

PUBLIC BANK BERHAD 196501000672 (6463-H)
STRATEGIC COMMUNICATIONS DIVISION
12TH FLOOR, MENARA PUBLIC BANK
146 JALAN AMPANG, 50450 KUALA LUMPUR
Tel : 03-2163 8888 / 2163 8899
Fax : 03-2168 8619
Website : www.publicbankgroup.com

BANK
FOR THE
PEOPLE



FOR IMMEDIATE RELEASE

26 August 2025

**Public Bank Group Achieved Pre-Tax Profit of RM4.65 Billion
For the First Half of 2025 and Declared 10.5 Sen First Interim Dividend**

Highlights of Results for the First Half of 2025:

- Total revenue increased by 10.0%
- Pre-tax profit and net profit up 5.3% and 2.1% respectively
- Total loans and deposits expanded at annualised growth rates of 5.1% and 3.5% respectively
- Net return on equity at 12.6%
- Cost-to-income ratio at 35.3%
- Gross impaired loans ratio at 0.5%
- Loan-to-fund and equity ratio at 84.1%
- First interim dividend of 10.5 sen per share

For the first half of 2025, the Public Bank Group reported a pre-tax profit of RM4.65 billion, representing 5.3% growth compared with the corresponding period in 2024. Net profit grew by 2.1% to RM3.51 billion during the same period.

The resilient performance was driven by top-line growth. Net interest and financing income grew by 4.1% to RM5.65 billion. Non-interest and non-financing income achieved double-digit growth of 17.5%, mainly spurred by investment income, foreign exchange business as well as fee and commission income. Non-interest and non-financing income growth was further complemented by the newly acquired general insurance business undertaken by the LPI Capital Bhd (“LPI”) Group.

As at the end of June 2025, asset quality remained stable with the gross impaired loans ratio standing at 0.5% and credit costs at 3 basis points, well below the banking industry’s average. Loan loss coverage stood at a prudent level of 153.9%, exceeding the 90.5% industry average.

Tan Sri Dato’ Sri (Dr) Tay Ah Lek, Managing Director & Chief Executive Officer of Public Bank commented, ***“Despite the significant headwinds, the Public Bank Group’s resilient business model and prudent management continued to enable the Group to ride through challenges. The Group’s core businesses continued to deliver commendable performance, with return on equity standing at 12.6%, whilst cost management remained prudent with an efficient cost-to-income ratio of 35.3%.***

With the good performance for the first half of 2025, the Board of Directors of Public Bank has declared an interim dividend of 10.5 sen per share, amounting to RM2.04 billion, which represents a payout ratio of 58.1% of the Public Bank Group’s net profit for the six months ended 30 June 2025.”

Loans and Deposits Businesses

For the first half of 2025, the Public Bank Group’s total loans grew at an annualised rate of 5.1%. The annualised domestic loans grew at a stronger rate of 6.1%, which was higher than the domestic banking industry’s annualised loan growth rate of 4.3%.

The Public Bank Group’s domestic loan growth was mainly contributed by the key lending activities in the retail banking segment, i.e. residential property financing, hire purchase financing and commercial property financing, which grew by an annualised rate of 5.3%, 13.4% and 6.0% respectively. These key segments continued to command strong market shares of 20.1%, 32.9% and 32.0% respectively.

Total deposits for the first half of 2025 increased at an annualised rate of 3.5%, mainly attributed to the domestic deposits, which grew at an annualised rate of 4.1%.

Non-interest and Non-financing Income

For the first six months of 2025, the Public Bank Group posted a double-digit non-interest and non-financing income growth of 17.5% to RM1.61 billion, compared with the corresponding period in 2024. The strong growth performance was mainly backed by the enhanced performance of investment income, foreign exchange business as well as fee and commission income.

Following the acquisition of 44.15% stake in LPI, the general insurance business contributed RM146.1 million to the Public Bank Group's income, accounting for about 9% of the Group's total non-interest and non-financing income. Moving forward, the Group will further capitalise on strategic opportunities by leveraging on LPI's agency force, as well as the Group's large customer base to cross-sell products and services.

Public Mutual, a wholly-owned unit trust company of the Public Bank Group, generated a pre-tax profit of RM403.4 million for the first half of 2025, which constituted 8.7% of the Group's total pre-tax profit. This performance was underpinned by its market-leading position, as reflected in its retail market share of 33.7% and net asset value of RM100.6 billion across 185 unit trust funds as at end-June 2025.

Capital and Funding Position

The Public Bank Group remained well capitalised with Common Equity Tier 1, Tier 1 and total capital ratios standing at 14.0%, 14.0%, and 16.8% respectively.

The Public Bank Group's strong deposit franchise continued to support a healthy level of funding position, as reflected by the gross loan-to-fund and equity ratio of 84.1% as at end-June 2025.

Sustainability Progress

The Public Bank Group continued to advance its sustainability agenda in line with its commitment to decarbonisation, targeting Carbon Neutral by 2030 and Net Zero Carbon by 2050.

As part of this commitment, solar panel installations at the Public Bank Group's domestic bank branches have already begun and more branches are expected to be equipped with solar panel systems by the end of 2025.

To facilitate customers' low carbon transition, the Public Bank Group has set decarbonisation targets for the cement, construction and palm oil sectors respectively, whilst the development of a target is underway for the real estate sector.

Since 2020, the Public Bank Group has mobilised over RM71.6 billion in sustainable financing, achieving over 71% of its target to mobilise RM100 billion by 2030.

Furthermore, the Public Bank Group's one-stop sustainable financing hub - PB Sustain – which was launched in January 2025, continues to serve as a pivotal platform for engaging with customers and supporting them in advancing their sustainability journey.

The Group's Prospects

The global landscape has become more challenging mainly stemming from the ongoing trade tensions and geopolitical conflicts. The outlook is weighed by uncertainties which could lead to heightened volatility in the global financial markets and commodity prices.

On the domestic front, whilst downside risks have increased mainly due to external factors, the Malaysian economy will continue to be anchored by its diversified domestic economy, resilient domestic demand and stable labour market conditions. The investment momentum is expected to be sustained by the progress of multi-year projects in both the private and public sectors. These provide buffers to better absorb external shocks.

“Against this backdrop, the Public Bank Group will remain highly vigilant in navigating these evolving risks. The Group's risk management capabilities will remain relevant to the changing environment to ensure effective mitigation strategies. On the positive front, resilient domestic demand continues to support banking business growth. The Group will continue to proactively grow its business leveraging on its core strength in the retail banking segment, whilst maintaining a strong focus on ESG initiatives and digital transformation to drive business growth.”

Tan Sri Tay concluded.



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

* * * * *

For more information, please contact:

Ms. Chang Siew Yen
Deputy Chief Executive Officer
Tel: (603) 2176 7461
E-mail: changsiewyen@publicbank.com.my

Ms. Yik Sook Ling
Chief Financial Officer
Tel: (603) 2176 6186
E-mail: yiksookling@publicbank.com.my