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21 May 2025

**Public Bank Group Achieved Pre-Tax Profit of RM2.31 Billion
For the First Quarter of 2025**

Highlights of Results for the First Quarter 2025:

- Pre-tax profit up 8.5% to RM2.31 billion
- Net profit up 5.6% to RM1.75 billion
- Total loans and deposits expanded at annualised growth rates of 5.6% and 3.5% respectively
- Net return on equity at 12.4%
- Cost-to-income ratio at 35.0%
- Gross impaired loans ratio at 0.5%
- Loan-to-fund and equity ratio of 83.9%
- Common Equity Tier 1 capital ratio at 14.0% and total capital ratio at 16.8%

For the first quarter ended 31 March 2025, the Public Bank Group posted a pre-tax profit of RM2.31 billion, an 8.5% increase compared with the corresponding quarter in 2024. Net profit rose by 5.6% to RM1.75 billion over the same period.

Supported by a stable net interest margin as well as healthy loan and deposit growth, the Group's net interest and financing income improved by 3.5% to RM2.80 billion.

Non-interest income increased by 18.9% to RM772.1 million compared with the corresponding period last year.

The Group continued to maintain sound asset quality, as reflected in its low gross impaired loans ratio of 0.5% as at end-March 2025. Loan loss coverage, standing at 159.9%, continued to provide an ample buffer against potential credit losses.

Tan Sri Dato' Sri Dr. Tay Ah Lek, Managing Director & Chief Executive Officer of Public Bank commented, ***“Despite prevailing challenges in the operating environment, the Public Bank Group’s latest financial performance reflects the resilience and strength of its fundamentals. Prudent cost management yielded an efficient cost-income ratio of 35.0%, coupled with continued top-line growth, return on equity stood at 12.4%.”***

Loans and Deposits Businesses

The Public Bank Group recorded total loans of RM430.1 billion as at March 2025, which marked a 5.6% annualised loan growth for the first quarter of 2025.

Domestically, loan portfolios grew by 6.3% to RM403.9 billion on an annualised basis. The Group maintained its strong presence in key financing segments. Domestic residential property financing, hire purchase financing and commercial property financing achieved annualised growth of 5.2%, 15.3%, and 7.0%, respectively. These key segments continued to command strong market shares of 20.1%, 32.5%, and 32.0%.

The Group’s strong deposit franchise continued to support a healthy liquidity position, as reflected by the gross loan-to-fund and equity ratio of 83.9% as at end-March 2025.

Asset Quality

As at end-March 2025, the Public Bank Group continued to demonstrate asset quality resilience, with a healthy gross impaired loans ratio of 0.5%. Within the Group’s domestic operations that made up over 94% of its total loans, the sound asset quality was more pronounced, with a gross impaired loans ratio of 0.4%, well below the industry’s impaired loan ratio of 1.4%.

Loan provisions continued to be prudently managed, with the Group’s loan loss coverage ratio standing at 159.9% and exceeding the 91.2% industry’s average. Including regulatory reserves, the Group’s loan loss coverage ratio stood at a higher rate of 233.4%.

Non-interest Income

The Public Bank Group posted non-interest income of RM772.1 million for the first three months of 2025. The strong 18.9% growth from the corresponding period last year was primarily attributed to the contribution from the newly acquired general insurance business of the LPI Capital Bhd (“LPI”) Group, as well as enhanced performance of the Group’s investment and foreign exchange income.

Following the acquisition of 44.15% stake in LPI, the subsidiary contributed RM32.6 million to the Group’s net profit attributable to shareholders in the first quarter of 2025. Leveraging potential synergies and cross selling opportunities with LPI, the Group’s non-interest income is expected to be further boosted.

Public Mutual, a wholly-owned unit trust company of the Public Bank Group, generated a first-quarter pre-tax profit of RM208.0 million, which constituted 9.0% of the Group’s total pre-tax profit. Supporting this performance was its market-leading position, with a retail market share of 33.9% and RM97.0 billion in net asset value across 185 unit trust funds as at end-March 2025.

Capital Position

The Public Bank Group’s capital position remained healthy and stable. The Group’s Common Equity Tier 1, Tier 1, and Total Capital Ratios stood at 14.0%, 14.1%, and 16.8%, respectively as at the end of March 2025.

Group’s Prospects

The reciprocal tariffs announced by the United States of America (“US”) have sparked concerns that a major disruption on international trade could trigger a prolonged adverse impact on global growth. While the higher tariff has been on a pause for 90 days, significant uncertainties remain.

Malaysia, as an open economy and a key trade partner to the US, is not spared from the trade tensions. However, supportive measures, such as wage hikes, ongoing multi-year infrastructure and investment projects, coupled with the country’s stable employment market and diversified economic structure, should help cushion Malaysia from some downside risks.

Tan Sri Tay concluded, *“As the Public Bank Group continues to navigate an evolving global and domestic landscape, the Group remains steadfast in fostering long-term resilience and sustainable growth. We will continue to build on our core competencies, seize emerging opportunities, and support our customers to adapt to the fast-changing landscape. By staying agile and forward-looking, we strive to continually deliver sustainable value to all of our stakeholders.”*



Tan Sri Dato' Sri Dr. Tay Ah Lek
Managing Director & Chief Executive Officer
Public Bank

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