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JCG HOLDINGS LIMITED
日本信用保証集團*

(Incorporated in Bermuda with limited liability)

CONNECTED TRANSACTION

The Company and PBBHK have entered into a tenancy agreement on 11 November 2003 whereby the Company would lease the Premises to PBBHK for three years commencing from 1 November 2003 at a monthly rental of HK\$150,000.

The tenancy agreement constitutes a connected transaction for the Company under the Listing Rules. Details of the transaction will be disclosed in the next published annual report and accounts of the Company in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

THE TENANCY AGREEMENT

- Agreement date : 11 November 2003
- Premises : Shop A, G/F, Wing On House, No. 71 Des Voeux Road Central, Hong Kong with a net area of 1,215 square feet
- Landlord : The Company
- Tenant : PBBHK
- Term : 3 years commencing from 1 November 2003 and expiring on 31 October 2006 with an option for the tenant to renew for a further 2 years at prevailing market rate
- Monthly rental : HK\$150,000 (exclusive of management fee, air-conditioning charges, Government Rent & Rates and other outgoings)

Rent-free period : 1 month from 1 November 2003 to 30 November 2003 (exclusive of management fee, air-conditioning charges, Government Rent & Rates and other outgoings)

Deposits : 2-month rentals totalling HK\$300,000

CONNECTION BETWEEN THE PARTIES

PBB is a substantial shareholder of the Company which has an approximate 65.32% 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, Datuk Tay Ah Lek and Dato' Yeoh Chin Kee are common directors of the Company and PBB. Hence, the tenancy agreement constitutes a connected transaction for the Company under the Listing Rules.

CONNECTED TRANSACTION

The Premises is leased to PBBHK as its branch office in Hong Kong to operate the banking business of a licensed bank. The Company is an investment holding company, with its subsidiaries engaged principally in deposit taking, consumer financing, property mortgage, the letting of investment properties and the provision of financing to purchasers of licensed public vehicles.

Since the annual rental payable under the tenancy agreement amounts to HK\$1,800,000, which is more than 0.03% but less than 3% of the latest audited consolidated net tangible asset value of the Company, the transaction is only subject to the disclosure requirements under Rule 14.25(1) of Chapter 14 of the Listing Rules. The Directors, including the independent non-executive Directors, are of the opinion that the tenancy agreement is concluded after due negotiations on arm's length basis upon normal commercial terms in the ordinary course of business, and is in the best interests of the Company. The monthly rental is in line with the prevailing market and is determined after consultation with several professional valuers, and is fair and reasonable so far as the shareholders of the Company are concerned. Details of this connected transaction will be included in the Company's next published annual report and accounts of the Company in accordance with Rule 14.25(1)(A) to (D) of the Listing Rules.

DEFINITIONS

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

“Company”	JCG Holdings Limited, a company incorporated in Bermuda with its shares listed on the SEHK
“Directors”	the directors of the Company
“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 65.32% interest in the issued share capital of the Company
“PBBHK”	PBB Hong Kong Branch, the branch of PBB in Hong Kong
“Premises”	the premises situate at Shop A, G/F, Wing On House, No. 71 Des Voeux Road Central, Hong Kong
“SEHK”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Tan Sri Dato’ Sri Dr. Teh Hong Piow
Chairman

Hong Kong, 11 November 2003

* *For identification purposes only*

Please also refer to the published version of this announcement in The Standard.