

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares of Pacific Century Insurance Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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PACIFIC CENTURY INSURANCE HOLDINGS LIMITED

(盈科保險集團有限公司)*

(An investment holding company incorporated in Bermuda with limited liability)

(Stock Code: 65)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE ITS OWN SHARES
AND TO ISSUE SHARES
AMENDMENTS TO THE BYE-LAWS AND
RE-ELECTION OF RETIRING DIRECTORS**

The notice convening an Annual General Meeting of Pacific Century Insurance Holdings Limited (“the Company”) to be held at Fuji Room, Level 5, One Pacific Place, 88 Queensway, Admiralty, Hong Kong, on Monday, 25 April 2005 at 10:00 a.m. is set out on pages 15 to 24 of this circular.

Whether you are able to attend or not, please complete and return the form of proxy sent together with this circular in accordance with the instructions printed thereon and return the same to the Company’s branch registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the meeting.

* For identification purpose

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DEFINITIONS

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

“2004 Annual Report”	the annual report of the Company for the year ended 31 December 2004 to be despatched to the Shareholders
“AGM”	the Annual General Meeting of the Company to be held at Fuji Room, Level 5, One Pacific Place, 88 Queensway, Admiralty, Hong Kong on Monday, 25 April 2005 at 10:00 a.m.
“AGM Notice”	the notice convening the AGM which is set out on pages 15 to 24 of this circular
“associate”	has the meaning as ascribed under the Listing Rules
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors of the Company or a duly authorised committee thereof for the time being
“Bye-Laws”	the bye-laws of the Company as may be amended from time to time
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Pacific Century Insurance Holdings Limited
“Directors”	the directors of the Company from time to time
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 March 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	the proposed ordinary resolutions no. 4.1 to 4.3 as referred to in the AGM Notice
“Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in Ordinary Resolution no. 4.2 up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 4.2

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$1.00 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation reclassification or reconstruction of the share capital of the Company from time to time)
“Share Buyback Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot and issue Shares during the period as set out in Ordinary Resolution no. 4.1 up to 20% of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 4.1
“Shareholder(s)”	duly registered holder(s) of Shares in the capital of the Company
“Special Resolution”	the proposed special resolution no. 5 as referred to in the AGM Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



PACIFIC CENTURY INSURANCE HOLDINGS LIMITED

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(An investment holding company incorporated in Bermuda with limited liability)

(Stock Code: 65)

Executive Directors:

YUEN Tin Fan, Francis (*Chairman*)
CHAN Ping Kan, Raymond (*Managing Director*)
SO Wing Hung, Peter (*Chief Operating Officer*)
CHEUNG Sum, Sam (*Chief Financial Officer*)
ALLEN Peter Anthony
ARENA Alexander Anthony
CHUNG Cho Yee, Mico
YANG Chao
ZHENG Chang Yong

Non-Executive Director:

WANG Xianzhang

Independent Non-Executive Directors:

Prof. CHANG Hsin Kang
FRESHWATER Tim
Prof. WONG Yue Chim, Richard

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal Place of Business:

Suite 1401-1410
14th Floor
One Pacific Place
88 Queensway
Admiralty
Hong Kong

31 March 2005

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE ITS OWN SHARES
AND TO ISSUE SHARES
AMENDMENTS TO THE BYE-LAWS AND
RE-ELECTION OF RETIRING DIRECTORS**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the following matters and to seek your approval of the Ordinary and Special Resolutions relating to these matters at the AGM:

- (a) Proposed renewal of the general mandates to issue and allot Shares and to repurchase Shares;

* For identification purpose

LETTER FROM THE CHAIRMAN

- (b) Proposed amendments to the Bye-Laws; and
- (c) Re-election of retiring Directors.

2. GENERAL MANDATE TO REPURCHASE AND ISSUE SHARES

At the annual general meeting of the Company held on 15 April 2004, resolutions were passed giving general mandates to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the Share Buyback Rules. These general mandates will lapse at the conclusion of the AGM. It is therefore proposed to renew the general mandates to issue and allot Shares and to repurchase Shares at the AGM.

a) **Repurchase Mandate**

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution no. 4.2 in the AGM Notice. The Shares which may be repurchased pursuant to the Repurchase Mandate is up to 10% of the issued share capital of the Company at the date of passing of the resolution approving the Repurchase Mandate.

An explanatory statement as required under the Share Buyback Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I hereto.

b) **Share Issue Mandate**

An ordinary resolution will be proposed at the AGM to grant to the Directors the Share Issue Mandate. In addition, an ordinary resolution will also be proposed to authorise an extension of the Share Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Repurchase Mandate, if granted.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions no. 4.1 and no. 4.3 in the AGM Notice.

3. PROPOSED AMENDMENTS TO THE BYE-LAWS

The amendments to Appendix 3 to the Listing Rules governing the constitutional documents of listed issuers came into effect on 31 March 2004. Further amendments have been made by the Stock Exchange to Appendix 14 to the Listing Rules concerning the code on corporate governance practices which came into effect on 1 January 2005. In this connection, the Special Resolution as set out in the AGM Notice is proposed to make amendments to the existing Bye-Laws to comply with the requirements of the amended Appendix 3 and Appendix 14 to the Listing Rules.

LETTER FROM THE CHAIRMAN

In addition, the SFO came into effect on 1 April 2003. In this regard, certain amendments to the existing Bye-Laws to reflect such legislative changes will also be proposed at the AGM.

To align the existing Bye-Laws with the Listing Rules (as amended) and the SFO, the Board proposes to amend the existing Bye-Laws in the manner as set out in the Special Resolution. The full text of the proposed amendments to the existing Bye-Laws is set out in the AGM Notice. A brief background relating to the proposed amendments to the Bye-Laws is set out below:-

- (a) Bye-Law 1(A) To add the definition of “Listing Rules”; to replace the definitions of “associates”, “holding company”, “subsidiary” and “Clearing House”.
- (b) Bye-Law 70 To amend the requirement on voting by poll, as stipulated under the Listing Rules.
- (c) Bye-Law 76A To add a restriction on voting by those Shareholders whom the Company has knowledge is restricted from voting, as required under the provisions of the amended Appendix 3 to the Listing Rules.
- (d) Bye-Law 98 To add that subject to certain exceptions, a Director shall abstain from voting at the board meeting on any contract or arrangement or proposal in which he and/or any of his associate(s) has/have a material interest and shall not be counted towards the quorum of the relevant board meeting, as required under the provisions of the amended Appendix 3 to the Listing Rules.
- (e) Bye-Law 100 To add the requirement for retirement of Directors by rotation at least once every three years at the Company’s annual general meeting as required under the provisions of the amended Appendix 14 to the Listing Rules.
- (f) Bye-Law 103 To add the provision which stipulates the minimum seven-day period for lodgment by a Shareholder of the notice to nominate a Director and the nomination shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and shall end no later than seven days before the date of such meeting, as required under the provisions of the amended Appendix 3 to the Listing Rules.
- (g) Bye-Law 168 To amend the provision in relation to the method of postal service that may be used for the issue of notice or document to a Shareholder whose registered address is outside the Relevant Territory in accordance with Rule 13.76 to the Listing Rules.

LETTER FROM THE CHAIRMAN

4. RE-ELECTION OF RETIRING DIRECTORS

At the AGM, Messrs. YUEN Tin Fan, Francis, CHUNG Cho Yee, Mico, ZHENG Chang Yong, WANG Xianzhang and FRESHWATER Tim will retire as Directors by rotation and, being eligible, offer themselves for re-election as Directors in compliance with Appendix 14 to the Listing Rules.

Particulars of Messrs. YUEN Tin Fan, Francis, CHUNG Cho Yee, Mico, ZHENG Chang Yong, WANG Xianzhang and FRESHWATER Tim are set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING

Set out on pages 15 to 24 of this circular is a notice convening the AGM at which, among others, resolutions will be proposed to approve the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate, amendments to the Bye-Laws and re-election of retiring Directors.

6. PROCEDURE TO DEMAND A POLL

Pursuant to the existing Bye-Law 70, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the Chairman of the meeting; or
- (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (iv) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

7. ACTION TO BE TAKEN

A form of proxy for use at the AGM is also enclosed together with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company's branch registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM.

LETTER FROM THE CHAIRMAN

8. RECOMMENDATION

The Directors believe that the Repurchase Mandate, the Share Issue Mandate, the extension of the Share Issue Mandate, amendments to the Bye-Laws and re-election of retiring Directors are in the best interests of the Company as well as the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of resolutions set out in the AGM Notice.

Yours faithfully,
On behalf of the Board
YUEN Tin Fan, Francis
Chairman

This Appendix serves as an explanatory statement, as required by the Share Buyback Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate.

1. THE LISTING RULES

The Listing Rules permit a company whose primary listing is on the Stock Exchange to repurchase its securities on the Stock Exchange or on another stock exchange on which the securities of the company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange subject to certain restrictions, the most important of which are summarised in the following paragraphs.

2. SOURCE OF FUNDS

Repurchases must be made out of funds legally available for such purpose in accordance with the constitutive documents of the Company and the laws of the jurisdiction in which the Company is incorporated.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 821,638,000 Shares. Subject to the passing of Ordinary Resolution numbered 4.2 set out in the AGM Notice approving the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, exercise in full of the Repurchase Mandate could accordingly result in up to 82,163,800 Shares being repurchased by the Company during the course of the period prior to the next annual general meeting to be held in 2006.

4. REASONS FOR SHARE REPURCHASES

The Company has surplus cash which, in the view of the Directors, is sufficient for capital expenditure, normal operation, business expansion and investment of the Group in the foreseeable future. The Directors believe that it will enhance shareholder value by adopting a more efficient capital structure through a reduction of surplus cash. A share repurchase is considered to be one of the principal means by which the Company can enhance shareholder value.

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. FUNDING OF SHARE REPURCHASES

Repurchases of Shares will be funded entirely from the Company's available cash flow or working capital facilities, and will be made out of funds legally available for such purpose in accordance with the Companies Act 1981 of Bermuda, the Memorandum of Association and Bye-Laws of the Company (as amended from time to time).

There might be a material adverse effect on the working capital or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the 2004 Annual Report) in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company unless the Directors determine that such repurchases are, taking into account of all relevant factors, in the best interests of the Company.

6. GENERAL

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and any applicable laws of Bermuda.

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the power to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the interest(s) of the relevant shareholder(s), could obtain or consolidate control of the Company and thereby become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. LI Tzar Kai, Richard has deemed interests in 385,797,942 Shares representing 46.95% of the issued share capital of the Company, of which (a) 2,000,000 Shares were held by Pacific Century Diversified Limited, a wholly-owned subsidiary of Chiltonlink Limited, which is 100% owned by Mr. LI Tzar Kai, Richard; and (b) 383,797,942 Shares were indirectly held by the trustee of two unit trusts (as stated in the paragraph below), the units of which are held by two discretionary trusts of which Mr. LI Tzar Kai, Richard is the founder.

As at the Latest Practicable Date, each of Ocean Star Management Limited, OS Holdings Limited, Star Ocean Ultimate Limited, The Ocean Trust, The Ocean Unit Trust, The Starlite Trust, The Statlite Unit Trust, Pacific Century Group Holdings Limited ("PCGH"), Pacific Century International Limited, Pacific Century Group (Cayman Islands) Limited and Anglang Investments Limited is deemed to have an interest under the SFO in the same 383,797,942 Shares, representing 46.71% of the issued share capital of the Company, held by Pacific Century Regional Developments Limited ("PCRD"). Ocean Star Investment Management Limited is deemed under the SFO to have an interest in the same 383,797,942 Shares held by PCRD by virtue of it being the investment manager of The Starlite Unit Trust and The Ocean Unit Trust which together hold 100% of the shares of PCGH.

Also, China Insurance (Holdings) Company, Limited is taken to have an interest under the SFO in the same 91,060,000 Shares, representing 11.08% of the issued share capital of the Company, in aggregate, beneficially owned by Joyful Box Inc. and King System Limited.

If the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to Ordinary Resolution no. 4.2, the shareholding of PCRD will increase from 46.71% to approximately 51.90% of the issued share capital of the Company and such an increase may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such Repurchase Mandate is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

During the previous six months preceding the date of this circular, the Company has repurchased a total of 1,652,000 Shares on the Stock Exchange with details as follows:

Date	No. of Shares repurchased	Price paid per Share (HK\$)
9 September 2004	1,298,000	2.650 to 2.700
19 November 2004	70,000	3.000
22 November 2004	124,000	3.000
14 January 2005	<u>160,000</u>	2.975 to 3.000
Total	<u><u>1,652,000</u></u>	

7. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2004		
March	4.225	3.575
April	4.050	3.150
May	3.550	2.225
June	3.300	2.875
July	3.250	3.050
August	3.200	2.450
September	2.900	2.650
October	3.075	2.800
November	3.250	2.900
December	3.375	3.050
2005		
January	3.575	2.975
February	3.875	3.300

Pursuant to the Listing Rules, the particulars of the Directors who will retire at the AGM according to the Bye-Laws and proposed to be re-elected at the AGM are provided below.

YUEN Tin Fan, Francis

Mr. YUEN, aged 52, is the Chairman of the Company and Deputy Chairman of the Pacific Century Group. He is also the Deputy Chairman of PCCW Limited, Pacific Century Regional Developments Limited and Pacific Century Premium Developments Limited. After an extensive career in investment banking and financial regulatory affairs across Asia, Mr. YUEN joined the Pacific Century Group in 1996 and joined the Company in June 1999. From 1988 to 1991, he was the Chief Executive of The Stock Exchange of Hong Kong Limited. Mr. YUEN was also a founding Director of Hong Kong Securities Clearing Company Limited. From 1992 to 1994, he served as a member of the International Markets Advisory Board of the US-based NASDAQ, the second largest stock market in the world. Mr. YUEN received a Bachelor of Arts Degree in Economics from the University of Chicago and is currently a member of the University's Board of Trustees.

Save as disclosed above, as at the Latest Practicable Date, Mr. YUEN did not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. YUEN was interested in 21,204,800 Shares of the Company, which were held under a discretionary trust of which Mr. YUEN was a founder and 19,440,000 share options of the Company, within the meaning of Part XV of the SFO.

Mr. YUEN is not appointed for a specific term and he would be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-Laws. Mr. YUEN is entitled to receive an aggregate remuneration of HK\$200,000 per annum. Such amount of emoluments is determined by reference to his duties and responsibilities within the Company and the Company's remuneration policy.

CHUNG Cho Yee, Mico

Mr. CHUNG, aged 44, is an Executive Director of the Company and an executive director of PCCW Limited. He joined the Pacific Century Group in March 1999 and is an executive director responsible for the Pacific Century Group's merger and acquisition activities, and a member of the Executive Committee. He joined the Company in June 1999. A qualified solicitor by profession, Mr. CHUNG graduated with a law degree from the University College, University of London, in the UK, in 1983. He qualified as a solicitor in Hong Kong in 1986, after which he worked in the commercial department of a law firm in Hong Kong for two years. He joined the corporate finance department of Standard Chartered Asia Limited - the investment banking arm of Standard Chartered Bank - in 1988. Mr. CHUNG became a director and General Manager of Bond Corporation International Ltd in 1990 and left to join China Strategic Holdings Limited in January 1992. He is a director of JALECO LTD and independent non-executive director of Hong Kong Construction (Holdings) Limited. He is also non-executive director of Capital Strategic Investment Limited and E2-Capital (Holdings) Limited.

Save as disclosed above, as at the Latest Practicable Date, Mr. CHUNG did not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. CHUNG was interested in 2,280,000 share options of the Company within the meaning of Part XV of the SFO.

Mr. CHUNG is not appointed for a specific term and he would be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-Laws. Mr. CHUNG is entitled to receive an aggregate remuneration of HK\$200,000 per annum. Such amount of emoluments is determined by reference to his duties and responsibilities within the Company and the Company's remuneration policy.

ZHENG Chang Yong

Mr. ZHENG, aged 40, is an Executive Director of the Company. He joined the Company in November 2000. He graduated from the University of Industry and Commerce of Beijing with a Master's Degree in Economics. He has over 15 years experience in accounting and insurance. Mr. ZHENG is a member of the Chinese Institute of Certified Public Accountants (CICPA). Mr. ZHENG joined The People's Insurance Company of China in 1989 and joined China Insurance Group since 1997. He is currently a director and financial controller of China Insurance Group. He also serves various members of the China Insurance Group as a director, such as China Insurance International Holdings Company Limited and The Ming An Insurance Company (Hong Kong) Limited. Mr. ZHENG is also an independent non-executive director of China Life Insurance (Overseas) Company Limited. He is also an executive director of CIG-WH International (Holdings) Limited.

Save as disclosed above, as at the Latest Practicable Date, Mr. ZHENG did not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. ZHENG did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. ZHENG is not appointed for a specific term and he would be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-Laws. Mr. ZHENG is entitled to receive an aggregate remuneration of HK\$200,000 per annum. Such amount of emoluments is determined by reference to his duties and responsibilities within the Company and the Company's remuneration policy.

WANG Xianzhang

Mr. WANG, aged 62, is a Non-Executive Director of the Company. He joined the Company in June 1999 as an Executive Director and was re-designated as a Non-Executive Director of the Company in November 2000. He has more than 30 years' experience in banking and insurance and serves as President of Insurance Association of China and Vice President of Insurance Institute of China. He served as the president of China Life Insurance Company from 2000, where he remains as the president. Mr. WANG is also the chairman of the Board and President of China Life Insurance Company Limited. He was the vice chairman and vice president of The People's Insurance Company of China and the vice chairman and president of China Insurance H.K. (Holdings) Company Limited. As well as being the chairman of The Ming An Insurance Company (Hong Kong), Limited and China

Reinsurance Company (Hong Kong) Limited, Mr. WANG also had served as a director of CITIC Ka Wah Bank Limited, Beijing Enterprises Holdings Limited and several other companies in Hong Kong. He graduated from Liaoning Finance & Economic Institute (now known as Northeast Finance & Economic University) in 1965.

Save as disclosed above, as at the Latest Practicable Date, Mr. WANG did not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. WANG did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. WANG was appointed for an initial term of three years with effect from 30 November 2000. The term was renewed for a further two years with effect from 30 November 2003. He would be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-Laws. Mr. WANG is entitled to receive an aggregate remuneration of HK\$120,000 per annum. Such amount of emoluments is determined by reference to his duties and responsibilities within the Company and the Company's remuneration policy.

FRESHWATER Tim

Mr. FRESHWATER, aged 60, is an Independent Non-Executive Director of the Company. He joined the Board of Directors in June 1999. He is a solicitor in the UK and Hong Kong and has served as the President of the Law Society of Hong Kong. After graduating from Cambridge University, he joined the international law firm of Slaughter and May in 1967 and left after 29 years to join Jardine Fleming in 1996. He became the chairman of Jardine Fleming in 1999. In 2001, he joined Goldman Sachs as Chairman - Corporate Finance, Asia, and is now Vice Chairman of Goldman Sachs Asia. He is a director of Hong Kong Exchanges and Clearing Limited and Liu Chong Hing Bank Limited.

At the Latest Practicable Date, Mr. FRESHWATER had no interest in the Shares within the meaning of Part XV of the SFO. He is not a connected person of any Director or substantial or controlling shareholder of the Company.

Mr. FRESHWATER was appointed for an initial term of three years with effect from 8 June 1999. His term was renewed for a further two years with effect from 8 June 2004. He is subject to retirement by rotation and re-election at the AGM in accordance with the Bye-Laws. Mr. FRESHWATER is entitled to receive aggregate remuneration of HK\$120,000 per annum, which amount is determined by reference to the Company's current remuneration policy in respect of non-executive directors.

Save as disclosed above, the Board is not aware of any matters relating to the above proposed re-elections that need to be brought to the attention of the Shareholders.



PACIFIC CENTURY INSURANCE HOLDINGS LIMITED

(盈科保險集團有限公司)*

(An investment holding company incorporated in Bermuda with limited liability)

(Stock Code: 65)

NOTICE IS HEREBY GIVEN that the 2005 Annual General Meeting of Pacific Century Insurance Holdings Limited (the “Company”) will be held at Fuji Room, Level 5, One Pacific Place, 88 Queensway, Admiralty, Hong Kong on Monday, 25 April 2005 at 10:00 a.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and Reports of the Directors and Auditors for the year ended 31 December 2004.
2. To declare a final dividend for the year ended 31 December 2004.
3. To appoint Auditors of the Company and authorise the Board of Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

4.1 **“THAT:**

- (A) subject to paragraph (C) below, and pursuant to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company and to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) above shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (A) above,

* For identification purpose

NOTICE OF ANNUAL GENERAL MEETING

otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares of the Company upon the exercise of the subscription rights attaching to any warrants or any similar arrangements of the Company; or (iii) an issue of shares of the Company upon the exercise of options which may be granted under any share option schemes or similar arrangements of the Company; or (iv) an issue of shares of the Company in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-Laws of the Company, shall not exceed the aggregate of 20% of the aggregate of the total nominal value of the share capital of the Company in issue as at the date of passing this Resolution, and such approval shall be limited accordingly; and

(D) for the purposes of this Resolution:

“Relevant Period” means the period from 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 Company’s Bye-Laws to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors of the Company by this Resolution.

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares, open for a period fixed by the Directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) (subject in all cases 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 restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

4.2 “THAT:

- (A) subject to paragraph (B) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase securities of the Company on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and is recognised by

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the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (B) the aggregate nominal amount of securities of the Company repurchased by the Company pursuant to the approval in paragraph (A) above during the Relevant Period shall in the case of shares of the Company, not exceed 10% of the aggregate of the total nominal value of the share capital of the Company in issue as at the date of passing this Resolution, and such approval shall be limited accordingly; and
- (C) for the purposes of this Resolution, “Relevant Period” means the period from 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 Company’s Bye-Laws to be held; or
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors of the Company by this Resolution.”

4.3 “**THAT** the general mandate granted to the Directors of the Company and for the time being in force to exercise the power of the Company to allot, issue and deal with any unissued shares of the Company pursuant to Resolution No. 4.1 as set out in the notice convening this meeting be and is hereby extended by the addition 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 the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 4.2 as set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”

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5. As special business, to consider and, if thought fit, pass the following resolution as special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** the existing Bye-Laws of the Company be and are hereby amended in the following manner:

(A) Bye-Law 1(A)

- (i) By deleting the definition of “associates” in its entirety and substituting therefor the following new definition:

““associates” in relation to any Director, shall have the meaning attributed to it in the Listing Rules;”

- (ii) By deleting the definition of “Clearing House” in its entirety and substituting therefor the following new definition:

““Clearing House” shall mean a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as modified from time to time or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;”

- (iii) By deleting the definitions of “holding company” and “subsidiary” in their entirety and substituting therefor the following new definitions and adding a new definition of “Listing Rules” as follows:-

““holding company” and “subsidiary” shall have the meanings ascribed to them by the Companies Act, except for Bye-Law 98(H) which shall have the meanings ascribed to them by the “Listing Rules”;

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as may from time to time be amended;”

(B) Bye-Law 70

- (i) By adding the words “unless a poll is taken as may from time to time be required under the Listing Rules or” immediately before the words “unless a poll is” in the first paragraph of Bye-Law 70;

- (ii) By adding the words “or unless a poll is taken as may from time to time be required under the Listing Rules” immediately after the words “the demand is not withdrawn” in the second paragraph of Bye-Law 70.

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(C) Bye-Law 76A

By adding the following new Bye-Law 76A immediately following Bye-Law 76:

“76A. Where the Company has knowledge that any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or against any particular resolution of the Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.”

(D) Bye-Law 98(H)

By deleting Bye-Law 98(H) in its entirety and substituting therefor the following new Bye-Law 98(H):

“(H) A Director shall not vote on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associate(s) is/are materially interested and if he shall do so his vote shall not be counted nor shall he be counted in the quorum on such resolution of the Board, but this prohibition shall not apply to any of the following matters namely:

- (i) any contract or arrangement for the giving of any security or indemnity 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) any contract or arrangement for the giving by the Company of any security or indemnity 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;
- (iii) 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;
- (iv) 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 shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five 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 his associates is derived) or of the voting rights;

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- (v) any proposal or arrangement concerning the adoption, modification or operation of any employees' share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of, the employees of the Company or its subsidiaries under which the Director or his associate(s) may benefit;
- (vi) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associate(s) 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
- (vii) 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."

(E) Bye-Law 98(I)

By deleting Bye-Law 98(I) in its entirety and substituting therefor the following new Bye-Law 98(I):

"(I) A company shall be deemed to be a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and/or his associate(s) (either directly or indirectly) are the holder(s) of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest or that of any of his associate(s) is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director and/or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right."

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(F) Bye-Law 98(J)

By deleting Bye-Law 98(J) in its entirety and substituting therefor the following new Bye-Law 98(J):

“(J) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.”

(G) Bye-Law 98(K)

By deleting Bye-Law 98(K) in its entirety and substituting therefor the following new Bye-Law 98(K):

“(K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman) or his associate(s) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman as known to him has not been fairly disclosed to the Board.”

(H) Bye-Law 100

By deleting Bye-Law 100 in its entirety and substituting therefor the following new Bye-Law 100:

“100. Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at the annual general meeting at least once every three years and the Directors to retire at every annual general meeting shall be decided by the Board. A retiring Director shall be eligible for re-election.”

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(I) Bye-Law 103

By deleting Bye-Law 103 in its entirety and substituting therefor the following new Bye-Law 103:

“103. No person other than a Director retiring at the meeting 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 shareholder (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 a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office provided that the minimum length of the period, during which such notice(s) are given, shall be at least 7 days and that the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.”

(J) Bye-law 168

By deleting Bye-Law 168 in its entirety and substituting therefor the following new Bye-Law 168:

“168. Any shareholder whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the shareholder is outside the Relevant Territory, any notice or document to be given or issued under these Bye-Laws or the Listing Rules shall be sent, where applicable, by prepaid airmail or an equivalent service that is no slower, as determined by the Board.”

6. To re-elect retiring Directors and authorise the Board of Directors to fix their remuneration.
7. To transact any other business.

By order of the Board
CHENG Wan Seung, Ella
Company Secretary

Hong Kong, 31 March 2005

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Registered Office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business:
Suite 1401-1410
14th Floor
One Pacific Place
88 Queensway
Admiralty
Hong Kong

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote, on a poll, on his/her behalf. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.
2. The Register of Members will be closed from 19 April 2005 to 25 April 2005, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 18 April 2005.
3. Concerning agenda item 4.1 above, approval is being sought from members for a general mandate to the Directors to allot, issue and deal with additional shares of the Company up to 20% of the issued share capital of the Company.
4. Concerning agenda item 4.2 above, approval is being sought from members to increase the flexibility of and provide discretion to the Directors in the event that it becomes desirable to repurchase shares representing up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the Stock Exchange at the date of passing the resolution. An explanatory statement to provide relevant information in respect of the proposed granting of the repurchase mandate is set out in this circular.
5. Concerning agenda item 4.3 above, approval is being sought from members to extend the general mandate to allot shares by adding repurchased securities to the 20% general mandate.
6. Concerning agenda item 5 above, approval is being sought from members to amend the Bye-Laws of the Company.
7. Concerning agenda item 6 above, Messrs. YUEN Tin Fan, Francis, CHUNG Cho Yee, Mico, ZHENG Chang Yong, WANG Xianzhang and FRESHWATER Tim shall retire by rotation and, being eligible, offer themselves for re-election at the meeting pursuant to Bye-Law 100 of the amended Bye-Laws proposed under agenda item 5(H) above. The biographical details and interests in the securities of the Company (if any) of the above Directors to be re-elected at the meeting are provided in this circular.

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8. A form of proxy for use in connection with the annual general meeting is enclosed with this circular. The form of proxy shall be deposited at Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting.