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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)

DISCLOSEABLE TRANSACTION - Subscription of an Exchangeable Note

On 3rd October, 2005, the Variation Agreement was entered into between Praise Idea, Noblenew and CTF, inter alia, to vary the terms of the Note by changing the date of occurrence of the Event of Default from 3rd October, 2005 to 12th December, 2005 and to vary the interest payable on repayment of the Note on occurrence of the Event of Default.

Reference is made to the Company's announcements dated 3rd June, 2005 and 7th June, 2005 and circular dated 23rd June, 2005 (the "Announcement").

Terms used herein, unless otherwise defined, have the meanings ascribed thereto in the Announcement.

The principal amount of the Note was originally repayable with interest at the rate of 6% per annum for the period commencing on the 61st day from (and including) the date of issue of the Note to (and excluding) the date of payment, if by 3rd October, 2005 three persons nominated by Noblenew had not become directors of Sinolife, or such appointments had not been approved by China Insurance Regulatory Commission or their names had not been entered in the register maintained by the State Administration of Industry and Commerce or its local delegation having competent jurisdiction over Sinolife (the "Event of Default").

On 3rd October, 2005, Praise Idea, Noblenew and CTF entered into a variation agreement ("Variation Agreement") whereby, inter alia, the terms of the Note were amended so that:-

- (i) the date of 3rd October, 2005 in the Event of Default was changed to 12th December, 2005, which date may be extended, subject to the consent of all the parties.
- (ii) on the occurrence of the Event of Default, the principal amount of the Note is repayable with interest at:-
 - (a) 6% per annum from the 61st day from (and including) the date of the Note to (and including) 3rd October, 2005; and

- (b) 4% per annum for the period commencing on (and including) 4th October, 2005 to (and excluding) the date of payment.

In the Variation Agreement, CTF confirmed that the terms of the Deed containing certain indemnities in favour of Noblenew remain in full force and effect and Praise Idea, Noblenew and CTF confirmed that the terms of the Subscription Agreement remain in full force and effect.

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

Hong Kong, 3rd October, 2005

** For identification only*

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); Peter Anthony ALLEN; Alexander Anthony ARENA; CHUNG Cho Yee, Mico; FENG Xiaozeng; ZHENG Changyong

Non-Executive Director:

WANG Xianzhang

Independent Non-Executive Directors:

Prof. CHANG Hsin Kang; Timothy George FRESHWATER; Prof. WONG Yue Chim, Richard

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