

A12. Deposits from Customers

a. By type of deposit and contract

	31 March 2022 RM'000	31 December 2021 RM'000
<u>At amortised cost</u>		
Savings deposit		
- Qard	10,175,291	10,170,977
Demand deposit		
- Qard	7,029,094	6,900,483
Term deposit		
- Term deposit		
- Commodity Murabahah	41,481,905	40,081,520
- Special term deposit account		
- Commodity Murabahah	8,622,930	9,154,130
	67,309,220	66,307,110

b. By type of customer

	31 March 2022 RM'000	31 December 2021 RM'000
Federal and state governments	4,694,887	5,089,046
Local government and statutory authorities	1,154,736	776,504
Business enterprises	12,414,665	12,438,225
Individuals	25,979,818	26,076,260
Foreign customers	618,199	624,280
Others	22,446,915	21,302,795
	67,309,220	66,307,110

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A12. Deposits from Customers (continued)

c. The maturity structure of term deposits are as follows:

	31 March 2022 RM'000	31 December 2021 RM'000
Due within six months	37,497,618	36,351,304
More than six months to one year	12,519,735	12,840,436
More than one year to three years	87,048	42,973
More than three years to five years	434	937
	<u>50,104,835</u>	<u>49,235,650</u>

A13. Deposits from Banks and Other Financial Institutions

	31 March 2022 RM'000	31 December 2021 RM'000
At amortised cost		
<u>Non-Mudharabah Fund</u>		
Licensed banks	1,255,710	1,965,613
Licensed Islamic banks	1,700,000	-
Licensed investment banks	109,114	8,610
Bank Negara Malaysia	67,551	67,706
Other financial institutions	5,323	63,842
	<u>3,137,698</u>	<u>2,105,771</u>

A14. Other Liabilities

	31 March 2022 RM'000	31 December 2021 RM'000
Income payable	330,837	298,742
Other payables and accruals	367,126	329,462
Accrued restoration costs	569	569
Allowance for impairment on financing commitments and financial guarantees	12,830	12,116
	<u>711,362</u>	<u>640,889</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A14. Other Liabilities (continued)

Movements in allowance for impairment on financing commitments and financial guarantees 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	
At 1 January 2022	7,188	4,910	18	12,116
Changes due to financing commitments and financial guarantees recognised as at 1 January 2022:	674	(675)	1	-
- Transfer to Stage 1: 12-Month ECL	773	(773)	-	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(99)	105	(6)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	-	(7)	7	-
New financing commitments and financial guarantees originated	241	541	-	782
Net remeasurement due to changes in credit risk	(1,010)	994	-	(16)
Financing commitments and financial guarantees derecognised	(57)	(31)	-	(88)
Modifications to contractual cash flows of financing commitments and financial guarantees	-	46	(10)	36
Changes in models / risk parameters	-	-	-	-
At 31 March 2022	<u>7,036</u>	<u>5,785</u>	<u>9</u>	<u>12,830</u>
At 1 January 2021	7,953	2,466	90	10,509
Changes due to financing commitments and financial guarantees recognised as at 1 January 2021:	515	(445)	(70)	-
- Transfer to Stage 1: 12-Month ECL	608	(582)	(26)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(93)	145	(52)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	-	(8)	8	-
New financing commitments and financial guarantees originated	783	899	-	1,682
Net remeasurement due to changes in credit risk	(1,368)	102	(9)	(1,275)
Financing commitments and financial guarantees derecognised	(179)	(139)	(1)	(319)
Modifications to contractual cash flows of financing commitments and financial guarantees	(25)	968	8	951
Changes in models / risk parameters	(491)	1,059	-	568
At 31 December 2021	<u>7,188</u>	<u>4,910</u>	<u>18</u>	<u>12,116</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A15. Income Derived from Investment of Depositors' Funds and Others

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Income derived from investment of:				
(a) Term deposits	442,997	461,847	442,997	461,847
(b) Other deposits	180,046	168,313	180,046	168,313
	623,043	630,160	623,043	630,160
a. Income derived from investment of term deposits:				
<u>Finance income and Hibah</u>				
Financing and advances	356,706	345,144	356,706	345,144
Financial investments at fair value through other comprehensive income	44,731	44,908	44,731	44,908
Financial investments at amortised cost	28,985	26,349	28,985	26,349
Balances with banks	77	515	77	515
Total finance income and Hibah	430,499	416,916	430,499	416,916
<u>Other operating income</u>				
Fee and commission income:				
- Commissions	6,305	6,518	6,305	6,518
- Service charges and fees	2,036	2,359	2,036	2,359
- Facility fees	176	150	176	150
- Other fee income	977	967	977	967
Net gains and losses on financial instruments:				
- Net gain arising from sale of financial investments at fair value through other comprehensive income	485	32,089	485	32,089
- Net loss representing ineffective portions of hedging derivatives	(182)	(269)	(182)	(269)
- Others	-	11	-	11
Gross distribution income from collective investment	1,901	2,068	1,901	2,068
Other income	800	1,038	800	1,038
Total other operating income	12,498	44,931	12,498	44,931
	442,997	461,847	442,997	461,847

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A15. Income Derived from Investment of Depositors' Funds and Others (continued)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
b. Income derived from investment of other deposits:				
<u>Finance income and Hibah</u>				
Financing and advances	144,975	125,782	144,975	125,782
Financial investments at fair value through other comprehensive income	18,180	16,366	18,180	16,366
Financial investments at amortised cost	11,780	9,602	11,780	9,602
Balances with banks	31	188	31	188
Total finance income and Hibah	174,966	151,938	174,966	151,938
<u>Other operating income</u>				
Fee and commission income:				
- Commissions	2,563	2,376	2,563	2,376
- Service charges and fees	828	860	828	860
- Facility fees	72	55	72	55
- Other fee income	396	352	396	352
Net gains and losses on financial instruments:				
- Net gain arising from sale of financial investments at fair value through other comprehensive income	197	11,694	197	11,694
- Net loss representing ineffective portions of hedging derivatives	(74)	(98)	(74)	(98)
- Others	-	5	-	5
Gross distribution income from collective investment	773	753	773	753
Other income	325	378	325	378
Total other operating income	5,080	16,375	5,080	16,375
	180,046	168,313	180,046	168,313

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A16. Income Derived from Investment of Shareholder's Funds

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
<u>Finance income and Hibah</u>				
Financing and advances	41,345	40,443	41,345	40,443
Financial investments at fair value through other comprehensive income	5,185	5,262	5,185	5,262
Financial investments at amortised cost	3,359	3,087	3,359	3,087
Balances with banks	9	60	9	60
Total finance income and Hibah	<u>49,898</u>	<u>48,852</u>	<u>49,898</u>	<u>48,852</u>
<u>Other operating income</u>				
Fee and commission income:				
- Commissions	731	764	731	764
- Service charges and fees	236	276	236	276
- Facility fees	20	18	20	18
- Other fee income	113	113	113	113
Net gains and losses on financial instruments:				
- Net gain arising from sale of financial investments at fair value through other comprehensive income	56	3,760	56	3,760
- Net loss representing ineffective portions of hedging derivatives	(21)	(32)	(21)	(32)
- Others	-	2	-	2
Gross distribution income from collective investment	220	242	220	242
Other income	93	122	93	122
Total other operating income	<u>1,448</u>	<u>5,265</u>	<u>1,448</u>	<u>5,265</u>
	<u>51,346</u>	<u>54,117</u>	<u>51,346</u>	<u>54,117</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A17. Allowance for Impairment on Financing and Advances

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Expected credit losses	31,847	37,944	31,847	37,944
Impaired financing recovered	(6,605)	(7,336)	(6,605)	(7,336)
	<u>25,242</u>	<u>30,608</u>	<u>25,242</u>	<u>30,608</u>

A18. Allowance for Impairment on Other Assets

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	137	18	137	18
- Financial investments at amortised cost	(11)	(27)	(11)	(27)
Allowance for impairment on foreclosed properties	-	95	-	95
	<u>126</u>	<u>86</u>	<u>126</u>	<u>86</u>

A19. Income Attributable to Depositors and Others

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Deposits from customers				
- Non-Mudharabah fund	267,829	246,947	267,829	246,947
Deposits from banks and other financial institutions				
- Non-Mudharabah fund	15,370	17,733	15,370	17,733
Financing sold to Cagamas	8,598	-	8,598	-
Sukuk Murabahah	10,356	15,869	10,356	15,869
Lease liabilities	157	205	157	205
	<u>302,310</u>	<u>280,754</u>	<u>302,310</u>	<u>280,754</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A20. Personnel expenses

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Salaries, allowances and bonuses	4,584	4,472	4,584	4,472
Pension costs	775	803	775	803
Others	536	743	536	743
	5,895	6,018	5,895	6,018

A21. Other Overheads and Expenditures

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Establishment costs				
- Depreciation	475	469	475	469
- Insurance	437	236	437	236
- Water and electricity	41	49	41	49
- General repairs and maintenance	735	1,100	735	1,100
- Others	549	496	549	496
	2,237	2,350	2,237	2,350
Marketing expenses				
- Advertisement and publicity	320	433	320	433
- Others	182	178	182	178
	502	611	502	611
Administration and general expenses				
- Communication expenses	2,394	1,942	2,394	1,942
- Legal and professional fees	2,124	2,335	2,124	2,335
- Others	8,268	4,678	8,268	4,678
	12,786	8,955	12,786	8,955
Cost of resource sharing charged by Public Bank Berhad *	114,528	113,331	114,528	113,331
Recovery of expenses	(5,045)	(4,827)	(5,045)	(4,827)
	125,008	120,420	125,008	120,420

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

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Credit related	49,216	48,688	49,216	48,688
Non-credit branch support	41,798	40,578	41,798	40,578
Other administration function	23,514	24,065	23,514	24,065
	114,528	113,331	114,528	113,331

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A22. Earnings Per Share ("EPS")

a) Basic EPS

The calculation of the basic EPS is based on the net profit attributable to the equity holder of the Bank divided by the weighted average number of ordinary shares in issue during the 1st quarter and financial period ended 31 March 2022.

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Net profit attributable to equity holder of the Bank (RM'000)	<u>151,219</u>	187,442	<u>151,219</u>	<u>187,442</u>
Weighted average number of shares in issue ('000)	<u>231,217</u>	231,217	<u>231,217</u>	<u>231,217</u>
Basic EPS (sen)	<u>65.4</u>	81.1	<u>65.4</u>	<u>81.1</u>

b) Diluted EPS

The Bank has no dilution in its EPS in the current and the preceding financial period as there are no dilutive potential ordinary shares.

A23. Performance Review

The Bank reported a lower pre-tax profit of RM215.8 million for the financial period ended 31 March 2022, which was -12.4% or RM30.6 million lower as compared to pre-tax profit of RM246.4 million for the financial period ended 31 March 2021. The lower profit was due to lower other operating income of RM47.6 million and higher other operating expenses of RM4.4 million offset by higher net finance income of RM16.1 million and lower allowance for impairment on financing and advances of RM5.3 million.

A24. Prospects for 2022

The pace of global economic recovery may vary across countries with those making better progress in containing the spread of COVID-19 to potentially fare better, enabling a swifter economic recovery in domestic activities compared to others. Uncertainties surrounding the global economic outlook are mainly due to the COVID-19 developments, supply chain disruptions, high commodity prices, inflationary pressures, geopolitical tension(s), slower-than-expected growth in China due to the containment measures to prevent the spread of COVID-19 as well as potentially heightened financial market volatility owing to adjustments in monetary policy in major economies.

The Malaysian economy is expected to recover gradually, supported by global recovery and continued policy support domestically. Domestic and external demand will contribute towards the recovery in economic activities. However, the outlook for Malaysia is subjected to headwinds due to uncertainties. The Malaysian banking system remains resilient underpinned by ample liquidity and healthy capital buffers.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A24. Prospects for 2022 (continued)

The Bank continues to reach out to its customers in need of financial assistance, including the necessary financial support for small and medium enterprises ("SMEs"). Repayment assistance is not limited to customers affected by the pandemic but also those affected due to unforeseen circumstances and natural disasters, such as floods.

The Bank is fully committed to further strengthen its role as a financial intermediary contributing to the economic recovery and national development. The Bank continues to operate efficiently, maintain prudence in management of credit risk and proactively manage any potential stress in asset quality whilst preserving its sound corporate governance and risk management practices.

The Bank remains proactive in and committed to embracing sustainability in its business operations. The Bank's pursuit of sustainability encompasses a wide array of initiatives covering the areas of environmental, social and governance ("ESG"). In addressing climate change risk, the Bank continues to promote the transition to a low carbon economy by supporting green financing and embedding environmental consideration into its business strategies. The Bank's offering of attractive financing packages for the purchase of solar panel and energy efficient vehicles, among others, continue to support a green and lower emission environment.

On digitalisation and technological innovation, the Bank continues to apply relevant roadmap and strategies for the development of digital initiatives amid the new normal business environment. This includes ongoing upgrades and enhancement of information and communication technology infrastructure as well as exploration and adoption of new technologies which improve operational efficiency to cater to the evolving customers' needs.

For long term sustainability, the Bank will enhance further its service delivery standards and infrastructure leveraging on the advancement of technology, to provide seamless delivery of banking services across its multi-delivery channels. The Bank will also continue to deliver efficient customer service through its extensive network of physical and digital channels, while sustaining its market position in both the domestic retail and consumer segments.

The Bank 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 Bank will also continue to support financing for purchase of passenger vehicles and financing to SMEs. Similarly, the Bank will also remain supportive of its corporate financing business by leveraging on its strong franchise and relationship with customers.

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

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

A25. Subsequent Events

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

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A26. Segment Information

	<----- Operating Segments ----->						Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Banking RM'000	Treasury and Capital Market Operations RM'000	Head Office and Funding Center RM'000	Inter- segment Elimination RM'000	
1st Quarter Ended 31 March 2022							
External revenue	115,211	379,826	45,181	37,424	96,732	-	674,374
Revenue from other segments	33	79,976	29	37,696	16,344	(134,078)	-
	115,244	459,802	45,210	75,120	113,076	(134,078)	674,374
Net finance income	38,774	225,776	12,292	8,337	67,874	-	353,053
Other operating income	184	15,515	58	530	2,739	-	19,026
Net income	38,958	241,291	12,350	8,867	70,613	-	372,079
Other operating expenses (Allowance) / Writeback of allowance	(13,054)	(88,993)	(640)	(1,487)	(26,729)	-	(130,903)
for impairment on financing and advances	(12,872)	(12,569)	199	-	-	-	(25,242)
Allowance for impairment on other assets	-	-	-	(116)	(10)	-	(126)
Profit by segments	13,032	139,729	11,909	7,264	43,874	-	215,808
Cost income ratio	33.5%	36.9%	5.2%	16.8%	37.9%	-	35.2%
Gross financing and advances	9,924,255	46,978,378	5,037,183	-	-	-	61,939,816
Financing growth	3.7%	3.1%	2.6%	-	-	-	3.2%
Impaired financing and advances	27,018	91,066	1,450	-	-	-	119,534
Impaired financing ratio	0.27%	0.19%	0.03%	-	-	-	0.19%
Deposits from customers	-	58,676,039	6,146	8,627,035	-	-	67,309,220
Deposit growth	-	2.7%	-33.7%	-5.8%	-	-	1.5%
Segment assets	9,661,987	59,497,366	4,975,888	11,613,471	11,063,572	(18,004,959)	78,807,325
Reconciliation of segment assets to total assets:							
Investment in an associated company							67,500
Unallocated assets							334,067
Total assets							79,208,892

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A26. Segment Information (continued)

	<----- Operating Segments ----->						Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Banking RM'000	Treasury and Capital Market Operations RM'000	Head Office and Funding Center RM'000	Inter- segment Elimination RM'000	
1st Quarter Ended 31 March 2021							
External revenue	107,650	350,175	44,920	69,187	112,332	-	684,264
Revenue from other segments	-	94,370	20	26,977	20,159	(141,526)	-
	<u>107,650</u>	<u>444,545</u>	<u>44,940</u>	<u>96,164</u>	<u>132,491</u>	<u>(141,526)</u>	<u>684,264</u>
Net finance income	33,202	218,511	14,721	11,012	59,506	-	336,952
Other operating income	208	15,674	16	34,743	15,930	-	66,571
Net income	<u>33,410</u>	<u>234,185</u>	<u>14,737</u>	<u>45,755</u>	<u>75,436</u>	<u>-</u>	<u>403,523</u>
Other operating expenses	(11,996)	(84,408)	(1,384)	(1,544)	(27,106)	-	(126,438)
(Allowance) / Writeback of allowance for impairment on financing and advances	(19,238)	(20,049)	8,679	-	-	-	(30,608)
(Allowance) / Writeback of allowance for impairment on other assets	-	(95)	-	(5)	14	-	(86)
Profit by segments	<u>2,176</u>	<u>129,633</u>	<u>22,032</u>	<u>44,206</u>	<u>48,344</u>	<u>-</u>	<u>246,391</u>
Cost income ratio	35.9%	36.0%	9.4%	3.4%	35.9%	-	31.3%
Gross financing and advances	9,085,105	42,226,334	4,697,277	-	-	-	56,008,716
Financing growth	3.3%	3.3%	-5.9%	-	-	-	2.5%
Impaired financing and advances	42,543	108,502	1,568	-	-	-	152,613
Impaired financing ratio	0.47%	0.26%	0.03%	-	-	-	0.27%
Deposits from customers	-	54,880,881	5,087	7,967,617	-	-	62,853,585
Deposit growth	-	0.9%	-28.5%	7.1%	-	-	1.7%
Segment assets	<u>8,969,183</u>	<u>55,338,248</u>	<u>4,644,014</u>	<u>9,903,745</u>	<u>9,873,762</u>	<u>(16,363,364)</u>	<u>72,365,588</u>
Reconciliation of segment assets to total assets:							
Investment in an associated company							67,500
Unallocated assets							64,866
Total assets							<u>72,497,954</u>

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A27. Capital Adequacy

- (a) The capital adequacy ratios of the Bank below are disclosed pursuant to the requirements of BNM's Capital Adequacy Framework for Islamic Banks (CAFIB) - Disclosure Requirements (Pillar 3):

	31 March 2022	31 December 2021
<u>Before deducting interim dividend *</u>		
Common Equity Tier I ("CET I") capital ratio	11.365%	11.777%
Tier I capital ratio	11.365%	11.777%
Total capital ratio	14.661%	15.142%
<u>After deducting interim dividend *</u>		
CET I capital ratio	11.365%	11.777%
Tier I capital ratio	11.365%	11.777%
Total capital ratio	14.661%	15.142%

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

	31 March 2022 RM'000	31 December 2021 RM'000
Components of CET I, Tier I and Tier II capital:		
<u>CET I capital / Tier I capital</u>		
Share capital	2,732,717	2,732,717
Other reserves	(111,522)	(94,385)
Retained profits	3,040,798	3,040,798
Less: Deferred tax assets, net	(194,966)	(194,892)
Less: Defined benefit pension fund assets	(733)	(935)
Less: Investment in an associated company deducted from CET I capital	(67,500)	(67,500)
Total CET I capital / Tier I capital	5,398,794	5,415,803
<u>Tier II capital</u>		
Stage 1 and Stage 2 expected credit loss allowances #	565,563	547,391
Subordinated Sukuk Murabahah	1,000,000	1,000,000
Total Tier II capital	1,565,563	1,547,391
Total capital	6,964,357	6,963,194

Excludes expected credit loss allowances restricted from Tier II capital of the Bank of RM160,647,000 (31 December 2021 : RM152,804,000).

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A27. Capital Adequacy (continued)

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

The total risk-weighted assets 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 Bank 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 ratios before including capital conservation buffer ("CCB") and countercyclical capital buffer ("CCyB") 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 Bank has exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions. The Bank has applied CCyB on its 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.

As allowed under the BNM's Capital Adequacy Frameworks for Islamic Banks 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 Bank has not applied the said transitional arrangements.

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

	31 March 2022 RM'000	31 December 2021 RM'000
Credit risk	45,245,017	43,791,293
Market risk	48	59
Operational risk	2,259,096	2,194,784
	47,504,161	45,986,136

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A28. Commitments and Contingencies

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

	31 March 2022 RM'000	31 December 2021 RM'000
<u>Contingent Liabilities</u>		
Direct credit substitutes	35,036	32,517
Transaction-related contingent items	70,429	70,194
Short term self-liquidating trade-related contingencies	7,224	7,099
	112,689	109,810
<u>Commitments</u>		
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:		
- exceeding one year	7,101,131	7,397,178
- not exceeding one year	2,863,070	2,844,610
Unutilised credit card lines	218,366	209,754
Forward asset purchases	20,658	-
	10,203,225	10,451,542
<u>Derivative Financial Instruments</u>		
Foreign exchange related contracts:		
- up to one year	26	-
Profit rate related contracts:		
- up to one year	500,000	500,000
- more than one year to five years	2,600,000	2,600,000
- more than five years	600,000	600,000
	3,700,026	3,700,000
	14,015,940	14,261,352

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A29. Fair Value Measurements

Determination of Fair Value and Fair Value Hierarchy

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, 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 Bank generally uses 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 Bank classifies its financial instruments 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.

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A29. Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

31 March 2022	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	11,025,913	-	11,025,913
Derivative financial assets	-	31,171	-	31,171
Total financial assets measured at fair value	-	11,057,084	-	11,057,084
Financial liabilities				
Derivative financial liabilities	-	68,883	-	68,883
Total financial liabilities measured at fair value	-	68,883	-	68,883

PUBLIC ISLAMIC BANK BERHAD
Company Registration No.: 197301001433 (14328-V)
(Incorporated in Malaysia)

A29. Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

31 December 2021	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	10,241,995	-	10,241,995
Derivative financial assets	-	14,587	-	14,587
Total financial assets measured at fair value	-	10,256,582	-	10,256,582
Financial liabilities				
Derivative financial liabilities	-	103,576	-	103,576
Total financial liabilities measured at fair value	-	103,576	-	103,576

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial period / year (2021 : None).