

MINORITY SHAREHOLDER WATCHDOG GROUP

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Company No. 524989-M)

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MSWG suggests Public Bank release AGM minutes

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KUALA LUMPUR: Minority Shareholder Watchdog Group (MSWG), the local think-tank and resource centre for minority interests and corporate governance matters, yesterday suggested that Public Bank Bhd, the country's largest non-government linked company, publicly release the minutes of the bank's annual general meeting (AGM) held yesterday.

"I hope the board would seriously consider publishing the minutes of today's AGM or just a summary of the meeting, because this is one aspect of transparency that would be seriously assessed under the Asean Corporate Governance Scorecard," MSWG corporate services division general manager Lya Rahman said during bank's 48th AGM here yesterday.

She highlighted that out of the 862 local companies that MSWG assessed in 2013, only seven companies have published their

meeting minutes.

Lya added that the organisation hopes Public Bank will continue to take steps to remain as the forerunner in corporate governance and hence influence other Malaysian companies to emulate its good practices. The bank is one of few public listed companies to allow the media to attend its AGMs.

Public Bank's board of directors did not respond to her suggestion.

This year's meeting was attended by 4,861 shareholders. As per norm, shareholders sang a birthday song for Public Bank founder and chairman Tan Sri Teh Hong Piow (pix).

Responding to MSWG's question on Public Bank's growth strategy, its chief operating officer Chang Siew Yen said the bank is targeting to open at least two new branches in Laos, Cambodia and Sri Lanka each.

Currently, Public Bank has 124 overseas branches, with 83 in Hong Kong, three in Shenzhen, China, 25 in Cambodia, seven in

Vietnam, four in Laos and two in Sri Lanka. Its international operations contributed 6.6% to the group's pre-tax profits in 2013.

Meanwhile, Chang said despite the drop in Public Bank's dividend yield of 2.7% in 2013 compared to the previous year, the dividend quantum has been growing over the past few years, in line with the profitability of the group.

Chang was responding to concerns raised by some shareholders, who claimed that Public Bank's dividend yield last year was lower than its industry peers' as well as its own fixed-deposit rates.

"The drop of dividend yield was mainly due to the increase of Public Bank's share price by 18% over the past 12 months. Therefore, taking into account the dividend yield of 2.7% and capital appreciation, shareholders enjoyed a total return of 21% last year," she explained.

Public Bank paid dividend per share of 52 sen (total payout of RM1.82 billion) to its shareholders in 2013, while its share price appreciated from RM16.26 to RM19.16 as at March 28, 2014.

Public Bank's foreign shares will be merged with its local shares on April 16.

