大眾金融控股有限公司*
PUBLIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 626)

CONTINUING CONNECTED TRANSACTIONS

The Company and PBBHK have entered into the Tenancy Agreement whereby the Company would continue to lease Premises I to PBBHK for three years commencing from 1 November 2006 at a monthly rental of HK$250,000 to be paid in cash. The Company and PBBHK had also entered into two other tenancy agreements on 29 August 2006 and 31 July 2006 respectively whereby the Company continued to lease Premises II and Premises III respectively to PBBHK, both for a term of two years commencing from 1 August 2006 at a monthly rental of (i) HK$20,600 for Premises II; and (ii) HK$43,800 for Premises III to be paid in cash.

PBBHK is the Hong Kong Branch of PBB which is the substantial shareholder of the Company. Accordingly, the Tenancy Agreement together with the other two tenancy agreements (the "Tenancy Agreements") constitute a series of continuing connected transactions for the Company under the Listing Rules. Details of the transactions will be disclosed in the annual report and accounts of the Company for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

THE TENANCY AGREEMENTS

	Premises I	**Premises II**	**Premises III**
Agreement date:	15 November 2006	29 August 2006	31 July 2006
Premises:	Shop A, G/F, Wing On House, 71 Des Voeux Road Central, Hong Kong	29F, Pine Mansion, 26 Taikoo Wan Road, Taikoo Shing, Hong Kong	Room 1101-3, 11/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Landlord:	The Company	PFL	PFL
Tenant:	PBBHK	PBBHK	PBBHK
Term:	3 years commencing from 1 November 2006 and expiring on 31 October 2009	2 years commencing from 1 August 2006 and expiring on 31 July 2008	2 years commencing from 1 August 2006 and expiring on 31 July 2008
Monthly rental:	HK$250,000 (exclusive of management fee, air-conditioning charges and rates)	HK$20,600 (exclusive of management fee and rates)	HK$43,800 (exclusive of management fee, air-conditioning charges and rates)
Use:	Branch office	Staff quarters	Office

ANNUAL CAPS

	Rental per annum *HK$*	Year ending 31/12/2006 *HK$*	Year ending 31/12/2007 *HK$*	Year ending 31/12/2008 *HK$*	Year ending 31/12/2009 *HK$*
Premises I	3,000,000	500,000	3,000,000	3,000,000	2,500,000
Premises II	247,200	103,000	247,200	144,200	N/A
Premises III	525,600	219,000	525,600	306,600	N/A
	3,772,800	822,000	3,772,800	3,450,800	2,500,000

CONNECTION BETWEEN THE PARTIES

PBB is a substantial shareholder of the Company which has an approximate 73.5% interest in the issued share capital of the Company. Tan Sri Dato' Sri Dr. Teh Hong Piow is deemed to be a substantial shareholder of the Company by virtue of his interest in PBB. Tan Sri Dato' Sri Dr. Teh Hong Piow, Tan Sri Dato' Thong Yaw Hong, Dato' Sri Tay Ah Lek, Dato' Yeoh Chin Kee and Mr. Lee Chin Guan are common directors of PBB and the Company. Hence, the Tenancy Agreements constitute a series of continuing connected transactions for the Company under the Listing Rules.

REASONS FOR CONTINUING CONNECTED TRANSACTIONS

The Company is an investment holding company, with its subsidiaries engaged principally in banking, deposit taking, consumer financing, the letting of investment properties and the provision of financing to purchasers of licensed public vehicles. PBBHK is a licensed bank which provides a full range of banking services in Hong Kong.

The Tenancy Agreements are renewal of the existing tenancy agreements with similar terms, details of which were disclosed in the Company's announcement dated 11 November 2003 and previous annual reports and accounts. The Group's principal businesses include the letting of investment properties and the Directors, including the Independent Non-executive Directors, are of the opinion that the Tenancy Agreements are conducted after due negotiations on arm's length basis upon normal commercial terms in the ordinary course of business of the Group, and are in the best interests of the shareholders as a whole. The monthly rentals are in line with the market and are fair and reasonable so far as the shareholders of the Company are concerned.

IMPLICATIONS UNDER THE LISTING RULES

Since the annual rental payable under the Tenancy Agreements amounts to HK$3,772,800, which is being satisfied in cash, and each of the applicable percentage ratios on an annual basis is less than 2.5%, the transactions are only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 and are exempt from the independent shareholders' approval requirements of the Listing Rules. Details of these continuing connected transactions will be included in the Company's annual report and accounts for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Company"	Public Financial Holdings Limited, a company incorporated in Bermuda with its shares listed on the SEHK
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on the SEHK
"PBB"	Public Bank Berhad, a company incorporated in Malaysia and has an approximate 73.5% interest in the issued share capital of the Company
"PBBHK"	PBB Hong Kong Branch, the branch of PBB in Hong Kong and is a licensed bank registered under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
"PFL"	Public Finance Limited, a wholly-owned subsidiary of the Company and is a deposit-taking company registered under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
"Premises I"	Shop A, G/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
"Premises II"	29F, Pine Mansion, 26 Taikoo Wan Road, Taikoo Shing, Hong Kong
"Premises III"	Room 1101-3, 11/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
"SEHK"	The Stock Exchange of Hong Kong Limited
"Tenancy Agreement"	the tenancy agreement dated 15 November 2006

By Order of the Board
Tan Yoke Kong
Company Secretary

Hong Kong, 15 November 2006

As at the date of this announcement, the Directors of the Company are Tan Sri Dato' Sri Dr. Teh Hong Piow, Dato' Sri Tay Ah Lek, Dato' Chang Kat Kiam and Mr. Wong Kong Ming as Non-executive Directors, Mr. Tan Yoke Kong and Mr. Lee Huat Oon as Executive Directors, and Tan Sri Dato' Thong Yaw Hong, Dato' Yeoh Chin Kee and Mr. Lee Chin Guan as Independent Non-executive Directors.

* *For identification purpose only*

"Please also refer to the published version of this announcement in China Daily"