

MINORITY SHAREHOLDER WATCHDOG GROUP
BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia – Company No. 524989-M)

New Straits Times, Business Times – Wednesday, 25th April 2018 (A)

PUBLIC BANK

TEH LEAVES INVESTORS IN THE DARK

Country's most profitable lender says succession plan will be announced at 'appropriate time'

KUALA LUMPUR

PUBLIC Bank Bhd investors seeking clues on who will succeed billionaire founder Tan Sri Teh Hong Piew as chairman of Malaysia's most profitable lender were left in the dark at an annual meeting on Monday.

Teh, 88, didn't answer shareholders' questions on his potential successor at the gathering, here, his last before he steps down next year.

Chief executive officer Tan Sri Tay Ah Lek, 75, told about 6,000 attendees that the plan would be announced at an "appropriate time", pointing out that it was

subject to Bank Negara Malaysia's approval.

The identity of Public Bank's next leader is a key question for investors, who have enjoyed average annual returns of 19 per cent since its inception in 1966.

Teh, the country's second-richest man, has focused on efficiency at the retail lender, which has the lowest ratio of costs to income among major Southeast Asian banks, according to data compiled by Bloomberg.

Tay said the proliferation of veterans at the bank would ensure its culture endured.

"You will find most banks leave the door open" to both external and internal candidates, said De-



Public Bank founder and chairman Tan Sri Teh Hong Piew (right) arriving at the company's annual general meeting in Kuala Lumpur on Monday. **BLOOMBERG PIC**

vanesan Evanson, who leads the Minority Shareholder Watchdog Group, an independent shareholder advisory body, at the meeting. "Let's not close the door. Let's cast a wider net."

Another question for investors

is what will happen to Teh's 23.5 per cent holding, now worth RM22 billion.

The octogenarian is among three people with regulatory approval to hold more than 10 per cent of a Malaysian financial

institution.

Public Bank is also Southeast Asia's third-most valuable lender, trading at 2.5 times the estimated book value of its assets, according to data compiled by Bloomberg. **BLOOMBERG**