Summary of Questions Submitted by Shareholders/Proxies/Corporate Representatives Online during the Extraordinary General Meeting

- *Will the purchased shares be cancelled benefitting the shareholders or just placed as treasury shares? If treasury shares, any future potential for dividend in specie?*

  Mr Lee Yo-Hunn (the representative from the Principal Adviser, Public Investment Bank) explained that at the current juncture, there are no immediate plans to utilise the Proposed Share Buy-Back. Nonetheless, in the event the Proposed Share Buy-Back is implemented, the decision to retain the purchased shares as treasury shares or to cancel the purchased shares or a combination of both, will be made by the Board at the appropriate time.

- *For the share buy-back, what is the benefit for the current investors? Will the Company issue bonus shares to the current investors?*

  Mr Lee Yo-Hunn explained that the benefits of the Proposed Share Buy-Back include the following:-

  i. Allowing the Company to take preventive measures against speculation, particularly when Public Bank shares are undervalued and this in turn, would stabilise the market price of Public Bank shares, thereby supporting the fundamental value of Public Bank shares.

  ii. Provides opportunities for potential capital gain if the retained purchased shares are resold at higher prices.

  iii. The purchased shares which are retained as treasury shares can be distributed as share dividends to reward shareholders.

- *Enquiry on whether there is any impact on dilution?*

  Mr Lee Yo-Hunn explained that there is no impact on the number of shares held by the shareholders nor any dilution impact.

- *Enquiry whether the share buy-back is genuinely to enhance shareholder value, or simply to support the share price in the short-term.*

  Mr Lee Yo-Hunn explained that the Proposed Share Buy-Back is intended to form an integral part of Public Bank's long term capital management strategy to optimise its capital structure and enhance returns to shareholders. It will enable the Group to optimise capital levels and improve return on equity, which is expected to have a positive impact on Public Bank's share price, strengthen market confidence and enhance shareholder value.

  Further, the on-going global market uncertainties has led to volatility in the equity market since last year. As such, the Proposed Share Buy-Back serves as an alternative strategy which allows the Company to utilise surplus financial resources that are not immediately required for other uses, to purchase its own shares from the open market as a defence mechanism to help stabilise the demand and supply of Public Bank shares, thereby supporting the fundamental value of Public Bank shares.

- *How will the share buy-back affect the Company's dividend rate and payout?*

  Mr Lee Yo-Hunn explained that the Proposed Share Buy-Back is not expected to adversely affect the Company's ability to pay dividends as the Board will take into consideration the Company's profit, cash flow and capital commitments before proposing any dividend payment. Furthermore, the Board will also have the option of distributing the treasury shares as share dividends to the shareholders.

- *What would be the indicative share price that the Board feels that a share buy-back is necessary? Is there any guidance on the share price before this share buy-back strategy is implemented?*

  Mr Lee Yo-Hunn explained that the Proposed Share Buy-Back serves as an alternative strategy against share price volatility and therefore, the Company would only implement or utilise the Proposed Share Buy-Back as a defence mechanism, if the need arises.

  As at the current juncture, the Board has not identified any indicative share price level that would necessitate a share buy-back.