



JCG HOLDINGS LIMITED
日本信用保証集團*

(Incorporated in Bermuda with limited liability)
(Stock Code: 626)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of shareholders of JCG Holdings Limited (the “Company”) will be held at Rose Room, Lower Level II, Kowloon Shangri-La, 64 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Thursday, 10 March 2005 at 10:00 a.m. for the following purposes:

As Ordinary Business:

1. To receive and consider the audited financial statements and the reports of the directors and the auditors for the year ended 31 December 2004.
2. To re-elect directors and to authorise the Board of Directors to fix directors’ remuneration.
3. To re-appoint Messrs. Ernst & Young as auditors and to authorise the Board of Directors to fix their remuneration.

As Special Business:

Ordinary Resolutions

4. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to the following provisions of this Resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved to the exclusion of any existing specific authority;
- (b) the approval in paragraph (a) of this Resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of warrants, if any, to subscribe for shares of the Company or the exercise of options granted under any share option scheme adopted by the Company; (iii) an issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the Company's Bye-laws; or (iv) an issue of shares made pro rata to holders of shares in the Company on a fixed record date, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; or

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restriction or obligation under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

(a) the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate nominal amount of shares to be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT**, subject to the passing of Ordinary Resolutions Nos. 4 and 5 as set out in this notice of annual general meeting, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot shares be and is hereby extended by the additions to the aggregate nominal amount of share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of shares in the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5 set out in this notice of annual general meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution.”

7. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** the terms of the share option scheme of the Company adopted on 28 February 2002 be amended in the following manner:

- (a) By deleting the definition of “Expiry Date” in paragraph 1.1 in its entirety;
- (b) By deleting the definition of “Option Period” in paragraph 1.1 in its entirety and replacing it with the following:

““Option Period” means, in respect of any particular Option, the period to be notified by the Board to each Grantee which the Board may in its absolute discretion determine, save that such period shall not be more than 10 years from the Commencement Date;”;
- (c) By deleting the words “Expiry Date” in paragraph 5.2.6 and replacing them with the words “Option Period”;
- (d) By deleting paragraphs 9.3.1 and 9.3.2 in their entirety and replacing them with the following:

“9.3.1 within the relevant Option Period and on such terms and conditions as the Board may in its discretion have imposed on the Grantee in accordance with paragraph 5.2.8;”;
- (e) By re-numbering existing paragraphs 9.3.3 to 9.3.6 as 9.3.2 to 9.3.5 respectively;
- (f) By deleting the words “Expiry Date” in line 5 of the re-numbered paragraph 9.3.3 and replacing them with “expiry of the Option Period”;

(g) By deleting paragraphs 10(i) to (iii) in their entirety and replacing them with the following:

“(i) the expiry of the Option Period relevant to that Option;

(ii) the expiry of any of the periods referred to in paragraphs 9.3.2 to 9.3.5;

(iii)(subject to paragraph 9.3.4) the date of commencement of the winding-up of the Company;”.

Special Resolution

8. To consider and, if thought fit, pass the following resolution as a Special Resolution:

“**THAT** the Bye-laws of the Company be amended as follows:

(a) By inserting the following new definitions in Bye-law 1:

““associate(s)” shall have the meaning as ascribed to it from time to time under the rules of the Stock Exchange governing the listing of securities;”;

““electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;”;

““full financial statements” shall mean the financial statements that are required under section 87(1) of the Companies Act;”;

““notice” shall mean written notice (whether in printed form or otherwise) unless otherwise specifically stated and as further defined in these Bye-laws;”;

(b) By inserting the following new Bye-law 4(C) immediately after Bye-law 4(B):

“Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike. The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.”;

(c) By deleting the words “three weeks” in line 3 of Bye-law 15 and replacing them with the words “the period as prescribed or permitted by the Stock Exchange from time to time”;

(d) By inserting the following new Bye-laws 85(C) and 85(D) immediately after Bye-law 85(B):

“85(C) No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

85(D) Where any shareholder is, under the rules of the Stock Exchange governing the listing of securities, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.”;

(e) By deleting the words “any members’ general meeting” in line 4 of Bye-law 92(ii) and replacing them with the words “any meeting”;

(f) By re-numbering existing Bye-law 98 as Bye-law 98(A) and inserting the following new Bye-law 98(B) immediately after it:

“98(B) Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.”;

(g) By deleting paragraph (ii) of Bye-law 103(A) in its entirety and replacing it with the following:

“(ii) Notwithstanding such disclosure is made as aforesaid, a Director shall, subject as provided in Bye-law 103(A)(iii), not be entitled to vote in respect of any contract or arrangement in which he or any of his associates is materially interested and he shall not be counted in the quorum present at the meeting at which contract or arrangement is considered. The question of whether a Director or any of his associates is materially interested in a contract or arrangement shall be determined by a resolution of the board in respect of which the Director whose interest is being discussed shall not be entitled to vote.”;

(h) By deleting paragraph (iii) of Bye-law 103(A) in its entirety and replacing it with the following:

“(iii) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associate(s) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters, namely:

(a) the giving of any security or indemnity either:

(i) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(c) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in the shares of that company, provided that, the Director and any of his associates are not, in aggregate, beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his associates is derived) or of the voting rights;

(d) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(i) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or his associate(s) may benefit;

(ii) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(e) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”;

(i) By substituting the words “he is” in the second line of paragraph (v) of Bye-law 103(A) with the words “he/his associate(s) is/are”;

(j) By deleting the words “provided that no Director holding office as Chairman, Managing Director or joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire” in the fifth line of Bye-law 112(A);

(k) By deleting Bye-law 116 in its entirety and replacing it with the following:

“116. No person, other than a retiring Director, shall, unless recommended by the board for election, be eligible for election to the office of Director at any general meeting, unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged with the board at the Company's registered office or principal place of business or registration office provided that the minimum length of period, during which such notices are given, shall be at least seven days and the period for lodgment shall commence no earlier than the day after despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”;

(l) By deleting Bye-law 156 in its entirety and replacing it with the following:

“(A) Subject to Section 88 of the Companies Act, the Directors shall lay before the Company at each annual general meeting the audited profit and loss accounts, balance sheets, group accounts (if any) and reports of the summary (including, without limitation, a summary financial report in such form as may be required by law from time to time) in respect of the preceding financial year or other period for which audited accounts have been prepared.

- (B) Subject to paragraph (C) below, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account (including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the auditors' report) or a summary financial report (in such form as may be required by law from time to time) accompanied by an auditors' report and notice informing the shareholders how to notify the Company that he elects to receive the full financial statements shall be sent to the registered address of each person entitled thereto at least twenty-one (21) days before the date of the general meeting and laid before the Company at the annual general meeting held in accordance with Bye-law 69 provided that this Bye-law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.
- (C) Where a shareholder (a "Consenting Shareholder") has, subject to due compliance with all applicable laws, rules and regulations, including, without limitation, the rules of the Stock Exchange, consented to treat the publication of the relevant financial documents and/or the summary financial report on the Company's computer network as discharging the Company's obligation under law to send a copy of the relevant financial documents and/or the summary financial report, then publication by the Company, in accordance with law, on the Company's computer network of the relevant financial documents and/or the summary financial report at least twenty-one (21) days before the date of the general meeting shall, in relation to each Consenting Shareholder, be deemed to discharge the Company's obligations under paragraph (B) above.
- (D) Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a shareholder within seven (7) days of receipt of the shareholder's election to receive full financial statements.";

(m) By deleting Bye-law 160 in its entirety and replacing it with the following:

"160. Any notice and/or document from the Company to a member and/or any person entitled thereto may be served by publication on the Company's website, and/or by electronic mail and/or given in writing and/or by cable, telex or facsimile transmission message and any such notice, and (where appropriate) any other document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or electronic mail address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of notice and/or sending a document to him or which the person transmitting the notice and/or document reasonably and bona fide believes at the relevant time will result in the notice and/or document being duly received by the member and/or any person entitled thereto or, in the case of any notice, may be served by advertisement in appropriate newspapers, in each case, in accordance with and subject to the requirements of applicable legislation and/or the requirements of the Stock Exchange from time to time. In the case of joint holders of a share, all notices (and, where appropriate, any other document) shall be given to that one of the joint holders whose name stands first in the register and notice (and, where appropriate, any document) so given shall be deemed sufficient service on or delivery to all the joint holders.";

(n) By deleting Bye-law 162 in its entirety and replacing it with the following:

“162. Any notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post. In proving such service of delivery, it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post, and a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if published, served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been published, served or delivered at the time of publication, personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such publication, service or delivery, a certificate in writing signed by the secretary or other officer of the Company or other person appointed by the board as to the act and time of such publication, service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- (c) may, notwithstanding any provision in these Bye-laws to the contrary but subject always to the requirements of applicable legislation and/or rules and regulations of the Stock Exchange, be given to a member either in the English language or both English and Chinese languages; and for the purposes of this Bye-law, such notice and document shall include (but not limited to):
 - (i) the Directors’ report, the Company’s annual accounts together with a copy of the auditors’ report and where applicable, its summary financial report;
 - (ii) the interim report of the Company;
 - (iii) a notice of meeting;
 - (iv) a listing document; and
 - (v) a circular.”;

(o) By deleting Bye-law 165 in its entirety and replacing it with the following:

“165. Any notice or other document published on the Company’s website, transmitted, delivered or sent by post to or left at the registered address of any member, in pursuance of these Bye-laws shall, notwithstanding that such member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly published, transmitted, served or delivered in respect of any share registered in the name of such member as sole or joint holder unless his name shall, at the time of the publication, transmission, service or delivery of the notice or document, have been removed from the register as the holder of the share, and such publication, transmission, service or delivery shall for all purposes be deemed a sufficient publication, transmission, service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.”;

(p) By adding the following new paragraph (C) immediately after paragraph (B) of Bye-law 170:

“(C) the Company may purchase and maintain insurance for the benefit of the Company and/or any related company and/or of any Director, manager, secretary or officer of the Company against:

- (a) (in the case of the Company and/or any related company) any loss, damage, liability and claim which it may suffer or sustain in connection with any breach by the Directors (and/or other officers and/or other persons) or any of them of their duties to the Company;
- (b) (in the case of any Director, manager, secretary or officer of the Company) any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
- (c) (in the case of any Director, manager, secretary or officer of the Company) any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this paragraph (C), “related company” means any company that is the Company’s subsidiary or holding company or a subsidiary of that holding company.”;

(q) By adding the following new Bye-law immediately following Bye-law 170:

Destruction of Documents

“171. The Company may destroy:

- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (b) a dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate, variation, cancellation or notification was recorded by the Company;

- (c) any instrument of transfer of shares which has been registered at any time after the expiry of twelve years from the date of registration; and
- (d) any other document on the basis of which any entry in the register is made at any time after the expiry of twelve years from the date and entry in the register was first made in respect of it,

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:

- (i) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Bye-law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of sub-paragraph (i) above are not fulfilled; and
- (iii) references in this Bye-law to the destruction of any document include references to its disposal in any manner.””

By Order of the Board
Tan Yoke Kong
Company Secretary

Hong Kong, 1 February 2005

Notes:

1. The register of members will be closed from Friday, 4 March 2005 to Thursday, 10 March 2005, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 3 March 2005.
2. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. In order to be valid, proxies in the prescribed form must be lodged with the Company's branch share registrar in Hong Kong, Tengis Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, no later than 48 hours before the time appointed for holding the meeting.
3. Concerning Resolution No. 4 of this notice, approval is being sought from members for a general mandate to authorise allotment of shares in the capital of the Company in order to give flexibility to the directors in the event it becomes desirable to issue any additional shares of the Company. The directors have no immediate plan to issue any new shares of the Company pursuant to such approval.
4. Concerning Resolution No. 5 of this notice, approval is being sought from members for a general mandate to be given to the directors to repurchase shares.

5. Concerning Resolution No. 6 of this notice, approval is being sought from members for an extension of the general mandate sought to be granted to the directors of the Company to allot shares by adding to it the number of shares which shall have been repurchased under the authority granted pursuant to Resolution No. 5 of this notice.
6. An explanatory statement containing the information regarding Resolution No. 5 of this notice is contained in the circular accompanying this notice.

As at the date of this announcement, the Board of Directors of the Company comprises Tan Sri Dato' Sri Dr. Teh Hong Piow, Datuk Tay Ah Lek, Mr. 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 Dato' Yeoh Chin Kee, Mr. Geh Cheng Hooi, Paul 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”