



Prudential plc

(Incorporated and registered in England and Wales with limited liability under number 01397169)

HKSE: 2378 LSE: PRU.L SGX-ST: K6S

SHARE OFFER



WE DO GROWTH

Joint Global Coordinators and Joint Bookrunners:



Joint Bookrunners:
(in alphabetical order)



IMPORTANT

If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.



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SHARE OFFER

Number of Offer Shares under the Share Offer:	130,780,350 Shares
Number of Public Offer Shares:	6,539,100 Shares (including 335,650 Employee Reserved Shares and 972,150 Agent Reserved Shares) (subject to Reallocation)
Number of Placing Shares:	124,241,250 Shares (subject to Reallocation)
Maximum Public Offer Price:	HK\$172.00 per Offer Share plus brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent. (payable in full upon application in HK\$ and subject to refund)
Nominal value:	£0.05 per Share
Stock code:	HKSE: 2378 LSE: PRU.L SGX-ST: K6S

Joint Global Coordinators and Joint Bookrunners:



CITIC SECURITIES



Joint Bookrunners
(in alphabetical order)



Financial Adviser



Hong Kong Exchanges and Clearing Limited, The HK Stock Exchange, Hong Kong Securities Clearing Company Limited and the Singapore Exchange Securities Trading Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, having attached thereto the documents specified in the paragraph headed "Documents Delivered to the Registrar of Companies in Hong Kong" in Appendix III (*General Information*) to this Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this Prospectus or any other documents referred to above.

Prior to making an investment decision, prospective investors should carefully consider all the information set out in or incorporated by reference into this Prospectus, including the discussions of certain risks set out in the section headed "Risk Factors" in this Prospectus.

The pricing of the Offer Shares is expected to be fixed by agreement between the Joint Global Coordinators (acting for themselves and on behalf of the Underwriters) and Prudential on the Price Determination Date. The Price Determination Date is expected to be on or about 25 September 2021, or such later date as may be agreed by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential. The Public Offer Price will be not more than HK\$172.00 per Offer Share.

We may set the Placing Offer Price at a level higher than the maximum Public Offer Price if (a) any of (i) the closing trading price of the Shares on the HK Stock Exchange, (ii) the Hong Kong dollar equivalent of the closing trading price of the Shares on the London Stock Exchange, (iii) the Hong Kong dollar equivalent of the closing trading price of the Shares on the Singapore Stock Exchange or (iv) the Hong Kong dollar equivalent of the closing trading price of the ADRs on the NYSE (on a per-Share converted basis) on the last trading day on or before the Price Determination Date were to exceed the maximum Public Offer Price as stated in this Prospectus and/or (b) Prudential believes that it is in its best interest as a listed company to set the Placing Offer Price at a level higher than the maximum Public Offer Price based on the level of interest expressed by professional and institutional investors during the bookbuilding process. If the Placing Offer Price is set at or lower than the maximum Public Offer Price, the Public Offer Price must be set at such price which is equal to the Placing Offer Price. In no circumstances will Prudential set the Public Offer Price above the maximum Public Offer Price as stated in this Prospectus or the Placing Offer Price.

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, with Prudential's consent, reduce the number of Offer Shares stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Public Offer. In such a case, a notice of the reduction of the number of Offer Shares will be published on the website of the HK Stock Exchange at www.hkexnews.hk and Prudential's website at www.prudentialplc.com. If, for any reason, the pricing of the Offer Shares is not agreed between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential, the Share Offer will not proceed and will lapse.

The obligations of the Public Offer Underwriters under the Public Offer Underwriting Agreement are subject to termination by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in the section headed "Underwriting" in this Prospectus. It is important that you refer to that section for further details.

The Offer Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, pledged or transferred within the United States or to, or for the account or benefit of, any U.S. Persons (as defined in Regulation S under the U.S. Securities Act ("Regulation S")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state or local securities laws. See Appendix IV (*Selling and Transfer Restrictions*) of this Prospectus for additional information about eligible offerees and transfer restrictions.

Prudential is relying upon exemptions from registration under the U.S. Securities Act for an offer and sale of the Offer Shares that does not involve a public offering in the United States. None of the U.S. SEC, any state securities commission or any non-U.S. securities authority has approved or disapproved of the Offer Shares or determined that this Prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

ATTENTION

Prudential has adopted a fully electronic application process for the Public Offer. Prudential will not provide printed copies of this Prospectus or printed copies of any application forms to the general public in relation to the Public Offer. This Prospectus is available at the website of the HK Stock Exchange at www.hkexnews.hk and the website of Prudential at www.prudentialplc.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

IMPORTANT

FULLY ELECTRONIC APPLICATION PROCESS

Prudential has adopted a fully electronic application process for the Public Offer. Neither printed copies of this Prospectus nor printed copies of any application forms will be provided to the general public in relation to the Public Offer.

This Prospectus is available at the website of the HK Stock Exchange at www.hkexnews.hk and Prudential's website at www.prudentialplc.com. If you require a printed copy of this Prospectus, you may download and print the Prospectus from the website addresses above.

To apply for the Public Offer Shares, you may:

- (1) apply online through the White Form eIPO service at www.eipo.com.hk; or
- (2) apply by giving electronic application instructions to HKSCC via CCASS, including by:
 - instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give electronic application instructions via CCASS terminals to apply for the Public Offer Shares on your behalf; or
 - (if you are an existing CCASS Investor Participant) giving electronic application instructions through the CCASS Internet System (<https://ip.ccass.com>) or through the CCASS phone System by calling +852 2979 7888 (using the procedures in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC can also input electronic application instructions for CCASS Investor Participants through HKSCC's Customer Service Centre at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong by completing an input request.

To apply for the Employee Reserved Shares, you may apply online through the Pink Form eIPO service at www.eipo.com.hk.

To apply for the Agent Reserved Shares, you may apply online through the Blue Form eIPO service at www.eipo.com.hk.

If you have any question about the application for the Public Offer Shares, the Employee Reserved Shares or the Agent Reserved Shares, you may call the enquiry hotline of the Hong Kong Share Registrar and eIPO Service Provider, Computershare Hong Kong Investor Services Limited, at +852 2862 8600 on the following dates:

- 9:00 a.m. to 9:00 p.m. – Monday, 20 September 2021
- 9:00 a.m. to 9:00 p.m. – Tuesday, 21 September 2021
- 9:00 a.m. to 6:00 p.m. – Wednesday, 22 September 2021
- 9:00 a.m. to 9:00 p.m. – Thursday, 23 September 2021
- 9:00 a.m. to 12:00 noon – Friday, 24 September 2021

Prudential will not provide any physical channels to accept any application for the Public Offer Shares by the public, the Employee Reserved Shares by Eligible Employees or the Agent Reserved Shares by Eligible Agents. The contents of the electronic version of this Prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares" in this Prospectus for further details of the procedures through which you can apply for the Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares electronically.

IMPORTANT

Your application for Public Offer Shares must be for a minimum of 50 Public Offer Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application
	HK\$		HK\$		HK\$		HK\$
50	8,686.66	800	138,986.60	7,000	1,216,132.71	100,000	17,373,324.40
100	17,373.32	900	156,359.92	8,000	1,389,865.95	200,000	34,746,648.80
150	26,059.99	1,000	173,733.24	9,000	1,563,599.20	300,000	52,119,973.20
200	34,746.65	1,500	260,599.87	10,000	1,737,332.44	400,000	69,493,297.60
250	43,433.31	2,000	347,466.49	20,000	3,474,664.88	500,000	86,866,622.00
300	52,119.97	2,500	434,333.11	30,000	5,211,997.32	1,000,000	173,733,244.00
350	60,806.64	3,000	521,199.73	40,000	6,949,329.76	1,500,000	260,599,866.00
400	69,493.30	3,500	608,066.35	50,000	8,686,662.20	2,000,000	347,466,488.00
450	78,179.96	4,000	694,932.98	60,000	10,423,994.64	2,615,650 ⁽¹⁾	454,425,359.67
500	86,866.62	4,500	781,799.60	70,000	12,161,327.08		
600	104,239.95	5,000	868,666.22	80,000	13,898,659.52		
700	121,613.27	6,000	1,042,399.46	90,000	15,635,991.96		

(1) Maximum number of Public Offer Shares you may apply for.

No application for any other number of Public Offer Shares will be considered and any such application is liable to be rejected.

Your application for Employee Reserved Shares must be for a minimum of 50 Employee Reserved Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application
	HK\$		HK\$		HK\$		HK\$
50	8,686.66	550	95,553.28	6,000	1,042,399.46	70,000	12,161,327.08
100	17,373.32	600	104,239.95	7,000	1,216,132.71	80,000	13,898,659.52
150	26,059.99	700	121,613.27	8,000	1,389,865.95	90,000	15,635,991.96
200	34,746.65	800	138,986.60	9,000	1,563,599.20	100,000	17,373,324.40
250	43,433.31	900	156,359.92	10,000	1,737,332.44	150,000	26,059,986.60
300	52,119.97	1,000	173,733.24	20,000	3,474,664.88	200,000	34,746,648.80
350	60,806.64	2,000	347,466.49	30,000	5,211,997.32	250,000	43,433,311.00
400	69,493.30	3,000	521,199.73	40,000	6,949,329.76	300,000	52,119,973.20
450	78,179.96	4,000	694,932.98	50,000	8,686,662.20	335,650 ⁽¹⁾	58,313,563.35
500	86,866.62	5,000	868,666.22	60,000	10,423,994.64		

(1) Maximum number of Employee Reserved Shares you may apply for.

No application for any other number of Employee Reserved Shares will be considered and any such application is liable to be rejected.

IMPORTANT

Your application for Agent Reserved Shares must be for a minimum of 50 Agent Reserved Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application	No. of Public Offer Shares applied for	Amount payable on application
	HK\$		HK\$		HK\$		HK\$
50	8,686.66	700	121,613.27	6,000	1,042,399.46	90,000	15,635,991.96
100	17,373.32	800	138,986.60	7,000	1,216,132.71	100,000	17,373,324.40
150	26,059.99	900	156,359.92	8,000	1,389,865.95	200,000	34,746,648.80
200	34,746.65	1,000	173,733.24	9,000	1,563,599.20	300,000	52,119,973.20
250	43,433.31	1,500	260,599.87	10,000	1,737,332.44	400,000	69,493,297.60
300	52,119.97	2,000	347,466.49	20,000	3,474,664.88	500,000	86,866,622.00
350	60,806.64	2,500	434,333.11	30,000	5,211,997.32	600,000	104,239,946.40
400	69,493.30	3,000	521,199.73	40,000	6,949,329.76	700,000	121,613,270.80
450	78,179.96	3,500	608,066.35	50,000	8,686,662.20	800,000	138,986,595.20
500	86,866.62	4,000	694,932.98	60,000	10,423,994.64	900,000	156,359,919.60
550	95,553.28	4,500	781,799.60	70,000	12,161,327.08	972,150 ⁽¹⁾	168,894,773.15
600	104,239.95	5,000	868,666.22	80,000	13,898,659.52		

(1) Maximum number of Agent Reserved Shares you may apply for.

No application for any other number of Agent Reserved Shares will be considered and any such application is liable to be rejected.

INCORPORATION OF 2020 ANNUAL REPORT AND 2021 HALF YEAR FINANCIAL REPORT BY REFERENCE

Prudential files reports with the HK Stock Exchange. Prudential's HK Stock Exchange filings are available on the website maintained by the HK Stock Exchange at <https://www.hkexnews.hk>. The address of the HK Stock Exchange's website is included in this Prospectus solely for the information of prospective investors and is not intended to be an active link. The information contained on the HK Stock Exchange's website is not incorporated by reference into this Prospectus and should not be considered to be part of the Prospectus, except as described below and except as set out in the section headed "Directors and Senior Management" in this Prospectus and under Appendix I (*Financial Information of the Group*) of this Prospectus.

Certain information has been "incorporated by reference" into this Prospectus, which means that Prudential discloses important information to you by referring you to a document filed with the HK Stock Exchange. The information incorporated by reference in this Prospectus is deemed to be a part of this Prospectus, except for any information superseded by information contained expressly in this Prospectus.

The following documents are incorporated by reference into this Prospectus:

- The 2020 Annual Report, published on Prudential's website on 15 March 2021 (accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0412/2021041200079.pdf>); and
- The 2021 Half Year Financial Report for the period ended 30 June 2021, published on Prudential's website on 26 August 2021 (accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0830/2021083000871.pdf>).

The documents incorporated by reference as set forth above were filed before the completion of the Jackson Demerger on 13 September 2021.

You may request a copy of these documents at no cost to you by writing or telephoning Prudential at Prudential's principal executive offices, located at 1 Angel Court, London EC2R 7AG, United Kingdom, telephone +44 20 7220 7588, Attention: Group Secretariat.

EXPECTED TIMETABLE ⁽¹⁾

The application process for the Public Offer Shares, the Employee Reserved Shares and the Agent Reserved Shares will commence on Monday, 20 September 2021, the application results will be announced on Thursday, 30 September 2021 and dealings in Offer Shares on the HK Stock Exchange are expected to commence on Monday, 4 October 2021. The application monies (including brokerage, SFC transaction levy and HK Stock Exchange trading fee) will be held by the Receiving Bank on behalf of Prudential and the refund monies, if any, will be returned to the applicants without interest on Thursday, 30 September 2021. Prospective investors should be aware that the Price Determination Date is expected to be on or about Saturday, 25 September 2021 and there will be a gap of eight clear days between the Price Determination Date and the Listing Date.

If there is any change in the following expected timetable, Prudential will issue an announcement to be published on the websites of the HK Stock Exchange at www.hkexnews.hk and Prudential at www.prudentialplc.com.

All references to times below are to Hong Kong local time.

Latest time for completing electronic applications under White Form eIPO service, Pink Form eIPO service and Blue Form eIPO service through the designated website www.eipo.com.hk ⁽²⁾	11:30 a.m. on Friday, 24 September 2021
Application lists open ⁽³⁾	11:45 a.m. on Friday, 24 September 2021
Latest time for giving electronic application instructions to HKSCC ⁽⁴⁾	12:00 noon on Friday, 24 September 2021
Latest time for completing payment of White Form eIPO, Pink Form eIPO and Blue Form eIPO applications by effecting internet banking transfer(s) or PPS payment transfer(s)	12:00 noon on Friday, 24 September 2021
Application lists close ⁽³⁾	12:00 noon on Friday, 24 September 2021
Expected Price Determination Date ⁽⁵⁾	Saturday, 25 September 2021
Announcement of the Public Offer Price and the Placing Offer Price in Hong Kong	Sunday, 26 September 2021
Announcement of the level of indications of interest in the Placing, level of applications under the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering and the basis of allocation of the Public Offer Shares, the Employee Reserved Shares and the Agent Reserved Shares to be published on the website of the HK Stock Exchange at www.hkexnews.hk and on the website of Prudential at www.prudentialplc.com	Thursday, 30 September 2021
Results of allocations in the Public Offer (with successful applicants' identification document numbers or Hong Kong business registration numbers, where appropriate), Employee Preferential Offering and the Agent Preferential Offering to be available through a variety of channels, including the website of the HK Stock Exchange at www.hkexnews.hk , the website of Prudential at www.prudentialplc.com and the designated website at www.iporesults.com.hk (alternatively: English https://www.eipo.com.hk/en/Allotment ; Chinese https://www.eipo.com.hk/zh-hk/Allotment) as described in the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – Publication of Results"	Thursday, 30 September 2021
Despatch/Collection of share certificates or deposit of share certificates into CCASS in respect of wholly or partially successful applications pursuant to the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering ⁽⁶⁾⁽⁸⁾	on or before Thursday, 30 September 2021

EXPECTED TIMETABLE ⁽¹⁾

Despatch/Collection of e-Refund payment instructions/refund cheques in respect of wholly or partially successful applications (where applicable) or wholly or partially unsuccessful applications pursuant to the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering ^{(7) to (11)}	on or before Thursday, 30 September 2021
Dealings in Offer Shares on the HK Stock Exchange commence	9:00 a.m. on Monday, 4 October 2021
Admission to listing of Offer Shares on the Singapore Stock Exchange	9:00 a.m. on Monday, 4 October 2021
Admission of the Offer Shares to the Main Market of the London Stock Exchange and admission of the Offer Shares to listing on the premium listing segment of the Official List	3:00 p.m. on Monday, 4 October 2021

Notes:

1. Details of the structure of the Share Offer, including its conditions, are set out in the section headed "Structure of the Share Offer" in this Prospectus.
2. You will not be permitted to submit your application through the designated website at www.eipo.com.hk after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained a payment reference number from the designated website at or before 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.
3. If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, 24 September 2021, the application lists will not open or close on that day. Further information is set out in the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – 10. Effect of Bad Weather on the Opening of the Application Lists" in this Prospectus. If the application lists do not open and close on Friday, 24 September 2021, the dates mentioned in "Expected Timetable" in this Prospectus may be affected. An announcement will be made by Prudential in such an event.
4. Applicants who apply for Public Offer Shares by giving electronic application instructions to HKSCC should refer to the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – 6. Applying by Giving Electronic Application Instructions to HKSCC via CCASS" in this Prospectus.
5. The Price Determination Date is expected to be on or about Saturday, 25 September 2021, or such later date as may be agreed by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential. If, for any reason, the pricing for the Offer Shares is not agreed between the Joint Global Coordinators (acting for themselves and on behalf of the Underwriters) and Prudential, the Share Offer will not proceed and will lapse.
6. Share certificates for the Public Offer Shares, Employee Reserved Shares and the Agent Reserved Shares will become valid evidence of title at 8:00 a.m. on Monday, 4 October 2021, provided that (i) the Share Offer has become unconditional in all respects; and (ii) neither of the Underwriting Agreements has been terminated in accordance with its terms. If the Share Offer does not become unconditional or the Underwriting Agreements are terminated in accordance with their terms, the Share Offer will not proceed and will lapse. In such a case, Prudential will make an announcement as soon as possible thereafter.
7. E-Refund payment instruction/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering and also in respect of wholly or partially successful applications in the event that the final Public Offer Price is less than the price payable per Offer Share on application. Part of the applicant's Hong Kong identity card number or passport number, or, if the application is made by joint applicants, part of the Hong Kong identity card number or passport number of the first-named applicant, provided by the applicant(s) may be printed on the refund cheque, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's Hong Kong identity card number or passport number before cashing the refund cheque. Inaccurate completion of an applicant's Hong Kong identity card number or passport number may lead to delays in encashment of, or may invalidate, the refund cheque.
8. Applicants who have applied through the White Form eIPO service for 1,000,000 Public Offer Shares or more under the Public Offer, or through the Pink Form eIPO service for 10,000 or more Employee Reserved Shares, or through the Blue Form eIPO service for 100,000 or more Agent Reserved Shares may collect their refund cheque(s) (where applicable) and/or Share certificate(s) in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Friday, 24 September 2021. Applicants being individuals who are applying for 1,000,000 Public Offer Shares, 10,000 Employee Reserved Shares or 100,000 Agent Reserved Shares or more and are eligible for personal collection must not authorise any other person to make collection on their behalf. Applicants being corporations who are applying for 1,000,000 Public Offer Shares, or more and are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chop. Identification and (where applicable) authorisation documents acceptable to the Hong Kong Share Registrar must be produced at the time of collection.
9. For applicants who have applied for Public Offer Shares by giving electronic application instructions to HKSCC, their refund (if any) will be credited to their designated bank account or the designated bank account of the designated CCASS Participant through which they made their application on Thursday, 30 September 2021. For applicants who have instructed their designated CCASS Participant (other than CCASS Investor Participant) to give electronic application instructions on

EXPECTED TIMETABLE ⁽¹⁾

their behalf, they can check the amount of refund (if any) payable to them with that designated CCASS Participant. For applicants who have applied as CCASS Investor Participant, they can check the amount of refund (if any) payable to them via the CCASS Phone System and CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Thursday, 30 September 2021 or in the activity statement showing the amount of refund money credited to their designated bank account made available to them by HKSCC immediately after the credit of refund money to their bank account. Please refer to the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – 14. Despatch/Collection of Share Certificates and Refund Monies" in this Prospectus for details.

- 10. For applicants who have applied through the White Form eIPO service, Pink Form eIPO service or Blue Form eIPO service and paid the application monies from a single bank account, refund monies (where applicable) will be despatched to their application payment bank account in the form of e-Refund payment instructions on Thursday, 30 September 2021. For applicants who have applied through the White Form eIPO service, Pink Form eIPO service or Blue Form eIPO service and paid the application monies from multiple bank accounts, refund monies (where applicable) in the form of refund cheque(s) will be despatched on or before Thursday, 30 September 2021 by ordinary post at their own risk. Please refer to the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – 14. Despatch/Collection of Share Certificates and Refund Monies" in this Prospectus for details.*
- 11. Uncollected share certificate(s) and refund cheque(s) will be despatched by ordinary post at the applicants' own risk to the addresses specified in the relevant applications. Further details are set out in "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – 14. Despatch/Collection of Share Certificates and Refund Monies" in this Prospectus.*

For details of the structure of the Share Offer, including conditions thereof, please refer to the sections headed "Underwriting", "Structure of the Share Offer" and "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares" in this Prospectus.

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This Prospectus is issued by Prudential solely in connection with the Public Offer and does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security other than the Public Offer Shares. This Prospectus may not be used for the purpose of, and does not constitute, an offer to sell or a solicitation of an offer to buy any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Public Offer Shares or the distribution of this Prospectus in any jurisdiction other than Hong Kong. The distribution of this Prospectus and the offering and sale of the Public Offer Shares in any other jurisdiction are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exemption therefrom. You should rely only on the information contained in or incorporated by reference into this Prospectus to make your investment decision. Prudential has not authorised anyone to provide you with information which is different from that contained in or incorporated by reference into this Prospectus. Any information or representation not made in or incorporated by reference into this Prospectus must not be relied upon by you as having been authorised by Prudential, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of their respective directors or any other person or party involved in the Share Offer.

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DEFINITIONS

“2020 Annual Report”	Prudential’s annual report for the financial year ended 31 December 2020
“2021 Half Year Financial Report”	Prudential’s half year financial report for the six months ended 30 June 2021
“ADR”	American Depositary Receipt
“Agent Preferential Offering”	the offering of the Agent Reserved Shares to the Eligible Agents for subscription at the Public Offer Price on an assured and preferential basis, details of which are set out in the section headed “Structure of the Share Offer – The Agent Preferential Offering” in this Prospectus
“Agent Reserved Shares”	the 972,150 Public Offer Shares being offered to the Eligible Agents pursuant to the Agent Preferential Offering
“APE”	Annual Premium Equivalent
“Articles of Association”	the Articles of Association of Prudential
“Assured Agent Entitlement”	the entitlement of Eligible Agents to apply for the Agent Reserved Shares under the Agent Preferential Offering on the basis of an assured entitlement of 550 Agent Reserved Shares for each Eligible Agent
“Assured Employee Entitlement”	the entitlement of Eligible Employees to apply for the Employee Reserved Shares under the Employee Preferential Offering on the basis of an assured entitlement of 550 Employee Reserved Shares for each Eligible Employee
“Blue Form eIPO”	the application for Agent Reserved Shares to be issued in the applicant’s own name by submitting an application online through the designated website at www.eipo.com.hk
“Board”	the board of directors of Prudential
“business day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong and London are generally open for normal banking business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force

DEFINITIONS

“CCASS Participants”	collectively, a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“China JV”	CITIC-Prudential Life Insurance Company Limited, the joint venture in China between Prudential and CITIC
“CITIC”	China International Trust & Investment Corporation
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“connected person(s)”	has the meaning ascribed to it under the HK Listing Rules
“Demerger Agreement”	the agreement relating to the Jackson Demerger entered into on 6 August 2021 between Jackson and Prudential, as more particularly described in Appendix III (<i>General Information</i>) of this Prospectus
“Director(s)”	the director(s) of Prudential
“EEV”	European embedded value
“eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“Eligible Agent(s)”	any contracted agent of Prudential Hong Kong Ltd. (a subsidiary of Prudential) as at 23 August 2021, who (i) has given consent to provide personal data to the eIPO Service Provider on or before 31 August 2021; (ii) remains as an agent as at the date of this Prospectus; (iii) is at least 18 years of age; (iv) whose primary place of work is in Hong Kong; (v) has a Hong Kong residential address; and (vi) is not a U.S. Person or a legal or a natural person of the PRC
“Eligible Employee(s)”	All permanent and fixed term full-time employee(s) of the Group who joined the Group on or before 23 August 2021 and who (i) is at least 18 years of age; (ii) has a Hong Kong residential address; (iii) has given consent to provide personal data to the eIPO Service Provider on or before 31 August 2021; (iv) remains as a permanent or fixed term full-time employee of the Group as at the date of this Prospectus; (v) has not tendered resignation or been given notice of termination of employment for any reason other than redundancy or retirement on or before the date of this Prospectus; and (vi) is not a U.S. Person or a legal or a natural person of the PRC
“Employee Preferential Offering”	the offering of the Employee Reserved Shares to the Eligible Employees for subscription at the Public Offer Price on an assured and preferential basis, details of which are set out in the section headed “Structure of the Share Offer – The Employee Preferential Offering” in this Prospectus

DEFINITIONS

“Employee Reserved Shares”	the 335,650 Public Offer Shares being offered to the Eligible Employees pursuant to the Employee Preferential Offering
“EU GDPR”	General Data Protection Regulation (EU) 2016/679 of the European Parliament
“Extreme Conditions”	the extreme conditions the government of Hong Kong may announce in the event of, for example, serious disruption of public transport services, extensive flooding, major landslides, or large-scale power outage after super typhoons according to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Hong Kong Labour Department
“FCA”	the Financial Conduct Authority
“Financial Adviser” or “Rothschild & Co”	Rothschild & Co Hong Kong Limited, the financial adviser to Prudential in respect of the Share Offer
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and, where the context so permits, shall include the CCASS Operational Procedures
“GMCR”	Group Minimum Capital Requirement
“GREEN Application Form(s)”	the application form(s) to be completed by the eIPO Service Provider, Computershare Hong Kong Investor Services Limited
“Group”	Prudential and its subsidiaries, excluding, for the avoidance of doubt, Jackson and its subsidiaries
“GWS Framework”	the Group-wide Supervision (GWS) framework effective for Prudential upon designation by the Hong Kong IA on 14 May 2021, subject to transitional arrangements
“HK Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange, as amended, supplemented or otherwise modified from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HK Stock Exchange”	the Stock Exchange of Hong Kong Limited
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong IA”	the Hong Kong Insurance Authority
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited
“Jackson”	Jackson Financial Inc.

DEFINITIONS

“Jackson Demerger”	the demerger of the Jackson Group from Prudential and its subsidiaries on 13 September 2021
“Jackson Group”	Jackson and its subsidiaries
“Jackson Shares”	shares of Class A common stock in Jackson
“Joint Bookrunners”	Citigroup Global Markets Asia Limited (<i>in relation to the Public Offer only</i>), Citigroup Global Markets Limited (<i>in relation to the Placing only</i>), Goldman Sachs (Asia) L.L.C., CLSA Limited, The Hongkong and Shanghai Banking Corporation Limited, Merrill Lynch (Asia Pacific) Limited, Credit Suisse (Hong Kong) Limited, UBS AG Hong Kong Branch (<i>in relation to the Public Offer only</i>), UBS AG London Branch (<i>in relation to the Placing only</i>), UOB Kay Hian (Hong Kong) Limited
“Joint Global Coordinators”	Citigroup Global Markets Asia Limited, Citigroup Global Markets Limited, Goldman Sachs (Asia) L.L.C., CLSA Limited and The Hongkong and Shanghai Banking Corporation Limited
“Latest Practicable Date”	13 September 2021, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information referred to in this Prospectus
“Listing Committee”	the listing committee of the HK Stock Exchange
“Listing Date”	the date on which dealings in the Offer Shares on the Main Board of the HK Stock Exchange first commence, which is expected to be on or around Monday, 4 October 2021
“London Stock Exchange”	the stock exchange of London Stock Exchange plc
“M&G”	M&G plc, a public limited company incorporated in England and Wales with registered number 11444019 whose registered office is 10 Fenchurch Avenue, London EC3M 5AG, United Kingdom
“M&G Demerger”	the demerger of the M&G Group from the Group on 21 October 2019
“M&G Demerger Agreement”	the demerger agreement entered into on 25 September 2019 between Prudential and M&G, as more particularly described in Appendix III (<i>General Information</i>) of this Prospectus
“M&G Group”	M&G and its subsidiaries
“Main Board”	the stock exchange (excluding the option market) operated by the HK Stock Exchange which is independent from and operating in parallel with GEM of the HK Stock Exchange
“Main Market”	the main market for listed securities of the London Stock Exchange
“NYSE”	the New York Stock Exchange
“Offer Shares”	the Public Offer Shares (including, for the avoidance of doubt, the Employee Reserved Shares and the Agent Reserved Shares) and the Placing Shares

DEFINITIONS

“Official List”	means the list maintained by the FCA
“PCAL”	Prudential Corporation Asia Limited, a private limited company incorporated in Hong Kong with registered number 0458005 whose registered office is at 13th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
“Pink Form eIPO”	the application for Employee Reserved Shares to be issued in the applicant’s own name by submitting an application online through the designated website at www.eipo.com.hk
“Placing”	the conditional offering of the Placing Shares at the Placing Offer Price to selected professional, institutional and other investors as described in the section headed “Structure of the Share Offer” in this Prospectus
“Placing Offer Price”	the final price per Placing Share in HK dollars (exclusive of brokerage, SFC transaction levy and the HK Stock Exchange trading fee) under the Share Offer which is expected to be determined as further described in the section headed “Structure of the Share Offer” in this Prospectus
“Placing Shares”	the 124,241,250 Shares expected to be initially offered for subscription pursuant to the Placing, representing 95 per cent. of the initial number of the Offer Shares, subject to Reallocation
“Placing Underwriters”	the underwriters of the Placing, who are expected to enter into the Placing Underwriting Agreement, listed in the section headed “Underwriting – Underwriters” in this Prospectus
“Placing Underwriting Agreement”	the conditional placing underwriting agreement relating to the Placing and expected to be entered into by, among others, Prudential and the Placing Underwriters on or about the Price Determination Date
“PRC”	the People’s Republic of China, for the purpose of this Prospectus only, excluding Hong Kong, the Macao Special Administrative Region and Taiwan
“Price Determination Agreement”	the agreement to be entered into between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential on the Price Determination Date to fix and record the Public Offer Price and Placing Offer Price
“Price Determination Date”	the date, expected to be on or about Saturday, 25 September 2021, or such later date as the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential may agree, on which the Public Offer Price and Placing Offer Price are fixed and recorded for the purpose of the Share Offer
“Principal Subsidiaries”	the principal subsidiaries of Prudential, being: <ul style="list-style-type: none">• Prudential Group Holdings Limited; and• PCAL

DEFINITIONS

“Prudential”	Prudential plc, a public limited company incorporated in England and Wales with registered number 01397169 whose registered office is 1 Angel Court, London EC2R 7AG, United Kingdom
“Public Offer”	the offer of the Public Offer Shares for subscription by the public in Hong Kong (including the Employee Preferential Offering and the Agent Preferential Offering) for cash at the Public Offer Price, on and subject to the terms and conditions described in this Prospectus
“Public Offer Price”	the final price per Public Offer Share in HK dollars (exclusive of brokerage, SFC transaction levy and the HK Stock Exchange trading fee) under the Share Offer which is expected to be determined as further described in the section headed “Structure of the Share Offer” in this Prospectus
“Public Offer Shares”	the 6,539,100 Shares, being offered for subscription at the Public Offer Price pursuant to the Public Offer (including 335,650 Employee Reserved Shares being offered for subscription at the Public Offer Price pursuant to the Employee Preferential Offering and 972,150 Agent Reserved Shares being offered for subscription at the Public Offer Price pursuant to the Agent Preferential Offering), subject to Reallocation
“Public Offer Underwriters”	the underwriters of the Public Offer listed in the section headed “Underwriting – Underwriters” in this Prospectus
“Public Offer Underwriting Agreement”	the conditional underwriting agreement dated 18 September 2021 in relation to the Public Offer entered into between, among others, Prudential and the Public Offer Underwriters
“QIB”	qualified institutional buyer within the meaning of Rule 144A under the U.S. Securities Act
“Reallocation”	the reallocation of the Offer Shares between the Placing and the Public Offer as described in the section headed “Structure of the Share Offer – Reallocation and Clawback”
“Receiving Bank”	Standard Chartered Bank (Hong Kong) Limited, 18F Standard Chartered Tower, 388 Kwun Tong Road, Kwun Tong, Hong Kong
“Registration Rights Agreement”	the registration rights agreement entered into on 6 August 2021 between Jackson and Prudential, as stockholders, as more particularly described in Appendix III (<i>General Information</i>) of this Prospectus
“Regulation S”	Regulation S under the U.S. Securities Act
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time

DEFINITIONS

“Share(s)”	the ordinary share(s) of nominal value of £0.05 each in the share capital of Prudential
“Shareholder(s)”	holder(s) of the Share(s)
“Share Offer”	the Public Offer and the Placing
“Singapore Stock Exchange”	Singapore Exchange Securities Trading Limited
“Singapore Stock Exchange Listing Manual”	the Listing Manual of the Singapore Stock Exchange, as amended or modified from time to time
“subsidiary(ies)”	has the meaning ascribed to it under the HK Listing Rules
“UK DPA”	the United Kingdom’s Data Protection Act 2018
“UK GDPR”	means the EU GDPR in such form as incorporated into the laws of England and Wales, Scotland and Northern Ireland by virtue of the European Union (Withdrawal) Act 2018 and any regulations thereunder, and the UK DPA
“U.S. Depository”	JPMorgan Chase Bank, N.A.
“U.S. Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“U.S. Person”	U.S. person within the meaning of Regulation S under the U.S. Securities Act
“U.S. SEC”	the U.S. Securities and Exchange Commission
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“Underwriters”	the Public Offer Underwriters and the Placing Underwriters
“Underwriting Agreements”	the Public Offer Underwriting Agreement and the Placing Underwriting Agreement
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland
“United States” or “U.S.”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“US\$” or “US dollars”	United States dollars, the lawful currency of the United States
“White Form eIPO”	the application for Public Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website at www.eipo.com.hk
“£”	pounds sterling, the lawful currency of the United Kingdom

All references to times are, unless stated otherwise, to Hong Kong time.

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

RISK FACTORS

Any investment in the Offer Shares is subject to a number of risks and uncertainties. Accordingly, prior to any such investment in the Offer Shares, prospective investors should carefully consider the risks and uncertainties associated with any such investment, the Group's business and the industry in which it operates, together with all other information contained in or incorporated by reference into this Prospectus, including, in particular, the risk factors described below.

The occurrence of any of the following risks may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. This Prospectus contains certain forward-looking statements regarding the Group's plans, objectives, expectations, and intentions which involve risks and uncertainties. The Group's actual results could differ materially from those discussed in this Prospectus. Factors that could cause or contribute to such differences include those discussed below as well as those discussed elsewhere in this Prospectus or in the information incorporated by reference into this Prospectus. The trading price of the Offer Shares may decline due to any of these risks and investors could lose all or part of their investment. Prospective investors should read this section in conjunction with the rest of this Prospectus.

1. RISKS RELATING TO THE GROUP'S FINANCIAL SITUATION

1.1 *The Covid-19 pandemic has significantly impacted financial market volatility and global economic activity, increased operational disruption risks to the Group and has adversely impacted Prudential's sales in affected markets and its financial condition, results of operations and prospects. The full extent of the longer-term impacts from the pandemic remains uncertain.*

The Covid-19 pandemic has significantly increased the volatility of equity markets, interest rates and credit spreads, reduced market liquidity and reduced global economic activity. The potential adverse impacts to the Group of these effects are detailed in risk factor 1.2 below. However, the full extent of the long-term impact of the pandemic on financial markets and economic growth remains highly uncertain and unpredictable and will be influenced by the actions of governments, policymakers and the public. This includes the duration and effectiveness of vaccines and mitigating measures against the current and future variants of the coronavirus, including a continued reliance on restrictions of movement and the deployment of vaccination programmes (which may occur over a prolonged period of time), the effectiveness and timing of which remains uncertain across markets. Where these impacts are prolonged, this may affect the solvency position of Prudential's subsidiaries and prevent or limit their ability to make remittances, adversely impacting the financial condition and prospects of the Group.

The regulatory and supervisory responses to the Covid-19 pandemic have been broad and continue to evolve, and have included increased scrutiny of the operational resilience, liquidity and capital strength (including the impact of making dividend payments) of financial services companies. As the global economy begins to recover from the effects of the pandemic, variations in the speed of economic recovery between markets, and the subsequent impact on their respective interest rates, inflation expectations and the relative strength of their currencies (and the associated impact on their foreign currency debt obligations) may have broader long-term adverse economic and financial consequences for the markets in which the Group operates which currently remain uncertain. Various governments have effected, or may effect, the postponement of elections and other constitutional or legislative processes in response to the pandemic, and this may result in an increase in constitutional and political uncertainty in the markets in which the Group operates. Many governments are implementing Covid-19 vaccination programmes, and variable accessibility to supplies of vaccines that are effective against current and emerging variants of the coronavirus has the potential to contribute to an increase in geopolitical tensions. The longer term political, regulatory and supervisory developments resulting from the Covid-19 pandemic remain highly uncertain. These may include changes to government fiscal policies, laws or regulations aimed at increasing financial stability and/or measures on businesses or specific industries to contribute to, lessen or otherwise support, the financial cost to governments in addressing the pandemic. This may include requirements on private insurance companies and healthcare providers to cover the costs associated with the treatment of Covid-19 beyond contractual or policy terms.

RISK FACTORS

The Covid-19 pandemic, and measures to contain it, have slowed economic and social activity in the Group's geographical markets. While these conditions persist, the level of sales activity in affected markets has been, and will continue to be, adversely impacted through a reduction in travel and agency and bancassurance activity. In particular, sales in the Group's Hong Kong business continue to be adversely impacted by the border restrictions in place with Mainland China, which are anticipated to remain in place at least for the remainder of 2021, and any recovery will be dependent on the timing and extent of the easing of these restrictions and the return of Mainland China customers, which currently remains uncertain. These impacts may be prolonged in markets which continue to rely on containment measures based on restrictions of movement rather than vaccine deployment. The impact on economic activity and employment levels may result in an elevated incidence of claims, lapses, or surrenders of policies, and some policyholders may choose to defer or stop paying insurance premiums or reduce deposits into retirement plans. The pandemic may also indirectly result in elevated claims and policy lapses or surrenders, with some delay in time before being felt by the Group, due to factors such as policyholders deferring medical treatment during the pandemic, or policyholders lapsing or surrendering their policies on the expiry of grace periods for premium payments provided by the Group's businesses. While these impacts to the Group have not been material to date, the full extent of the impact of the Covid-19 pandemic is currently highly uncertain and the Group's claims and persistency experience to date and its current insurance assumptions cannot be taken as an indicator of future potential experience from the Covid-19 pandemic which may deteriorate significantly and have a material adverse effect on Prudential's business, financial condition, results of operations and prospects.

Disruption to Prudential's operations may result where its employees, or those of its service partners and counterparties, contract Covid-19 or are affected by restrictions on movement; where office closures and other measures impacting working practices are effected, such as the imposition of remote working arrangements; and where quarantine requirements and isolation measures under local laws apply, and as a result of social distancing and/or other psychosocial impacts. While such measures are in place, there may also be an increase in attempts to compromise IT systems through phishing and social engineering tactics. Such measures may also adversely impact the physical and mental health of the Group's staff, increasing the risk of operational disruption resulting from performance impairment or an increase in absenteeism. The operations of Prudential's service partners, (which subject the Group to the risks detailed in risk factor 2.7, resulting in certain risks that Prudential does not face with respect to its wholly-owned subsidiaries) may be disrupted in different ways and to a more severe extent than the Group's operations and may impact service delivery to the Group.

In response to pandemic-related restrictions, Prudential has implemented changes to its sales and distribution processes in specific markets. These include virtual face-to-face sales of its products and the online recruitment, training and, where possible, licensing of agents. Such changes may increase or introduce new operational and regulatory risks, in particular those focused on customer outcomes and conduct. A failure to implement appropriate governance and management of these new or incremental risks may adversely impact Prudential's reputation and brand and the results of its operations. In markets where the level of sales under these new processes is material or where such processes become permanent distribution channels, the commercial value of the Group's existing sale and distribution arrangements, such as bancassurance arrangements, may be adversely impacted.

1.2 *Prudential's businesses are inherently subject to market fluctuations and general economic conditions, each of which may adversely affect the Group's business, financial condition, results of operations and prospects.*

Uncertainty, fluctuations or negative trends in global and national macro-economic conditions and investment climates could have a material adverse effect on Prudential's business and profitability. Prudential operates in a macroeconomic and global financial market environment that presents significant uncertainties and potential challenges. For example, during 2020 interest rates in countries relevant to Prudential have decreased to historic lows, driven by the responses of central banks to mitigate the impact of the Covid-19 pandemic, and the subsequent reopening of some economies has resulted in inflationary pressures, which if sustained may drive higher interest rates impacting the valuation of fixed income assets. The transition to a lower carbon economy, the timing and speed of

RISK FACTORS

which is uncertain, may also result in greater uncertainty, fluctuations or negative trends in asset valuations, particularly for carbon intensive sectors.

Global financial markets are subject to uncertainty and volatility created by a variety of factors. These factors include slowdowns or reversals in world economic growth (particularly where this is abrupt, as has been the case with the impact of the Covid-19 pandemic), fluctuations in global energy prices, changes in monetary policy in China, the US and other jurisdictions together with their impact on the valuation of all asset classes and effect on interest rates and inflation expectations, and concerns over sovereign debt. Other factors include the increased level of geopolitical and political risk and policy-related uncertainty (including the broader market impacts resulting from the trade negotiations between the U.S. and China) and socio-political, climate-driven and pandemic events. The extent of the financial market and economic impact of these factors may be highly uncertain and unpredictable and influenced by the actions, including the duration and effectiveness of mitigating measures of governments, policymakers and the public.

The adverse effects of such factors could be felt principally through the following items:

- Lower interest rates and reduced investment returns arising on the Group's portfolios including impairment of debt securities and loans, which could reduce Prudential's capital and impair its ability to write significant volumes of new business, increase the potential adverse impact of product guarantees included in non-unit-linked products with a savings component, increase reinvestment risk for some of the Group's investments from accelerated prepayments and increased redemptions and/or have a negative impact on its assets under management and profit.
- A reduction in the financial strength and flexibility of corporate entities which may result in a deterioration of the credit rating profile and valuation of the Group's invested credit portfolio (which may result in an increase in regulatory capital requirements for the Group or its businesses), increased credit defaults and debt restructurings and wider credit and liquidity spreads resulting in realised and unrealised credit losses. Similarly, securitised assets in the Group's investment portfolio are subject to default risk and may be adversely impacted by delays or failures of borrowers to make payments of principal and interest when due. Where a widespread deterioration in the financial strength of corporate entities occurs, assumptions on the ability and willingness of governments to provide financial support may need to be revised.
- Failure of counterparties who have transactions with Prudential (such as banks, reinsurers and counterparties to cash management and risk transfer or hedging transactions) to meet commitments that could give rise to a negative impact on Prudential's financial position and on the accessibility or recoverability of amounts due or, adequacy of collateral. Concentrations of counterparty credit risk could exacerbate the impact of these events where they materialise.
- Estimates of the value of financial instruments becoming more difficult because in certain illiquid or closed markets, determining the value at which financial instruments can be realised is highly subjective. Processes to ascertain such values require substantial elements of judgement, assumptions and estimates (which may change over time). Where the Group is required to sell its investments within a defined timeframe, such market conditions may result in the sale of these investments at below expected or recorded prices.
- The Group holds certain investments that may, by their nature, lack liquidity or have the potential to lose liquidity rapidly, such as investment funds (including money market funds), privately placed fixed maturity securities, mortgage loans, complex structured securities and alternative investments. If these investments were required to be liquidated on short notice, the Group may experience difficulty in doing so and may be forced to sell them at a lower price than it otherwise would have been able to realise.
- A reduction in revenue from the Group's products where fee income is linked to account values or the market value of the funds under management. In particular, equity price falls impact the amount of revenue derived from fees from the unit-linked products. Sustained inflationary pressures which drive higher interest rates may also impact the valuation of fixed income investments and reduce fee income.

RISK FACTORS

- Increased illiquidity, which includes the risk that expected cash inflows from investments and operations will not be adequate to meet the Group's anticipated short-term and long-term policyholder benefits and expense payment obligations. Increased illiquidity also adds to uncertainty over the accessibility of financial resources which in extreme conditions can impact the functioning of markets and may reduce capital resources as valuations decline. This could occur where external capital is unavailable at sustainable cost, increased liquid assets are required to be held as collateral under derivative transactions or redemption restrictions are placed on Prudential's investments in illiquid funds. In addition, significant redemption requests could also be made on Prudential's issued funds and while this may not have a direct impact on the Group's liquidity, it could result in reputational damage to Prudential. The potential impact of increased illiquidity is more uncertain than for other risks such as interest rate or credit risk.

In general, upheavals in the financial markets may affect general levels of economic activity, employment and customer behaviour. As a result, insurers may experience an elevated incidence of claims, lapses, or surrenders of policies, and some policyholders may choose to defer or stop paying insurance premiums or reduce deposits into retirement plans. The demand for insurance products may also be adversely affected. In addition, there may be a higher incidence of counterparty failures. If sustained, this environment is likely to have a negative impact on the insurance sector over time and may consequently have a negative impact on Prudential's business and its balance sheet and profitability. For example, this could occur if the recoverable value of intangible assets for bancassurance agreements and deferred acquisition costs are reduced. New challenges related to market fluctuations and general economic conditions may continue to emerge. For example, inflationary pressures driving higher interest rates may lead to increased lapses for some guaranteed savings products where higher levels of guarantees are offered by products of the Group's competitors, reflecting consumer demand for returns at the level of, or exceeding, inflation. Increased inflation may also adversely impact the ability of consumers to purchase insurance products, particularly in lower income customer segments.

For some non-unit-linked products with a savings component it may not be possible to hold assets which will provide cash flows to match those relating to policyholder liabilities. This is particularly true in those countries where bond markets are less developed and in certain markets where regulated premium and claim values are set with reference to the interest rate environment prevailing at the time of policy issue. This results in a mismatch due to the duration and uncertainty of the liability cash flows and the lack of sufficient assets of a suitable duration. While this residual asset/liability mismatch risk can be managed, it cannot be eliminated. Where interest rates in these markets remain lower than those used to calculate premium and claim values over a sustained period, this could have a material adverse effect on Prudential's reported profit and the solvency of its business units. In addition, part of the profit from the Group's operations is related to bonuses for policyholders declared on with-profits products, which are impacted by the difference between actual investment returns of the with-profits fund (which are broadly based on historical and current rates of return on equity, real estate and fixed income securities) and minimum guarantee rates offered to policyholders. This profit could be lower in particular in a sustained low interest rate environment.

Any of the foregoing factors and events, individually or together, could have a material adverse effect on Prudential's business, financial condition, results of operations and prospects.

1.3 Geopolitical and political risks and uncertainty may adversely impact economic conditions, increase market volatility, cause operational disruption to the Group and impact its strategic plans, which could have adverse effects on Prudential's business, financial condition, results of operations and prospects.

The Group is exposed to geopolitical and political risks and uncertainty in the markets in which it operates. Such risks may result from the application of protectionist or restrictive economic and trade policies with specific markets, regulations and executive powers which increase trade barriers with specific markets or restrict trade, financial transactions, transfer of capital and/or investment with specific territories, companies or individuals which could impact on the macroeconomic outlook and the environment for global financial markets; international trade disputes such as the implementation of trade tariffs; the withdrawal from existing trading blocs or agreements; and measures favouring local enterprises, such as changes to the maximum level of non-domestic ownership by foreign companies or differing treatment of foreign-owned businesses under regulations and tax rules. Many governments

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are implementing Covid-19 vaccination programmes, and differences in accessibility to supplies of vaccines that are effective against current and emerging variants of the coronavirus have the potential to contribute to an increase in geopolitical tensions.

Geopolitical and political risks and uncertainty may also adversely impact the Group's operations and its operational resilience. Increased geopolitical tensions may increase cross-border cyber activity and therefore increase cyber security risks. Geopolitical and political tensions may also lead to civil unrest and/or acts of civil disobedience. Such events could impact operational resilience by disrupting Prudential's systems, operations, new business sales and renewals, distribution channels and services to customers, which may result in a reduction in contributions from business units to the central cash balances and profit of the Group, decreased profitability, financial loss, adverse customer impacts and reputational damage and may impact Prudential's business, financial condition, results of operations and prospects.

Responses by the U.S., UK and other governments to constitutional or legislative changes in Hong Kong, which continue to develop, may adversely impact Hong Kong's economy with potential adverse sales, operational and product distribution impacts to the Group due to the territory being a key market which also hosts regional and head office functions. For internationally active groups such as Prudential, operating across multiple jurisdictions, government responses, measures and counter-measures may also add to the complexity of legal and regulatory compliance and increase the risk of conflicts between the requirements of one jurisdiction and another. See risk factor 3.1 below.

1.4 As a holding company, Prudential is dependent upon its subsidiaries to cover operating expenses and dividend payments.

The Group's insurance and investment management operations are generally conducted through direct and indirect subsidiaries, which are subject to the risks discussed elsewhere in this "Risk Factors" section.

As a holding company, Prudential's principal sources of funds are remittances from subsidiaries, shareholder-backed funds, the shareholder transfer from long-term funds and any amounts that may be raised through the issuance of equity, debt and commercial paper.

Certain of Prudential's subsidiaries are subject to applicable insurance, foreign exchange and tax laws, rules and regulations (including in relation to distributable profits that can limit their ability to make remittances). In some circumstances, including where there are changes to general market conditions, this could limit Prudential's ability to pay dividends to shareholders or to make available funds held in certain subsidiaries to cover operating expenses of other members of the Group.

A material change in the financial condition of any of Prudential's subsidiaries may have a material effect on its business, financial condition, results of operations and prospects.

1.5 Prudential is subject to the risk of potential sovereign debt credit deterioration owing to the amounts of sovereign debt obligations held in its investment portfolio.

Investing in sovereign debt creates exposure to the direct or indirect consequences of political, social or economic changes (including changes in governments, heads of state or monarchs) in the countries in which the issuers of such debt are located and to the creditworthiness of the sovereign. Investment in sovereign debt obligations involves risks not present in debt obligations of corporate issuers. In addition, the issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or pay interest when due in accordance with the terms of such debt, and Prudential may have limited recourse to compel payment in the event of a default. A sovereign debtor's willingness or ability to repay principal and to pay interest in a timely manner may be affected by, among other factors, its cash flow situation, its relations with its central bank, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the sovereign debtor's policy toward local and international lenders, and the political constraints to which the sovereign debtor may be subject.

Moreover, governments may use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to devalue their currencies' exchange rates, or may adopt monetary and other policies (including to manage their debt burdens) that have a similar effect, all of

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which could adversely impact the value of an investment in sovereign debt even in the absence of a technical default. Periods of economic uncertainty may affect the volatility of market prices of sovereign debt to a greater extent than the volatility inherent in debt obligations of other types of issuers.

In addition, if a sovereign default or other such events described above were to occur as has happened on occasion in the past, other financial institutions may also suffer losses or experience solvency or other concerns, which may result in Prudential facing additional risks relating to investments in such financial institutions that are held in the Group's investment portfolio. There is also risk that public perceptions about the stability and creditworthiness of financial institutions and the financial sector generally might be adversely affected as might counterparty relationships between financial institutions.

If a sovereign were to default on its obligations, or adopt policies that devalued or otherwise altered the currencies in which its obligations were denominated, this could have a material adverse effect on Prudential's business, financial condition, results of operations and prospects.

1.6 Downgrades in Prudential's financial strength and credit ratings could significantly impact its competitive position and damage its relationships with creditors or trading counterparties.

Prudential's financial strength and credit ratings, which are used by the market to measure its ability to meet policyholder obligations, are an important factor affecting public confidence in Prudential's products, and as a result its competitiveness. Downgrades in Prudential's ratings as a result of, for example, decreased profitability, increased costs, increased indebtedness or other concerns could have an adverse effect on its ability to market products, retain current policyholders, and the Group's ability to compete for acquisition and strategic opportunities. Downgrades may also impact the Group's financial flexibility, including its ability to issue commercial paper at current levels and pricing. The interest rates at which Prudential is able to borrow funds are affected by its credit ratings, which are in place to measure the Group's ability to meet its contractual obligations.

In addition, changes in methodologies and criteria used by rating agencies could result in downgrades that do not reflect changes in the general economic conditions or Prudential's financial condition.

Any such downgrades could have a material adverse effect on Prudential's business, financial condition, results of operations and prospects. Prudential cannot predict what actions rating agencies may take, or what actions Prudential may therefore take in response to the actions of rating agencies, which could adversely affect its business.

Further, the Jackson Demerger, or events connected to the Jackson Demerger, may cause credit rating agencies to revisit their current views on the financial strength of the Group. This may result in downgrades in the credit ratings of one or more members of the Group where credit rating agencies consider that the risks described elsewhere in this Prospectus increase the risk profile of the Group and/or that the capital position of the Group has weakened.

Any such downgrade of the Group could have an adverse effect on Prudential's financial flexibility, requirements to post collateral under or in connection with transactions to which they are a party and ability to manage market risk exposures. In addition, the interest rates or other costs that the Group incurs in respect of its financing activities may increase as a result. A credit rating downgrade may also affect public confidence in the Group's products and may adversely impact on its ability to market products, retain current policyholders or attract new policyholders.

1.7 Prudential is subject to the risk of exchange rate fluctuations owing to the geographical diversity of its businesses.

Due to the geographical diversity of Prudential's businesses, Prudential is subject to the risk of exchange rate fluctuations. Prudential's operations generally write policies and invest in assets denominated in local currencies. Although this practice limits the effect of exchange rate fluctuations on local operating results, it can lead to fluctuations in Prudential's consolidated financial statements upon the translation of results into the Group's presentation currency. This exposure is not currently separately managed. The Group presents its consolidated financial statements in U.S. dollars, which is the currency in which a large proportion of the Group's earnings and assets and liabilities are denominated or to which they are linked (such as the HK dollar). There remain some entities within the

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Group the results of which are not denominated in or linked to the U.S. dollar and transactions which are conducted in non-U.S. dollar currencies. Prudential is subject to the risk of exchange rate fluctuations from the translation of the results of these entities and transactions and the risks from the maintenance of the HK dollar peg to the U.S. dollar.

2. RISKS RELATING TO THE GROUP'S BUSINESS ACTIVITIES AND INDUSTRY

2.1 *The implementation of large-scale transformation, including complex strategic initiatives, gives rise to significant design and execution risks, may affect Prudential's operational capability and capacity, and may adversely impact the Group and the delivery of its strategy if these initiatives fail to meet their objectives.*

Where required in order to implement its business strategies for growth, improve customer experiences, strengthen operational resilience, meet regulatory and industry requirements and maintain market competitiveness, Prudential from time to time undertakes Group restructuring, large-scale transformation and acquisitions and disposals across its business. Many of these change initiatives are complex, interconnected and/or of large scale, including advancing the Group's digital capability, expanding strategic partnerships and industry and regulatory-driven change. There may be a material adverse effect on Prudential's business, customers, financial condition, results of operations and prospects if these initiatives incur unplanned costs, are subject to implementation delays, or fail to fully meet their objectives. Large scale restructuring of the Group, such as the Jackson Demerger, may result in uncertainty for the Group's employees, which may affect operational capacity and the ability of the Group to deliver its strategy. In the context of the Jackson Demerger, additional costs and management resources may also be required to address any issues, whether they arise from any failure to meet the challenges of separation and operating successfully as independent businesses, to ensure compliance with regulatory requirements or from external factors. These factors may also affect the ability of the Group to realise the anticipated benefits of the Jackson Demerger.

Additionally, there may be adverse non-financial (including operational, regulatory, conduct and reputational) implications for the Group. These initiatives inherently give rise to design and execution risks, and may increase existing business risks, such as placing additional strain on the operational capacity, or weakening the control environment, of the Group.

Implementing further initiatives related to significant regulatory changes, such as IFRS 17 and the transition to a legislative framework in Hong Kong for the Group-wide supervision of insurance groups, may amplify these risks. Risks relating to these regulatory changes are explained in risk factor 3.1 below.

The speed of technological change in the business could outpace the Group's ability to anticipate all the unintended consequences that may arise from such change. Innovative technologies, such as artificial intelligence, expose Prudential to potential information security, operational, ethical and conduct risks which, if improperly managed, could result in customer detriment and reputational damage.

2.2 *Prudential is exposed to ongoing risks as a result of the Jackson Demerger, which, if they materialise, could adversely affect Prudential's business.*

(a) *The Group may continue to face challenges related to the Jackson Demerger and may fail to realise any or all of the anticipated benefits*

On 13 September 2021, Prudential completed the Jackson Demerger. Management time will be required in respect of any future sale of Prudential's remaining stake in Jackson. Management's attention may be diverted from other aspects of Prudential's business as a result.

Further, the realisation of the anticipated benefits of the Jackson Demerger is subject to a number of factors, including many which are outside the control of the Group. As such, there can be no assurance that Prudential will realise the anticipated benefits of the transaction, or that the Jackson Demerger and/or any future sale of Prudential's remaining stake in the Jackson Group will not adversely affect the trading value or liquidity of the shares of either or both of the two businesses.

Prudential continues to hold shares in Jackson. The market price of Jackson Shares may be volatile and can go down as well as up. It is therefore possible that the value of Prudential's shareholding may be lower than anticipated, and the gross proceeds due to Prudential from any future sale may be lower than Prudential might otherwise achieve.

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The Group faces a number of risks resulting from the Jackson Demerger, which may adversely impact its financial condition, results, profitability and/or prospects.

(b) Indemnities have been given under the Demerger Agreement by Prudential in favour of the Jackson Group

Prudential and Jackson have entered into the Demerger Agreement, which governs the post-Jackson Demerger obligations of the Group and the Jackson Group and contains, among other provisions, indemnities under which Prudential indemnifies the Jackson Group against liabilities that may arise in connection with the business carried on by the Group (other than Jackson's business) prior to the Jackson Demerger. Prudential has the right to defend any such claim.

Although it is not anticipated that Prudential will be required to pay any substantial amount pursuant to such indemnity obligations, if any amounts payable under the indemnities are substantial, this could have a material adverse effect on the financial condition and/or results of Prudential.

(c) Prudential may incur liabilities in connection with the Jackson Demerger

In addition, in connection with the Jackson Demerger, Prudential may be subject to claims by Jackson's shareholders and other third parties for any material misstatements or omissions of material facts contained within Jackson's Form 10 registration document, or for any fraudulent, intentional or reckless misleading disclosure in connection with the Jackson Shares under the US Securities and Exchange Act of 1934. If those claims are not successfully defended, Prudential may have to pay compensation, and where this is substantial may adversely affect Prudential's business, financial condition, cash flows, results of operations and prospects.

(d) Following the Jackson Demerger, the Group is smaller

Following the Jackson Demerger, the Group no longer owns the companies and assets that comprise the Jackson Group and therefore is smaller. As a result, should any part of the Group's business underperform, this will have a larger relative impact on its financial condition, results, profitability and/or prospects than it would have had before the Jackson Demerger. Joint venture businesses (which subject the Group to the risks detailed in risk factor 2.7) will also contribute a larger relative proportion of the Group's profitability. Prudential may also have reduced scope to redeploy capital within its Group to facilitate strategic initiatives and/or absorb the impact of unexpected events.

(e) Following the Jackson Demerger, the Group is less diversified

Following the Jackson Demerger, the geographical diversification of the Group is narrower. This means that adverse financial market movements or economic conditions in the region and/or in one of the markets in which the Group operates may have a larger relative impact on the capital position, financial condition, results, profitability and/or prospects of the Group than they would have done prior to the Jackson Demerger. This includes the long-term adverse economic consequences driven by the variation in speed of economic recovery from the Covid-19 pandemic outlined in risk factor 1.1.

The Group is exposed to geopolitical and political risks, as well as associated regulatory risks, in the markets in which it operates. See risk factor 1.3 above and risk factor 3.1 below.

If geopolitical and political risks impacting specific regions materialise, the reduction in the geographic diversification resulting from the Jackson Demerger means that they may have a larger relative impact on the Group's business than they would have had prior to the Jackson Demerger. These risks to the Group may also become more pronounced as a larger proportion of the Group's operations will be comprised of markets with higher geopolitical and political risk exposure, which may be subject to increased regulatory uncertainty and financial crime risks.

The regulatory risks arising from geopolitical and political risk exposure may include the application of measures favouring local enterprises, such as changes to the maximum level of non-domestic ownership by foreign companies or differing treatment of foreign-owned businesses under regulations and tax rules which may result in the reduction in new business sales and renewals, contributions from business units to the central cash balances and profit of the Group. It may also increase the risk of Prudential being subject to regulatory requirements and obligations, for instance with respect to financial crime including anti-money laundering and sanctions compliance. Any failure to comply with regulatory requirements may adversely impact the reputation of Prudential and/or result in the

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imposition of legal or regulatory sanctions for the Group. See risk factor 1.3 above and risk factor 3.1 below for further details.

(f) The Group continues to hold shares in Jackson but no longer has any control

The Group retains a 19.9 per cent. voting interest (and a 19.7 per cent. economic interest) in the total common stock of Jackson. The Group intends to reduce this investment to less than 10 per cent. within 12 months of the completion of the Jackson Demerger. The Group does not have the ability to control Jackson's strategic, financial and operational decisions. Jackson may conduct its business in a manner that differs from the manner in which the Group might have conducted the business had it retained control, may fail to develop its business or may fail to meet the expectations of investors. Jackson may also be subject to adverse publicity, increased regulatory scrutiny, or investigations by regulators or law enforcement agencies. The Jackson Group's strategy and operations rely on modelling and other assumptions related to its business, including the calculation of regulatory or internal capital requirements, the valuation of assets and liabilities, and determining hedging requirements, and errors or limitations in these, or their inappropriate usage, may adversely impact its reported financial position and/or result in regulatory breaches, inappropriate decision-making, financial loss, or reputational damage. These factors could have an adverse effect on the reputation of the Jackson Group which, in turn, could have an adverse effect on the reputation of the Group. It could also have an adverse impact on the market price of shares in Jackson, which may have an adverse effect on the value of the Group's investment in Jackson and the proceeds from selling this investment or any portion of it. The Group's investment in Jackson may fall in value as a result of any decrease in the market price of Jackson Shares.

(g) Following the Jackson Demerger, there are no ongoing contributions by the Jackson Group to the central cash balances and profit of the Group

The Jackson Group previously contributed to the central company cash balances and profit of the Group. Following the Jackson Demerger, the Group no longer receives these contributions to its central cash balances and profit, with the exception of dividends from its holding of Jackson Shares (which will be significantly less than such contributions prior to the Jackson Demerger), and this may have a material adverse effect on the financial condition of the Group.

2.3 Prudential's businesses are conducted in highly competitive environments with developing demographic trends and continued profitability depends upon management's ability to respond to these pressures and trends.

The markets for financial services are highly competitive, with several factors affecting Prudential's ability to sell its products and profitability, including price and yields offered, financial strength and ratings, range of product lines and product quality, brand strength and name recognition, investment management performance and fund management trends, historical bonus levels, the ability to respond to developing demographic trends, customer appetite for certain savings products and technological advances. In some of its markets, Prudential faces competitors that are larger, have greater financial resources or a greater market share, offer a broader range of products or have higher bonus rates. Further, heightened competition for talented and skilled employees, agents and independent financial advisers may limit Prudential's potential to grow its business as quickly as planned. Technological advances, including the increased capability for gathering large volumes of customer health data and developments in capabilities and tools in analysing and interpreting such data (such as artificial intelligence and machine learning), may result in increased competition to the Group, both from within and outside the insurance industry, and may increase the competition risks resulting from a failure to be able to attract sufficient numbers of skilled staff.

The Group's principal competitors include global life insurers together with regional insurers and multinational asset managers. In most markets, there are also local companies that have a material market presence.

Prudential believes that competition will intensify across all regions in response to consumer demand, digital and other technological advances (including the emergence of new distribution channels), the need for economies of scale and the consequential impact of consolidation, regulatory actions and other factors. Prudential's ability to generate an appropriate return depends significantly upon its capacity to anticipate and respond appropriately to these competitive pressures. This includes

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managing the potential adverse impacts to the commercial value of the Group's existing sale and distribution arrangements, such as bancassurance arrangements, in markets where new distribution channels develop.

Failure to do so may adversely impact Prudential's ability to attract and retain customers and, importantly, may limit Prudential's ability to take advantage of new business arising in the markets in which it operates, which may have an adverse impact on the Group's business, financial condition, results of operations and prospects.

2.4 *Adverse experience in the operational risks inherent in Prudential's business, and those of its material outsourcing partners, could disrupt its business functions and have a negative impact on its business, financial condition, results of operations and prospects.*

Operational risks are present in all of Prudential's businesses, including the risk of direct or indirect loss resulting from inadequate or failed internal and external processes, systems or human error, fraud, the effects of natural or man-made catastrophic events (such as natural disasters, pandemics, cyber-attacks, acts of terrorism, civil unrest and other catastrophes) or from other external events. These risks may also adversely impact Prudential through its partners which provide bancassurance and product distribution, outsourcing, external technology, data hosting and other services.

Exposure to such events could impact Prudential's operational resilience and ability to perform necessary business functions by disrupting its systems, operations, new business sales and renewals, distribution channels and services to customers, or result in the loss of confidential or proprietary data. Such events, as well as any weaknesses in administration systems (such as those relating to policyholder records) or actuarial reserving processes, may also result in increased expenses, as well as legal and regulatory sanctions, decreased profitability, financial loss, customer conduct risk impacts and may damage Prudential's reputation and relationship with its customers and business partners.

Prudential's business is dependent on processing a large number of transactions for numerous and diverse products. It also employs a large number of complex and interconnected IT and finance systems and models, and user developed applications in its processes to perform a range of operational functions, including the calculation of regulatory or internal capital requirements, the valuation of assets and liabilities, determining hedging requirements, and in acquiring new business using artificial intelligence and digital applications. Some of these tools form an integral part of the information and decision-making framework of Prudential and the risk of adverse consequences arising from erroneous or misinterpreted tools used in core business activities, decision-making and reporting exists. Errors or limitations in these tools, or inappropriate usage, may lead to regulatory breaches, inappropriate decision-making, financial loss, or reputational damage. The long-term nature of much of the Group's business also means that accurate records have to be maintained securely for significant time periods. Further, Prudential operates in an extensive and evolving legal and regulatory environment (including in relation to tax) which adds to the complexity of the governance and operation of its business processes and controls.

The performance of the Group's core business activities and the uninterrupted availability of services to customers rely significantly on, and require significant investment in, IT infrastructure and security, system development, data governance and management, compliance and other operational systems, personnel, controls and processes. During times of significant change, the resilience and operational effectiveness of these systems and processes at Prudential and/or its third party providers may be adversely impacted. In particular, Prudential and its business partners are making increasing use of emerging technological tools and digital services, or forming strategic partnerships with third parties to provide these capabilities. Automated distribution channels to customers increase the criticality of providing uninterrupted services. A failure to implement appropriate governance and management of the incremental operational risks from emerging technologies may adversely impact Prudential's reputation and brand, the results of its operations, its ability to attract and retain customers and its ability to deliver on its long-term strategy and therefore its competitiveness and long-term financial success. Data protection and privacy within the Group are governed in accordance with the Prudential-wide Group Information Security Policy and Group Privacy Policy which are developed with reference to relevant international standards and regulatory requirements. The Group-wide Information Security and Privacy Committee defines and provides governance and the risk management framework for information security and privacy risks across the Group.

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Although Prudential's IT, compliance and other operational systems, models and processes in corporate governance and controls designed to manage and mitigate the operational and model risks associated with its activities, there can be no assurance as to the resilience of these systems and processes to disruption or that governance and controls will always be effective. Due to human error, among other reasons, operational and model risk incidents do occur from time to time and no system or process can entirely prevent them. Prudential's legacy and other IT systems, data and processes, as with operational systems and processes generally, may also be susceptible to failure or security/data breaches.

In addition, Prudential relies on the performance and operations of a number of bancassurance, outsourcing (including external technology and data hosting) and service partners. These include back office support functions, such as those relating to IT infrastructure, development and support and customer facing operations and services, such as product distribution and services (including through digital channels) and investment operations. This creates reliance upon the resilient operational performance of these partners, and failure to adequately oversee the partner, or the failure of a partner (or of its IT and operational systems and processes) could result in significant disruption to business operations and customers, which may have reputational or conduct risk implications and could have a material adverse effect on its business, financial condition, results of operations and prospects.

2.5 Attempts to access or disrupt Prudential's IT systems, and loss or misuse of personal data, could result in loss of trust from Prudential's customers and employees and reputational damage, which could have material adverse effects on the Group's business, financial condition, results of operations and prospects.

Prudential and its business partners are increasingly exposed to the risk that individuals (which includes connected persons such as employees, contractors or representatives of Prudential or its third-party service providers, and unconnected persons) or groups may intentionally or unintentionally disrupt the availability, confidentiality and integrity of its IT systems or compromise the integrity and security of data (both corporate and customer), which could result in disruption to key operations, make it difficult to recover critical services or damage assets, any of which could result in loss of trust from Prudential's customers and employees, reputational damage and direct or indirect financial loss. The cyber-security threat continues to evolve globally in sophistication and potential significance. Prudential's increasing profile in its current markets and those in which it is entering, growing customer interest in interacting with their insurance providers and asset managers through the internet and social media, improved brand awareness and the 2016 designation of Prudential as a Global Systemically Important Insurer ("G-SII") could also increase the likelihood of Prudential being considered a target by cyber criminals. Ransomware campaigns remain a persistent threat to the financial services sector, with recent highly publicised attacks on financial services companies. Further, there have been changes to the threat landscape in recent years and the risk from untargeted but sophisticated and automated attacks has increased.

There is an increasing requirement and expectation on Prudential and its business partners not only to hold customer, shareholder and employee data securely, but also to ensure its ongoing accuracy and that it is being used in a transparent, appropriate and ethical way, including in decision-making where automated processes are employed. A failure to do so may result in regulatory scrutiny and sanctions and may adversely impact the reputation and brand of the Group, its ability to attract and retain customers, its ability to deliver on its long-term strategy and therefore the results of its operations. New and currently unforeseeable regulatory issues may also arise from the increased use of emerging technology.

The risk to the Group of not meeting these requirements and expectations may be increased by the development of cloud-based infrastructure and the usage of digital distribution and service channels, which can collect a broader range of personal and health-related data from individuals at increased scale, and the use of complex tools, machine learning and artificial intelligence technologies to process, analyse and interpret this data. Regulatory developments in cybersecurity and data protection (such as the ongoing cybersecurity framework developments in China, which include the recently implemented Data Security Law, the Personal Information Protection Law, which will come into effect in November 2021, and changes covered by proposed revisions to the Measures for Cybersecurity Review) continue to progress worldwide. Such developments may increase the complexity of requirements and obligations in this area, in particular where they include national security restrictions

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or impose differing and/or conflicting requirements with those of other jurisdictions. These risks may also increase the financial and reputational implications for Prudential of regulatory non-compliance or a significant breach of IT systems or data, including at its joint ventures or third party partners. The international transfer of data may, as a global organisation, increase regulatory risks for the Group.

Although Prudential has experienced or has been affected by cyber and data breaches, to date, it has not identified a failure or breach, or an incident of data misuse in relation to its legacy and other IT systems and processes which has had a material impact. However, Prudential has been, and likely will continue to be, subject to potential damage from computer viruses, unauthorised access and cyber-security attacks such as 'denial of service' attacks (which, for example, can cause temporary disruption to websites and IT networks), phishing and disruptive software campaigns, and there can be no assurance that such events will not take place which may have material adverse consequential effects on Prudential's business, financial condition, results of operations and prospects.

2.6 Prudential's digital health application, Pulse, may increase existing business risks to the Group or introduce new risks as the markets in which it operates and its features, partnerships and product offerings develop.

Prudential's digital health application, Pulse, is subject to a number of the risks discussed within this 'Risk Factors' section. In particular, these include risks related to legal and regulatory compliance and the conduct of business; the execution of complex change initiatives; information security, cyber and data privacy; the use of models (including those using artificial intelligence) and personal data; the resilience and integrity of IT infrastructure and operations; and those relating to the management of third parties. These existing risks for the Group may be increased due to a number of factors:

- The number of current and planned markets in which the application operates, each with their own laws and regulations, regulatory and supervisory authorities, the scope of application of which may be uncertain or change at pace, may increase regulatory compliance risks.
- The implementation of planned application features and offerings may require the delivery of complex, inter-connected change initiatives across current and planned markets. This may give rise to design and execution risks, which could be amplified where these change initiatives are delivered concurrently.
- The increased volume, breadth and sensitivity of data on which the business model of the application is dependent and to which the Group has access, holds, analyses and processes through its models, which increases data security, privacy and usage risks. The use of complex models, including where they use artificial intelligence for critical decision-making, in the application's features and offerings may give rise to operational, conduct, litigation and reputational risks where they do not function as intended.
- The application and its services rely on a number of third party partners and providers, which may vary according to the market. This may increase operational disruption risks to the uninterrupted provision of services to customers, regulatory compliance and conduct risks, and the potential for reputational risks.

New product offerings may be developed and provided through the application, which may introduce new regulatory, operational, conduct and strategic risks for the Group. Any slowdown in digitalisation may reduce user adoption rates, the current size of the user base of Pulse and/or the development of product and service offerings, which may impact the ability of the Group to deliver its digital strategy.

A failure to implement appropriate governance and management of the incremental and new risks detailed above may adversely impact Prudential's reputation and brand, its ability to attract and retain customers, its competitiveness and its ability to deliver on its long-term strategy.

2.7 Prudential operates in certain markets with joint venture partners, minority shareholders and other third parties, resulting in certain risks that Prudential does not face with respect to its wholly-owned subsidiaries.

Prudential operates, and in certain markets is required by local regulation to operate, through joint ventures and other joint ownership or third-party arrangements. For such operations the level of control exercisable by the Group depends on the terms of the contractual agreements, in particular, those terms providing for the allocation of control among, and continued cooperation between, the

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participants. In addition, the level of control exercisable by the Group could be affected by changes in the maximum level of non-domestic ownership imposed on foreign companies in certain jurisdictions.

Prudential may face financial, reputational and other exposure (including regulatory censure) in the event that any of its partners fails or is unable to meet its obligations under the arrangements, encounters financial difficulty, or fails to comply with local or international regulation and standards such as those pertaining to the prevention of financial crime. In addition, a significant proportion of the Group's product distribution is carried out through agency arrangements and arrangements with third parties not controlled by Prudential such as bancassurance and is therefore dependent upon continuation of these relationships. A temporary or permanent disruption to these distribution arrangements, such as through significant deterioration in the reputation, financial position or other circumstances of the third party, material failure in controls (such as those pertaining to the third-party system failure or the prevention of financial crime) or failure to meet any regulatory requirements could adversely affect Prudential's reputation and its business, financial condition, results of operations and prospects.

2.8 Adverse experience relative to the assumptions used in pricing products and reporting business results could significantly affect Prudential's business, financial condition, results of operations and prospects.

In common with other life insurers, the profitability of the Group's businesses depends on a mix of factors including mortality and morbidity levels and trends, policy surrenders and take-up rates on guarantee features of products, investment performance and impairments, unit cost of administration and new business acquisition expenses. The Group's businesses are subject to inflation risk. In particular, the Group's medical insurance businesses are also exposed to medical inflation risk.

Prudential needs to make assumptions about a number of factors in determining the pricing of its products, for setting reserves, and for reporting its capital levels and the results of its long-term business operations.

A further factor is the assumption that Prudential makes about future expected levels of the rates of early termination of products by its customers (known as persistency). This is relevant to a number of lines of business in the Group. Prudential's persistency assumptions reflect a combination of recent past experience for each relevant line of business and expert judgement, especially where a lack of relevant and credible experience data exists. Any expected change in future persistency is also reflected in the assumption. If actual levels of persistency are significantly different than assumed, the Group's results of operations could be adversely affected.

In addition, Prudential's business may be adversely affected by epidemics, pandemics and other effects that give rise to a large number of deaths or additional sickness claims, as well as increases to the cost of medical claims. Pandemics, significant influenza and other epidemics have occurred a number of times historically but the likelihood, timing, or the severity of future events cannot be predicted. The effectiveness of external parties, including governmental and non-governmental organisations, in combating the spread and severity of any epidemics could have a material impact on the Group's claims experience. The risks to the Group resulting from the Covid-19 pandemic are included in risk factor 1.1 above.

Prudential uses reinsurance to selectively transfer mortality, morbidity and other risks. This exposes the Group to the counterparty risk of a reinsurer being unable to pay reinsurance claims or otherwise meet their commitments; the risk that a reinsurer changes reinsurance terms and conditions of coverage, or increases the price of reinsurance which Prudential is unable to pass on to its customers; and the risk of ambiguity in the reinsurance terms and conditions leading to uncertainty whether an event is covered under a reinsurance contract.

Any of the foregoing, individually or together, could have a material adverse effect on Prudential's business, financial condition, results of operations and prospects.

2.9 Prudential is exposed to ongoing risks as a result of the M&G Demerger.

On 21 October 2019, Prudential completed the M&G Demerger and, in connection with this, Prudential entered into the M&G Demerger Agreement. Among other provisions, the demerger agreement contains a customary indemnity under which Prudential has agreed to indemnify M&G against liabilities

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incurred by the M&G Group that relate to the business of the Group. Although it is not anticipated that Prudential will be required to pay any substantial amount pursuant to such indemnity obligations, if any amount payable thereunder is substantial this could have a material adverse effect on Prudential's business, financial condition, results of operations and prospects.

3. RISKS RELATING TO LEGAL AND REGULATORY REQUIREMENTS

3.1 *Prudential conducts its businesses subject to regulation and associated regulatory risks, including a change to the basis in the regulatory supervision of the Group, the effects of changes in the laws, regulations, policies and their interpretations and any accounting standards in the markets in which it operates.*

Changes in government policy and legislation (including in relation to tax and data security), capital control measures on companies and individuals, regulation or regulatory interpretation applying to companies in the financial services and insurance industries in any of the markets in which Prudential operates (including those related to the conduct of business by Prudential or its third party distributors), or decisions taken by regulators in connection with their supervision of members of the Group, which in some circumstances may be applied retrospectively, may adversely affect Prudential. The impact from any regulatory changes may be material to Prudential, for example changes may be required to its product range, distribution channels, handling and usage of data, competitiveness, profitability, capital requirements, risk management approaches, corporate or governance structure and, consequently, reported results and financing requirements. Also, regulators in jurisdictions in which Prudential operates may impose requirements affecting the allocation of capital and liquidity between different business units in the Group, whether on a geographic, legal entity, product line or other basis. Regulators may also change solvency requirements, methodologies for determining components of the regulatory or statutory balance sheet including the reserves and the level of capital required to be held by individual businesses (with implications to the Group capital position), the regulation of selling practices, and could introduce changes that impact products sold or that may be sold. Furthermore, as a result of interventions by governments in light of financial and global economic conditions, there may continue to be changes in government regulation and supervision of the financial services industry, including the possibility of higher capital requirements, restrictions on certain types of transactions and enhancement of supervisory powers.

In the markets in which it operates, Prudential is subject to regulatory requirements and obligations with respect to financial crime, including anti-money laundering, and sanctions compliance, which may either impose obligations on the Group to act in a certain manner or restrict the way that it can act in respect of specified individuals, organisations, businesses and/or governments. A failure to do so may adversely impact the reputation of Prudential and/or result in the imposition of legal or regulatory sanctions or restrictions on the Group. For internationally active groups such as Prudential, operating across multiple jurisdictions increases the complexity of legal and regulatory compliance. Compliance with Prudential's legal or regulatory obligations, including those in respect of international sanctions, in one jurisdiction may conflict with the law or policy objectives of another jurisdiction, or may be seen as supporting the law or policy objectives of that jurisdiction over another, creating additional legal, regulatory compliance and reputational risks for the Group. These risks may be increased where uncertainty exists on the scope of regulatory requirements and obligations, and where the complexity of specific cases applicable to the Group is high.

Following the Jackson Demerger, these regulatory risks may become more pronounced for the Group as markets with higher inherent geopolitical and political risk exposure will form a larger proportion of Prudential's operations.

Further information on specific areas of regulatory and supervisory requirements and changes are included below.

(a) Group-wide Supervision

With effect from 21 October 2019, the Group-wide supervisor of Prudential changed to the Hong Kong IA. To align Hong Kong's regulatory regime with international standards and practices, the Hong Kong IA has developed a new GWS Framework for multinational insurance groups under its supervision. The GWS Framework is based on a principle-based and outcome-focused approach, and allows the Hong Kong IA to exercise direct regulatory powers over the designated holding companies of

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multinational insurance groups. On 24 July 2020, the Insurance (Amendment) (No. 2) Ordinance, being the enabling primary legislation providing for the GWS Framework, was enacted and it became effective on 29 March 2021. Further subsidiary legislation, including the Insurance (Group Capital) Rules also became effective on 29 March 2021. The legislation is supported by the guideline on group supervision released by the Hong Kong IA on 14 May 2021. The GWS Framework became effective for Prudential upon designation by the Hong Kong IA on 14 May 2021, subject to transitional arrangements allowed in legislation which have been agreed with the Hong Kong IA.

These transitional arrangements allow all debt instruments, both senior and subordinated, issued by Prudential to be included as eligible Group capital resources.

Whilst the regulatory requirements have been finalised and are in effect, given the untested nature of the regime, there is a risk that the interpretations of the principle-based regulatory requirements made by the Group in preparing for compliance with the regulatory requirements may differ in some aspects from the interpretations made by the Hong Kong IA in their supervision of these principle-based regulatory requirements or as a result of the potential for further regulatory guidance to be issued.

Information regarding the impact of the implementation of the GWS Framework on Prudential is included in the section headed “Regulatory and Capital Regime” in Appendix I (*Financial Information of the Group*).

(b) Global regulatory requirements and systemic risk regulation

Currently there are also a number of ongoing global regulatory developments which could impact Prudential’s businesses in the many jurisdictions in which they operate. These include, the work of the Financial Stability Board (the “**FSB**”) in the area of systemic risk including the reassessment of the designation of **G-SIIs**, and the Insurance Capital Standard (the “**ICS**”) being developed by the International Association of Insurance Supervisors (the “**IAIS**”). In addition, regulators in a number of jurisdictions in which the Group operates are further developing their local capital regimes. There remains a high degree of uncertainty over the potential impact of such changes on the Group.

Efforts to curb systemic risk and promote financial stability are also under way. At the international level, the FSB continues to develop recommendations for the asset management and insurance sectors, including ongoing assessment of systemic risk measures. The IAIS has continued to focus on the following key developments.

In November 2019 the IAIS adopted the Common Framework (“**ComFrame**”) which establishes supervisory standards and guidance focusing on the effective group-wide supervision of Internationally Active Insurance Groups (“**IAIGs**”). Prudential was included in the first register of IAIGs released by the IAIS on 1 July 2020 and was designated an IAIG by the Hong Kong IA following an assessment against the established criteria in ComFrame.

The IAIS has also been developing the ICS (Insurance Capital Standard) as part of ComFrame. The implementation of ICS will be conducted in two phases: a five-year monitoring phase followed by an implementation phase. The Aggregation Method is one of the alternatives being considered to the default approach undertaken for the ICS during the monitoring period and the related proposals are being led by the National Association of Insurance Commissioners (“**NAIC**”).

In November 2019 the FSB endorsed a new Holistic Framework (“**HF**”), intended for the assessment and mitigation of systemic risk in the insurance sector, for implementation by the IAIS in 2020 and has suspended G-SII designations until completion of a review to be undertaken in 2022. Many of the previous G-SII measures have already been adopted into the Insurance Core Principles (“**ICPs**”) and ComFrame. As an IAIG, Prudential is expected to be subject to these measures. The HF also includes a monitoring element for the identification of a build-up of systemic risk and to enable supervisors to take action where appropriate.

There continues to be material change in the regulatory guidance in this area, including several areas still in development as part of the IAIS’ HF implementation and any new or changing regulations could have a further impact on Prudential. Recent examples in this area include:

- The IAIS is proposing to introduce liquidity metrics to be used as ancillary indicators, with a second consultation set to follow the phase 1 consultation which was completed in February 2021.

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- A consultation on an application paper on macroprudential supervision was also launched by the IAIS in March 2021.
- The FSB published its 2020 Resolution Report in November 2020, highlighting intra-group connectedness and funding in resolution as key areas of attention for its work on resolution planning. Resolution regimes will continue to be a near term focus in the FSB's financial stability work, potentially being a key tool in informing decisions around the reformed G-SII designation in 2022. The IMF released a Financial System Stability Assessment for Hong Kong in June 2021. One of the conclusions of the report was that there is room to further strengthen the macroprudential framework by enhancing systemic risk assessment and communication.

(c) Regional regulatory regime developments, including climate-related regulatory changes

In the Group's key markets, reforms to insurance regulatory regimes are in progress, with some uncertainty on the full impact to Prudential:

- In Hong Kong, the Hong Kong IA is seeking to align the territory's insurance regime with international standards and has been developing a risk-based capital ("**RBC**") framework. The RBC framework will comprise three pillars: quantitative requirements, including assessment of capital adequacy and valuation; qualitative requirements, including corporate governance, Enterprise Risk Management as well as Own Risk and Solvency Assessment; and public disclosures and transparency of information. The rules with respect to the first pillar are expected to be finalised in 2021. The Hong Kong IA is also currently developing plans to enable early adoption of the framework.
- In Malaysia, Bank Negara Malaysia ("**BNM**"), the central bank of Malaysia, has initiated a multi-phase review of its current RBC frameworks for insurers and takaful operators which has been conducted since 2018. The review aims to ensure that the frameworks remain effective under changing market conditions, facilitate consistent and comparable capital adequacy measurement across the insurance and takaful industry, where appropriate, and achieve greater alignment with key elements of the global capital standards such as ICS, where appropriate. A discussion paper on proposals was issued on 30 June 2021 with responses due by 30 September 2021. The timing of the effective date of the updated rules currently remains uncertain.
- In China, the China Banking and Insurance Regulatory Commission ("**CBIRC**") announced plans for its China Risk Oriented Solvency System ("**C-ROSS**") Phase II in 2017. Three quantitative impact studies have been performed in March, August and October 2020. The CBIRC has also released a draft C-ROSS Phase II technical specification in January 2021 for industry consultation. Implementation is expected in 2021 or 2022, although an official effective date has yet to be communicated.

The protection of customers is an increasing regulatory theme, including the following notable examples:

- The Financial Services Authority of Indonesia, the Otoritas Jasa Keuangan ("**OJK**"), has been revising investment linked products ("**ILP**") regulations with the aim of increasing insurance penetration and better protecting customer interests and improving market conduct. The final regulations are expected to be issued in Q3 2021 and this will have implications for the product strategies and insurance and compliance risks for insurers.
- In Malaysia, BNM issued a circular letter in Q1 2021 specifying requirements for the design and disclosure of ILPs which provide extension of coverage beyond the initial coverage term. These changes aim to improve the appropriateness of product design and the customer disclosures provided on ILP policy documents. The proposed effective date of the new requirements for ILP products sold since March 2021 is currently 22 September 2021, while for all in-force products sold prior to March 2021 the proposed effective date has been extended to 1 April 2022, and these are expected to materially impact insurer systems, disclosures, customer communications, sales conduct and post-sales calls processes.

The pace and volume of climate-related regulatory changes is increasing. Regulators including the Hong Kong Monetary Authority, the Monetary Authority of Singapore, BNM in Malaysia and the Financial Supervisory Commission in Taiwan are in the process of developing supervisory and

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disclosure requirements or guidelines related to the environment and climate change. It is expected that other regulators will develop similar requirements. These changes may give rise to compliance, operational and disclosure risks requiring Prudential to coordinate across multiple jurisdictions in order to apply a consistent risk management approach.

(d) IFRS 17

Prudential's consolidated accounts are prepared in accordance with current IFRS applicable to the insurance industry. In May 2017, the IASB published its standard on insurance accounting (IFRS 17, 'Insurance Contracts') which replaces the current IFRS 4 standard. Some targeted amendments to this standard, including to the effective date, were issued in June 2020. IFRS 17, 'Insurance Contracts', as amended, will have the effect of introducing fundamental changes to the statutory reporting of insurance entities that prepare accounts according to IFRS from 2023. The standard is subject to endorsement in the UK via the UK Endorsement Board. Prudential has a Group-wide implementation programme underway to implement this new standard. The effect of changes required to the Group's accounting policies as a result of implementing the new standard is currently uncertain, but these changes can be expected to, amongst other things, alter the timing of IFRS profit recognition. The implementation of this standard involves significant enhancements to the IT, actuarial and finance systems of the Group.

Apart from IFRS 17, any other changes or modification of IFRS accounting policies may also require a change in the way in which future results will be determined and/or a retrospective adjustment of reported results to ensure consistency.

(e) Inter-bank offered rate ("IBOR") reforms

In July 2014, the FSB announced widespread reforms to address the integrity and reliability of IBORs. The discontinuation of IBORs in their current form and their replacement with alternative risk-free reference rates such as the Sterling Overnight Index Average benchmark ("**SONIA**") in the UK and the Secured Overnight Financing Rate ("**SOFR**") in the U.S. could, among other things, impact the Group through an adverse effect on the value of Prudential's assets and liabilities which are linked to or which reference IBORs, a reduction in market liquidity during any period of transition and increased legal and conduct risks to the Group arising from changes required to documentation and its related obligations to its stakeholders.

(f) Investor contribution schemes

Various jurisdictions in which Prudential operates have created investor compensation schemes that require mandatory contributions from market participants in some instances in the event of a failure of a market participant. As a major participant in the majority of its chosen markets, circumstances could arise in which Prudential, along with other companies, may be required to make such contributions.

3.2 The conduct of business in a way that adversely impacts the fair treatment of customers, as well as the resolution of several issues affecting the financial services industry, could have a negative impact on Prudential's business, financial condition, results of operations and prospects or on its relations with current and potential customers

In the course of its operations and at any stage of the product lifecycle, the Group or its intermediaries may conduct business in a way that adversely impacts the fair treatment of customers ('conduct risk'). This may arise through a failure to: design, provide and promote products and services to customers that meet their needs, are clearly explained or deliver real value; provide and promote a high standard of customer service; maintain confidentiality of customer information; or appropriately respond to complaints. A failure to identify or implement appropriate governance and management of conduct risk may result in harm to customers and regulatory sanctions and restrictions, and may adversely impact Prudential's reputation and brand, its ability to attract and retain customers, its competitiveness and its ability to deliver on its long-term strategy.

Prudential is, and in the future may continue to be, subject to legal and regulatory actions in the ordinary course of its business on matters relevant to the delivery of customer outcomes. Such actions relate, and could in the future relate, to the application of current regulations or the failure to implement new regulations (including those relating to the conduct of business), regulatory reviews of broader industry practices and products sold (including in relation to lines of business already closed) in the

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past under acceptable industry or market practices at the time and changes to the tax regime affecting products. Regulators may also focus on the approach that product providers use to select third-party distributors and to monitor the appropriateness of sales made by them. In some cases, product providers can be held responsible for the deficiencies of third-party distributors.

There is a risk that new regulations introduced may have a material adverse effect on the sales of the products by Prudential and increase Prudential's exposure to legal risks. Any regulatory action arising out of the Group's position as a product provider could have an adverse impact on the Group's business, financial condition, results of operations and prospects, or otherwise harm its reputation.

3.3 Litigation, disputes and regulatory investigations may adversely affect Prudential's business, financial condition, cash flows, results of operations and prospects.

Prudential is, and may in the future be, subject to legal actions, disputes and regulatory investigations in various contexts, including in the ordinary course of its insurance, investment management and other business operations. These legal actions, disputes and investigations may relate to aspects of Prudential's businesses and operations that are specific to Prudential, or that are common to companies that operate in Prudential's markets. Legal actions and disputes may arise under contracts, regulations (including tax) or from a course of conduct taken by Prudential, and may be class actions. Although Prudential believes that it has adequately provided in all material respects for the costs of litigation and regulatory matters, no assurance can be provided that such provisions are sufficient. Given the large or indeterminate amounts of damages sometimes sought, other sanctions that might be imposed and the inherent unpredictability of litigation and disputes, it is possible that an adverse outcome could have an adverse effect on Prudential's business, financial condition, cash flows, results of operations and prospects.

3.4 Changes in tax legislation may result in adverse tax consequences for the Group's business, financial condition, results of operations and prospects.

Tax rules, including those relating to the insurance industry, and their interpretation may change, possibly with retrospective effect in any of the jurisdictions in which Prudential operates. Significant tax disputes with tax authorities, and any change in the tax status of any member of the Group or in taxation legislation or its scope or interpretation could affect Prudential's business, financial condition, results of operations and prospects.

The Organisation for Economic Co-operation and Development ("**OECD**") is currently undertaking a project intended to modernise the global international tax system, commonly referred to as Base Erosion and Profit-Shifting 2.0 (BEPS 2.0). The project has two pillars. The first pillar is focused on the allocation of taxing rights between countries for in-scope multinational enterprises that sell goods and services into countries with little or no local physical presence. The second pillar is focused on developing a global minimum tax rate of at least 15 percent applicable to in-scope multinational enterprises. G7 finance ministers agreed a set of high level principles to progress the project in June 2021, and the OECD issued a statement on 1 July 2021 providing some detail. G20 finance ministers endorsed the OECD statement in July 2021 and requested that the OECD develop a full set of proposals and a detailed plan for implementation by the next scheduled G20 finance ministers meeting in October 2021. Based on the 1 July 2021 OECD statement, it is unlikely that Prudential will be affected by proposals under the first pillar given a proposed exemption for regulated financial services companies. Prudential may be adversely impacted by proposals under the second pillar, which does not include an exemption for regulated financial services companies, as Prudential operates in a number of jurisdictions where the effective tax rate can be less than 15 per cent. Until the OECD proposals and implementation plan have been finalised, the full extent of the long-term impact on Prudential's business, tax liabilities and profits remain uncertain.

4. RISKS RELATING TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") MATTERS

4.1 The failure to understand and respond effectively to the risks associated with ESG factors could adversely affect Prudential's achievement of its long-term strategy.

The purpose of a business and the way in which it operates in achieving its objectives, including in relation to ESG-related matters, are an increasingly material consideration for key stakeholders in achieving their own objectives and aims.

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A failure to manage the material risks associated with key ESG themes detailed below may adversely impact the reputation and brand of the Group, its ability to attract and retain customers and staff, its ability to deliver on its long-term strategy and therefore the results of its operations and long-term financial success.

(a) Environmental risks

Environmental concerns, notably those associated with climate change, pose significant risks to Prudential and its customers. Prudential's investment horizons are long term and it is therefore exposed to the potential long-term impact of climate change risks, which include the financial and non-financial impact of transition, physical and litigation risks.

The global transition to a lower carbon economy may have an adverse impact on investment valuations as the financial assets of carbon intensive companies re-price, and this could result in some asset sectors facing significantly higher costs and a reduction in demand for their products and services. The speed of this transition, and the extent to which it is orderly and managed, will be influenced by factors such as public policy, technology and changes in market or investor sentiment. This climate-related transition risk may adversely impact the valuation of investments held by the Group, and the potential broader economic impact may adversely affect customer demand for the Group's products. Prudential's stakeholders increasingly expect and/or rely on the Group to support an orderly, inclusive and sustainable transition based on an understanding of relevant country and company-level transition plans and which takes into consideration the impact on the economies, businesses and customers in the markets in which it operates and invests. The pace and volume of new climate-related regulation emerging across the markets in which the Group operates and the demand for externally assured reporting may give rise to compliance, operational and disclosure risks which may be increased by the multi-jurisdictional coordination required in adopting a consistent risk management approach.

The Group's ability to sufficiently understand and appropriately react to transition risk and its ability to deliver on its external carbon reduction commitments may be limited by insufficient or unreliable data on carbon exposure and transition plans for the assets in which it invests. The direct physical impacts of climate change, driven by both specific short-term climate-related events such as natural disasters and longer-term changes to climate and the natural environment, will increasingly influence the longevity, mortality and morbidity risk assessments for the Group's life insurance product underwriting and offerings and their associated claims profiles. Climate-driven events in countries in which Prudential or its key third parties operate could impact the Group's operational resilience and its customers.

A failure to understand, manage and provide greater transparency of its exposure to these climate-related risks may have increasingly adverse implications for Prudential and its stakeholders.

(b) Social risks

Social risks that could impact Prudential may arise from a failure to consider the rights, diversity, well-being, and interests of people and communities in which the Group or its third parties operate. These risks are increased as Prudential operates in multiple jurisdictions with distinct local cultures and considerations. As an employer, the Group is also exposed to the risk of being unable to attract, retain and develop highly-skilled staff, which may increase if Prudential does not have in place responsible working practices or fails to recognise the benefits of diversity or promote a culture of inclusion. The potential for reputational risk extends to the Group's supply chains and its investee companies, which may be exposed to factors such as poor labour standards and abuses of human rights by third parties. Emerging population risks associated with public health trends (such as an increase in obesity) and demographic changes (such as population urbanisation and ageing) may affect customer lifestyles and therefore may impact claims under the Group's insurance product offerings. As a provider of insurance and investment services, the Group is increasingly focused on digital innovation, technologies and distribution methods for a broadening range of products and services. As a result, Prudential has access to extensive amounts of customer personal data, including data related to personal health, and an increasing ability to analyse and interpret this data through the use of complex tools, machine learning and artificial intelligence technologies. The Group is therefore exposed to the regulatory, ethical and reputational risks associated with customer data misuse or security breaches. These risks are explained above. The increasing digitalisation of products, services and processes may also result

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in new and unforeseen regulatory requirements and stakeholder expectations, including those relating to how the Group supports its customers through this transformation.

(c) Governance risks

A failure to maintain high standards of corporate governance may adversely impact the Group and its customers, staff and employees, through poor decision-making and a lack of oversight and management of its key risks. Poor governance may arise where key governance committees have insufficient independence, a lack of diversity, skills or experience in their members, or unclear (or insufficient) oversight responsibilities and mandates.

Inadequate oversight over remuneration increases the risk of poor senior management behaviours. Prudential operates across multiple jurisdictions and has a group and subsidiary governance structure which may add further complexity to these considerations. Participation in joint ventures or partnerships where Prudential does not have direct overall control and the use of third party suppliers increase the potential for reputational risks arising from poor governance.

ESG-related risks may directly or indirectly impact Prudential's business and the achievement of its strategy and consequently those of its key stakeholders, which range from customers, institutional investors, employees and suppliers, to policymakers, regulators, industry organisations and local communities. A failure to transparently and consistently implement the Group's ESG strategy across operational, underwriting and investment activities, may adversely impact the financial condition and reputation of the Group and may negatively impact the Group's stakeholders, who all have expectations, concerns and aims related to ESG matters, which may differ, both within and across the markets in which the Group operates. In its investment activities, Prudential's stakeholders increasingly have expectations of, and place reliance on, an approach to responsible investment that demonstrates how ESG considerations are effectively integrated into investment decisions and the performance of fiduciary and stewardship duties. These duties include effective implementation of exclusions, voting and active engagement decisions with respect to investee companies, as both an asset owner and an asset manager, in line with internally defined procedures and external commitments.

5. RISKS RELATING TO THE PUBLIC OFFER AND PLACING AND AN INVESTMENT IN THE OFFER SHARES

5.1 *The market price for the Offer Shares may decline below the Public Offer Price or Placing Offer Price.*

There is no assurance that the public trading market price of the Offer Shares will not decline below the Public Offer Price or Placing Offer Price. Should that occur, investors will suffer an immediate unrealised loss as a result, which may be significant. Such investors may be unable to sell Offer Shares at a price equal to or greater than the Public Offer Price or Placing Offer Price for these shares.

5.2 *The price of the Shares could be subject to significant fluctuations.*

The price of the Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Shares. These fluctuations could result from national and global economic and financial conditions, market perceptions of the Group and its industry and various facts and events, including regulatory changes affecting the Group's operations, market appraisal of the Group's strategy, changes to the Group's credit rating, variations in the Group's operating results and/or business developments of the Group and/or its competitors. Stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for securities and which may be unrelated to Prudential's operating performance or prospects. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Shares.

5.3 *Any future issues of Shares will further dilute the holdings of Shareholders and could adversely affect the market price of the Shares.*

Prudential has no current plans for further issues of Shares, absent BAU employee incentives. However, it is possible that Prudential may decide to offer additional Shares in the future to raise capital or for other purposes. If Shareholders do not take up such an offer of Shares or are not eligible to participate in such offering, their proportionate ownership and voting interests in Prudential will be reduced accordingly.

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An additional offering, or significant sales of Shares by major Shareholders, or the perception that such sales could occur, could increase volatility of, and could also have a material adverse effect on, the market price of the Shares.

5.4 *The Group cannot assure investors that it will make dividend payments in the future.*

The dividend payments to Shareholders will depend upon a number of factors, including the results of operations, cash flows and financial position, contractual restrictions and other factors considered relevant by the Board. Moreover, under English law, Prudential may pay dividends on the Shares only out of profits available for distribution determined in accordance with the Companies Act. Although the Directors intend to continue paying dividends to Shareholders in accordance with the terms of its dividend policy, there is no assurance that Prudential will declare and pay, or have the ability to declare and pay, any dividends on the Shares in the future.

As a holding company, Prudential's ability to pay dividends in the future is affected by a number of factors, principally its ability to receive sufficient dividends from subsidiaries. The payment of dividends to Prudential by its subsidiaries is, in turn, subject to restrictions, including certain regulatory and legal requirements. The ability of these subsidiaries to pay dividends is subject to applicable local laws and other restrictions including, but not limited to, applicable tax laws. These laws and restrictions could limit the payment of future dividends to Prudential by its subsidiaries, which could restrict Prudential's ability to pay a dividend to its Shareholders.

5.5 *Shareholders whose principal currency is not HK dollars may face currency exchange risks by investing in the Offer Shares.*

The Public Offer Price and Placing Offer Price of the Offer Shares are denominated in HK dollars, and any dividends to be paid in respect of the Offer Shares will be denominated in HK dollars. An investment in the Offer Shares by a Shareholder whose principal currency is not HK dollars exposes the Shareholder to currency exchange rate risk that may impact the value of the investment in the Offer Shares or any dividends paid to such Shareholder.

5.6 *Prospective investors may not be able to acquire Offer Shares in the Share Offer as a result of securities laws of certain jurisdictions.*

Securities laws of certain jurisdictions may restrict Prudential's ability to allow participation by certain prospective investors in the Share Offer. In particular, and subject to certain exceptions, prospective investors who are located in the U.S. may not be permitted to acquire Offer Shares under the Share Offer unless an exemption from the registration requirements is available under the U.S. Securities Act. The Share Offer is not and will not be registered under the U.S. Securities Act. Securities laws of certain other jurisdictions may restrict Prudential's ability to allow participation by prospective investors in such jurisdictions in any future issue of shares carried out by Prudential.

Prospective investors who have a registered address in or who are incorporated, registered, resident or located in countries other than Hong Kong should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to acquire Offer Shares.

5.7 *It may not be possible to effect service of process upon Prudential or the Directors or enforce court judgments against Prudential or the Directors, and the ability of Shareholders located outside of the UK to bring actions or enforce judgments against Prudential or its Directors may be limited.*

Prudential is a public limited company incorporated in England and Wales. As a result, the rights of Shareholders are governed by English law and the Articles of Association and may differ from the rights of shareholders in companies incorporated in other jurisdictions. In addition, the ability of Shareholders to bring an action against Prudential may be limited under English law, and it may not be possible for Shareholders located outside of the UK to effect service of process outside the UK against Prudential or the Directors, or to enforce the judgment of a court outside the UK against Prudential or the Directors. Likewise, Shareholders may not be able to enforce any judgments under the securities laws of countries other than the UK against the Directors who are residents of the UK or countries other than those in which judgment is made, and English or other courts may not impose civil liability on the Directors in any original action based solely on foreign securities laws brought against Prudential or the Directors in a court of competent jurisdiction.

WAIVERS FROM STRICT COMPLIANCE WITH THE HK LISTING RULES AND CONFIRMATION OBTAINED FROM THE HK STOCK EXCHANGE

In preparation for the Share Offer, Prudential has sought the following waivers from strict compliance with the HK Listing Rules.

WAIVER IN RESPECT OF PRO FORMA INFORMATION OF THE GROUP

As Jackson was a subsidiary of Prudential until the Jackson Demerger, the consolidated historical financial information of Prudential includes the financial information of Jackson.

However, the Jackson Demerger completed on 13 September 2021, and Jackson is no longer a subsidiary of Prudential. Inclusion of pro forma financial information for the year ended 31 December 2020 (being the most recent completed financial period) and for the six months ended 30 June 2021 (being the most recent interim period for which financial information has been published) in respect of the Group in this Prospectus would provide investors with a more comprehensive picture of the impact of the Jackson Demerger on the financial position of the Group.

Pursuant to Rule 4.29(1) of the HK Listing Rules, where an issuer includes pro forma financial information in any document (whether or not such disclosure of pro forma financial information is required under the HK Listing Rules), such pro forma information must provide investors with information about the impact of the transaction which is the subject of the document. Rule 4.29(6)(b) provides that any adjustments made in relation to any pro forma statement must be directly attributable to the transaction concerned and not relating to future events or decisions.

The subject matter of this Prospectus is equity fundraising for the Group. The inclusion of the pro forma financial information in respect of the Group showing the effect of the Jackson Demerger would assist investors in analysing the financial position and future prospects of the Group, whose operations the funds raised from the Share Offer will be used to support.

Accordingly, Prudential applied for, and the HK Stock Exchange granted, a waiver from strict compliance with the requirements under Rule 4.29(6)(b) in respect of the Group's pro forma financial information for the year ended 31 December 2020 and for the six months ended 30 June 2021, on the condition that Prudential discloses the details of the waiver in this Prospectus.

WAIVER IN RESPECT OF INDEBTEDNESS STATEMENT OF THE GROUP

Pursuant to Paragraph 28 of Appendix 1B to the HK Listing Rules, this Prospectus is required to contain certain financial information on a consolidated basis if material as of the most recent practicable date, including:

- the total amount of any debt securities of the Group issued and outstanding, and authorised or otherwise created but unissued, and term loans, distinguishing between guaranteed, unguaranteed, secured (whether the security is provided by the issuer or by third parties) and unsecured, or an appropriate negative statement;
- the total amount of all other borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, distinguishing between guaranteed, unguaranteed, secured and unsecured borrowings and debt, or an appropriate negative statement;
- all mortgages and charges of the Group, or an appropriate negative statement; and
- the total amount of any contingent liabilities or guarantees of the Group, or an appropriate negative statement,

(together, the "**Indebtedness Statement**").

The most recent practicable date of the Indebtedness Statement in this Prospectus (as set out in Appendix I (*Financial Information of the Group*)) is 30 July 2021, when the Jackson Demerger had not completed and Jackson was still consolidated into the Group. An Indebtedness Statement in respect of the Group (excluding Jackson) would be more meaningful as it assists investors in analysing the financial position and future prospects of the Group, whose operations the funds raised from the Share Offer will be used to support.

WAIVERS FROM STRICT COMPLIANCE WITH THE HK LISTING RULES AND CONFIRMATION OBTAINED FROM THE HK STOCK EXCHANGE

Accordingly, Prudential applied for, and the HK Stock Exchange granted, a waiver from strict compliance with the requirements under Paragraph 28 of Appendix 1B such that Prudential can include an Indebtedness Statement excluding Jackson in this Prospectus, on the condition that Prudential discloses the details of the waiver in this Prospectus.

WAIVER IN RESPECT OF QUALIFICATIONS OF REPORTING ACCOUNTANTS

Pursuant to Rule 4.03 of the HK Listing Rules, reporting accountants must be certified public accountants who are qualified under the Professional Accountants Ordinance of Hong Kong.

As a foreign entity, KPMG LLP is not a Hong Kong certified public accountant qualified under the Professional Accountants Ordinance and therefore cannot, technically, act as a reporting accountant under the Listing Rules. However, under Rule 4.29(7) of the HK Listing Rules, KPMG LLP is permitted to report on the pro forma financial information set out in this Prospectus in its capacity as the auditor of Prudential.

It is market practice in Hong Kong for such reports in a prospectus to be given by accountants as “reporting accountants” rather than as “auditors”, and KPMG LLP and Prudential would like as far as possible to adhere to established market practice. Given KPMG LLP’s familiarity with Prudential and its financial information, and KPMG LLP’s involvement in the Share Offer, it would be unduly burdensome and impracticable for Prudential to separately engage a Hong Kong accountant (including KPMG Hong Kong) qualified under the Professional Accountants Ordinance to report on the pro forma financial information set out in this Prospectus solely in order for such accountant to be able to be referred to as a “reporting accountant” in this Prospectus, rather than an “auditor”.

Accordingly, Prudential has applied for, and the HK Stock Exchange has granted, a waiver from strict compliance with Rule 4.03 of the HK Listing Rules such that KPMG LLP is permitted to act as a reporting accountant for the purposes of the Listing Rules.

WAIVER IN RESPECT OF INCORPORATION BY REFERENCE

Pursuant to the HK Listing Rules, this Prospectus is required to contain certain information, including:

- Paragraph 30 of Appendix 1B and Rule 11.09A – the regulatory requirements as to the solvency, capital adequacy and liquidity of insurance companies in the relevant jurisdiction or place of operation, and the issuer’s solvency ratios, capital adequacy ratios and liquidity ratios (as applicable) for the latest three financial years; and
- Paragraph 34 of Appendix 1B – biographical details of the directors and senior managers.

The above information has already been published under Prudential’s public reporting and filing obligations in Hong Kong as a result of its listing on the Main Board of the HK Stock Exchange and the UK as a result of its listing on the premium listing segment of the Official List. Such information is publicly accessible by investors and its inclusion in this Prospectus will not confer any material benefit on prospective investors, and incorporation by reference will not result in any material detriment to prospective investors, which is particularly true given the fully electronic application process for the Public Offer, as the incorporated information will be very easily accessible simply by clicking a link to the document containing the information. In addition, as the above information is not material in the context of the Share Offer taken as a whole, including the relevant information in this Prospectus will result in it becoming imbalanced and that the extent of such information may even detract from the focus on information that is arguably more material to prospective investors in the context of the Share Offer.

Accordingly, Prudential has applied for, and the HK Stock Exchange has granted, waivers from strict compliance with paragraphs 30 and 34 of Appendix 1B such that Prudential can incorporate the above information by reference, on the condition that Prudential will disclose details of the waiver in this Prospectus.

WAIVER IN RESPECT OF THE AGENT PREFERENTIAL OFFERING

Pursuant to Rule 10.01 of the HK Listing Rules, normally no more than 10 per cent. of any securities being marketed for which listing is sought may be offered to employees or past employees of the

WAIVERS FROM STRICT COMPLIANCE WITH THE HK LISTING RULES AND CONFIRMATION OBTAINED FROM THE HK STOCK EXCHANGE

issuer or its subsidiaries or associated companies and their respective dependents or any trust, provident fund or pension scheme for the benefit of such persons on a preferential basis.

Prudential intends to make a preferential offer to Eligible Employees under the Employee Preferential Offering in accordance with Rule 10.01 as well as a preferential offer to Eligible Agents as part of the Share Offer. However, Rule 10.01 does not strictly extend to permit preferential offers to be made to the Eligible Agents.

Accordingly, Prudential has applied for, and the HK Stock Exchange has granted a waiver from strict compliance with Rule 10.01 in order to permit the Agent Preferential Offering to be made to Eligible Agents, in addition to the Employee Preferential Offering, conditional on the number of Public Offer Shares offered to Eligible Employees and Eligible Agents in aggregate under the Employee Preferential Offering and the Agent Preferential Offering not exceeding 10 per cent. of the total Offer Shares with reference to Rule 10.01. For further details, see the section headed “Structure of the Share Offer – The Agent Preferential Offering” in this Prospectus.

WAIVER IN RESPECT OF SUBSCRIPTIONS BY CONNECTED PERSONS UNDER THE PUBLIC OFFER

Unless fully exempt under Rule 14A.92 of the HK Listing Rules, an issue of securities by a listed issuer to a connected person would need to comply with the requirements of Chapter 14A of the HK Listing Rules, which may require such issue of securities to be approved by the independent shareholders of the listed issuer at a general meeting.

Prudential intends to allow its connected persons to participate in the Public Offer. However, none of the exemptions set out in Rule 14A.92 of the HK Listing Rules applies to the Share Offer as it is an offer for subscription made pursuant to Prudential’s general mandate, and in absence of a waiver, Prudential’s connected persons may be prevented from participating in the Public Offer.

It is noted that:

- if any connected person applies for Shares in the Public Offer, that person will do so in their capacity as a member of the public, and the application will be treated in the same way as any application for Shares by any other member of the public, without giving such connected person any preference;
- the Employee Preferential Offering and Agent Preferential Offering, being an initiative taken by Prudential to support, develop and incentivise its employees and agents, will assist in ensuring that the material contribution made by Eligible Employees and Eligible Agents to the success of Prudential is recognised, which Prudential believes will help to promote loyalty and therefore its longer term success. Within their respective preferential offering, Eligible Employees and Eligible Agents (as the case may be) are not further classified into different tiers (whether by length of service or otherwise), which means all Eligible Employees and Eligible Agents (as the case may be) are treated in the same way. If any connected person applies for Shares in the Employee Preferential Offering or Agent Preferential Offering, that person will do so in their capacity as a Eligible Employee or an Eligible Agent, as applicable, and the application will be treated in the same way as any application for Shares by any other Eligible Employee or Eligible Agent, as applicable, without giving such connected person any preference;
- if any connected person applies for Shares in the Public Offer, Employee Preferential Offering and/or the Agent Preferential Offering, that person will do so at the same price as any other investor. The price will be determined after a book-building process on an arm’s length basis, therefore interests of Shareholders and investors will not be prejudiced as a result of any application for Shares by any connected person; and
- the exemptions set out in Rule 14A.92 of the HK Listing Rules recognise that the interests of the shareholders of a listed issuer will not be prejudiced by a connected person receiving entitlements to securities from the listed issuer for reasons other than being a connected person of the listed issuer. In the same way, any application for Shares by any connected person in the Public Offer, Employee Preferential Offering and/or the Agent Preferential Offering is the exercise of that person’s right to apply for securities merely by virtue of being a member of the public, an Eligible Employee or an Eligible Agent, as applicable.

WAIVERS FROM STRICT COMPLIANCE WITH THE HK LISTING RULES AND CONFIRMATION OBTAINED FROM THE HK STOCK EXCHANGE

Accordingly, Prudential has applied for, and the HK Stock Exchange has granted, a waiver from strict compliance with Chapter 14A of the HK Listing Rules in order to permit the connected persons of Prudential to participate in the Public Offer (including the Employee Preferential Offering and the Agent Preferential Offering).

WAIVERS IN RESPECT OF DISCLOSURES REQUIRED UNDER APPENDIX 1B TO THE HK LISTING RULES

In connection with Prudential's listing by introduction in Hong Kong in May 2010, the HK Stock Exchange granted waivers from strict compliance with certain requirements under Appendix 1B to the HK Listing Rules which are applicable to subsequent listing documents issued by Prudential.

Commissions granted by and share capital changes for the Group

Paragraph 8 of Appendix 1B requires the issuer to include any particulars of any commissions, discounts, brokerages or other special terms granted since the date to which the latest published audited consolidated accounts of Prudential were made up in connection with the issue or sale of any capital of any member of the group, together with the names of any directors or proposed directors, promoters or experts (as named in the listing document) who received any such payment or benefit and the amount or rate of the payment or benefit.

Paragraph 24 of Appendix 1B requires a listing document to include particulars of any alterations in the capital of any member of the group since the date to which the latest published audited consolidated accounts of the issuer were made up.

At the time of Prudential's listing by introduction in May 2010, Prudential had over 300 subsidiaries which were held under six principal second-tier subsidiaries. Information relating to commissions, discounts, brokerages or other special terms granted by or share changes for subsidiaries other than these principal subsidiaries was not material or meaningful to investors. In addition, it would be unduly burdensome for Prudential to produce information relating to commissions, discounts, brokerages or other special terms granted by and share changes for such a large number of companies. For these reasons, Prudential had applied for, and the HK Stock Exchange granted, waivers from strict compliance with paragraphs 8 and 24 of Appendix 1B on the basis that such information relating to Prudential and the six principal subsidiaries (which are now the Principal Subsidiaries) would be disclosed in subsequent listing documents.

Disclosures relating to share options

Paragraph 25 of Appendix 1B requires a listing document to include particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee (the "**Options Disclosure Requirements**").

At the time of Prudential's listing by introduction in May 2010, Prudential had applied for, and the HK Stock Exchange granted, a waiver from strict compliance with paragraph 25 of Appendix 1B on the grounds that full compliance with the Options Disclosure Requirements would be unduly burdensome for Prudential in light of the large number of grantees under Prudential's share option schemes, on the condition that Prudential discloses in each subsequent listing document the following information:

- the total number of Shares to be issued pursuant to the exercise in full of all share options granted thereunder;
- the consideration or the range of consideration paid or payable for the grant of share options thereunder;
- the exercise period or range of exercise periods during which share options granted thereunder are exercisable;
- the exercise price or range of exercise price payable for the Shares under share options granted thereunder; and
- compliance with the Options Disclosure Requirements in respect of share options granted to Directors.

WAIVERS FROM STRICT COMPLIANCE WITH THE HK LISTING RULES AND CONFIRMATION OBTAINED FROM THE HK STOCK EXCHANGE

Disclosure of interests

Part XV of the SFO imposes duties of disclosure of interests in Shares. Prudential is presently subject to a requirement to disclose the interests of its directors and Shareholders who hold 3 per cent. or more of the Shares under the disclosure rules and transparency rules issued by the FCA (“DTR”) and for every subsequent 1 per cent. increment thereafter. Prudential had applied for, and the SFC granted, a partial exemption under section 309(2) from all of the provisions of Part XV of the SFO (other than Divisions 5, 11 and 12) for Shareholders, directors and the chief executive to notify their interests in securities of Prudential and for Prudential to prepare registers and maintain records (the “**Partial Exemption**”).

Paragraph 34 of Appendix 1B requires a listing document to include disclosure, where any director or proposed director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Paragraph 38 of Appendix 1B requires a listing document to include:

- a statement showing the interests and short positions of each director and chief executive of the issuer in the shares, underlying shares and debentures of the issuer of any associated corporation (within the meaning of Part XV of the SFO); and
- a statement showing the name, so far as is known to any director or chief executive of the issuer, of each person other than a director or chief executive of the issuer, who has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10 per cent. or more of the issued voting shares of any other member of the Group and the amount of each of such person’s interest in such securities, together with particulars of any options in respect of such capital.

Based on the Partial Exemption, Prudential had applied for, and the HK Stock Exchange granted, a waiver from strict compliance with paragraphs 34 and 38 of Appendix 1B on the basis that it will include in its relevant shareholder communications after its listing by introduction in May 2010, such interests as are notified to it under the DTR in lieu of information disclosed in Part XV of the SFO.

CONFIRMATION ON PROPOSED CLAWBACK MECHANISM

Under Paragraph 4.2 of Practice Note 18 to the Listing Rules, where an initial public offering includes both a placing tranche and a public subscription tranche, the minimum allocation of shares to the public subscription tranche shall be an initial allocation of 10 per cent. of the shares offered in the initial public offering and subject to a clawback mechanism that increases the number of shares available in the public subscription tranche depending on the demand for those shares as set out in the paragraph.

While the Share Offer is not an initial public offering, it comprises an offer for subscription of new shares to be issued by Prudential and conducted by way of the Public Offer and the Placing. Accordingly, Prudential has applied to the HK Stock Exchange for its confirmation, and the HK Stock Exchange has confirmed, that it has no objection to Prudential’s proposed clawback mechanism as set out in the section headed “Structure of the Share Offer – 5. Reallocation and Clawback” in this Prospectus.

PARTIES INVOLVED IN THE SHARE OFFER

Joint Global Coordinators

Citigroup Global Markets Asia Limited
50/F, Champion Tower
3 Garden Road
Central, Hong Kong

Citigroup Global Markets Limited
Citigroup Centre
33 Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Goldman Sachs (Asia) L.L.C.
68th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

CLSA Limited
18/F One Pacific Place
88 Queensway
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Joint Bookrunners

Citigroup Global Markets Asia Limited
(in relation to the Public Offer only)
50/F, Champion Tower
3 Garden Road
Central, Hong Kong

Citigroup Global Markets Limited
(in relation to the Placing only)
Citigroup Centre
33 Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Goldman Sachs (Asia) L.L.C.
68th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

CLSA Limited
18/F One Pacific Place
88 Queensway
Hong Kong

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Merrill Lynch (Asia Pacific) Limited
55/F, Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

PARTIES INVOLVED IN THE SHARE OFFER

Credit Suisse (Hong Kong) Limited
Level 88, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

UBS AG Hong Kong Branch
(in relation to the Public Offer only)
52/F Two International Finance Centre
8 Finance Street
Central
Hong Kong

UBS AG London Branch
(in relation to the Placing only)
5 Broadgate
London EC2M 2QS
United Kingdom

UOB Kay Hian (Hong Kong) Limited
6/F, Harcourt House
39 Gloucester Road
Hong Kong

Financial Adviser to Prudential

Rothschild & Co Hong Kong Limited
Rooms 1605-1609, 16/F, Alexandra House
18 Chater Road
Central
Hong Kong

Legal advisers to Prudential

As to Hong Kong and U.S. law
Slaughter and May
47/F, Jardine House
One Connaught Place
Central, Hong Kong

As to English law
Slaughter and May
One Bunhill Row
London EC1Y 8YY
United Kingdom

As to Singapore law
Allen & Gledhill
One Marina Boulevard #28-00
Singapore 018989

Legal advisers to the Underwriters

As to Hong Kong law
Linklaters
11/F, Alexandra House
Chater Road, Hong Kong

As to English and U.S. law
Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

PARTIES INVOLVED IN THE SHARE OFFER

Auditors and reporting accountants	KPMG LLP <i>(Chartered Accountants)</i> 15 Canada Square Canary Wharf London E14 5GL
Receiving Bank	Standard Chartered Bank (Hong Kong) Limited 18F Standard Chartered Tower 388 Kwun Tong Road Kwun Tong, Hong Kong

CORPORATE INFORMATION

Registered Office	1 Angel Court London EC2R 7AG United Kingdom
Principal Place of Business in Hong Kong	13th Floor, One International Finance Centre 1 Harbour View Street Central, Hong Kong
Prudential website	www.prudentialplc.com
Authorised representatives	Mark Thomas FitzPatrick 1 Angel Court London EC2R 7AG United Kingdom Stuart James Turner 13th Floor, One International Finance Centre 1 Harbour View Street Central, Hong Kong
Company secretary	Thomas Stern Clarkson (admitted as a solicitor in England and Wales)
Principal share registrar and transfer office	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA United Kingdom
Hong Kong share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17 th Floor Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Singapore branch share registrar and transfer office	The Central Depository (PTE) Limited 11 North Buona Vista Drive #01-19/20 The Metropolis Tower 2 Singapore 138589
Principal bankers	HSBC Bank Plc 8 Canada Square London, E14 5HQ

DIRECTORS AND SENIOR MANAGEMENT

Particulars of Directors and Senior Management

Name	Current and past directorships in other listed public companies in the last three years		
	Company	Position	Still held
<i>Executive Directors</i>			
Michael Andrew Wells	N/A	N/A	N/A
Mark Thomas FitzPatrick CA	N/A	N/A	N/A
Stuart James Turner FCA FCSI FRM	N/A	N/A	N/A
<i>Non-Executive Directors</i>			
Baroness Shriti Vinodkant Vadera	Astrazeneca Plc	Non-executive Director	No
	BHP Group Ltd	Non-executive Director	No
	BHP Group Plc	Non-executive Director	No
Jeremy David Bruce Anderson CBE	UBS Group AG	Non-executive Director	Yes
Chua Sock Koong	Bharti Airtel Limited	Non-executive Director	Yes
	Singapore Telecommunications Limited	Group Chief Executive Officer	No
	Royal Philips N.V.	Supervisory Board Member	Yes
David John Alexander Law ACA	N/A	N/A	N/A
Ming Lu	Jones Lang LaSalle Inc.	Non-executive Director	No
Anthony John Liddell Nightingale CMG SBS JP	Jardine Matheson Holdings Limited	Non-executive Director	Yes
	Dairy Farm International Holdings Limited	Non-executive Director	Yes
	Hongkong Land Holdings Limited	Non-executive Director	Yes
	Jardine Cycle & Carriage Limited	Non-executive Director	Yes
	Jardine Strategic Holdings Limited	Non-executive Director	No
	Mandarin Oriental International Limited	Non-executive Director	Yes
	PT Astra International	Commissioner and Non-executive Director	Yes
	Schindler Holding Limited	Non-executive Director	No
	Shui On Land Limited	Non-executive Director	Yes
Vitasoy International Holdings Ltd	Non-executive Director	Yes	

DIRECTORS AND SENIOR MANAGEMENT

Name	Current and past directorships in other listed public companies in the last three years		
	Company	Position	Still held
The Hon. Philip John Remnant CBE FCA	Severn Trent Plc	Non-executive Director	Yes
	The City of London Investment Trust Plc	Chair	No
Alice Davey Schroeder	Natus Medical Incorporated	Director	Yes
	Quorum Health Corporation	Non-executive Director	Yes
Thomas Ros Watjen	Arch Capital Group Limited	Director	Yes
	SunTrust Banks, Inc.	Non-executive Director	No
Jane Fields Wicker-Miurin OBE	BNP Paribas	Director of Companies	Yes
	SCOR SE	Non-executive Director	Yes
Jeanette Kai Yuan Wong	UBS Group AG	Non-executive Director	Yes
	EssilorLuxottica SA	Non-executive Director	No
	Singapore Airlines Limited	Non-executive Director	Yes
Yok Tak Amy Yip	EFG International AG	Director	No
	Deutsche Börse AG	Supervisory Board Member	No
	Temenos Group AG	Non-executive Director	No
Senior Management			
Jolene Chen	N/A	N/A	N/A
Nicolaos Nicandrou	N/A	N/A	N/A

The address of each of the Directors and senior management mentioned above is Prudential's registered office in the United Kingdom at 1 Angel Court, London EC2R 7AG, United Kingdom.

Profiles of Directors and Senior Management

With the exception of Chua Sock Koong, Ming Lu and Jeanette Wong, each of whom was appointed to the Board after the publication of the 2020 Annual Report, biographical details of the other Directors and senior management are given in the 2020 Annual Report, published on Prudential's website on 15 March 2021 (pages 122-127, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0412/2021041200079.pdf>), which are incorporated into this Prospectus by reference.

There have been the following changes in the Directors' details since the publication of the 2020 Annual Report:

Alice Schroeder

Appointed as a director of Reflexion with effect from 27 May 2021.

Mike Wells

Appointed to the advisory board of the China Children Development Foundation in March 2021.

Fields Wicker-Miurin

Appointed to the council of the Royal College of Art as deputy chair-elect in March 2021.

Amy Yip

Stepped down from the board of Deutsche Börse with effect from 19 May 2021.

DIRECTORS AND SENIOR MANAGEMENT

Non-Executive Directors

Chua Sock Koong

Age: 63

Sock Koong has thirty years' experience of business leadership and operations throughout Asia.

Sock Koong started her career in financial services at United Overseas Bank in 1979 before moving to Wearne Brothers in 1981. She joined Singtel Group, one of Asia's largest telecoms businesses in 1989, initially as treasurer. She held a number of senior roles at Singtel, including CEO international and group Chief Financial Officer, before being appointed group chief executive officer in 2007, a position she held until December 2020. She was appointed as a member of Singapore's Public Service Commission in January 2009, becoming deputy chairman in January 2020. In May 2021 she was appointed to the supervisory board of Royal Philips.

Sock Koong joined the Board on 12 May 2021 as a Non-executive Director and a member of the Audit and Remuneration Committees.

Other appointments

- Royal Philips NV
- Bharti Airtel Limited
- Bharti Telecom Limited
- Cap Vista Pte Ltd
- Defence Science and Technology Agency
- The Public Service Commission
- Research, Innovation and Enterprise Council
- Council of Presidential Advisers

Ming Lu

Age: 63

Ming has over 30 years' experience of investing and developing businesses throughout the Asia Pacific region.

Ming joined KKR in 2006. He is the Head of Asia Pacific at KKR Asia Limited and is a Member of Kohlberg Kravis Roberts & Co. L.P.. He currently serves as a member of the KKR Asian Private Equity Investment Committee, KKR Asian Portfolio Management Committee and the firm's Investment Management and Distribution Committee. Ming has played a significant role in private equity investments across Asia Pacific. Since 2018, he has been playing a leadership role in KKR Asia's growth and expansion, including serving as a member of the Asian Infrastructure Investment Committee and Asian Real Estate Investment Committee. He was previously a Partner at CCMP Capital Asia (formerly J.P. Morgan Partners Asia). At JPMP Asia, he was responsible for investments in the automotive, consumer and industrial sectors in Korea, China, Japan, Australia and South East Asia. Prior to joining JPMP Asia in 1999, Ming was President of Asia Pacific at Lucas Varity, a leading global automotive component supplier. From 1993 to 1997, Ming worked for Kraft Foods International Inc.. From 1985 to 1993, he worked for CITIC, the largest direct investment firm in China.

Ming has held directorships at Ma San Consumer Corporation, Unisteel Technology International Limited, Weststar Aviation Service Sdn Bhd and MMI Technologies Pte Ltd. He also served as an independent non-executive director of Jones Lang LaSalle Inc. until May 2021.

Ming joined the Board on 12 May 2021 as a Non-executive Director and a member of the Risk and Nomination & Governance Committees.

Other Appointments

- Kohlberg Kravis Roberts & Co. L.P. / KKR Asia Limited
- Goodpack Pte Ltd

DIRECTORS AND SENIOR MANAGEMENT

Jeanette Wong

Age: 61

Jeanette has over 35 years of operational experience in financial services, mainly across Southeast Asia and the broader Asia Pacific region.

Until her retirement on 1 March 2019 from DBS Bank, Jeanette Wong was the Group Executive responsible for the Institutional Banking Group which encompassed Corporate Banking, Global Transaction Services, Strategic Advisory and Mergers & Acquisitions. Jeanette was a Director of DBS Bank (China) Limited and Chairperson of DBS Bank (Taiwan) Ltd. Prior to that, she was the Chief Financial Officer of DBS Group between 2003 to 2008. As part of her role at DBS Group, Jeanette held non-executive director positions as ASEAN Finance Corporation, TMB Bank and the Bank of the Philippine Islands. She was also a non-executive director of Essilor Luxottica SA until May 2021.

Before joining DBS Bank, Jeanette was at JP Morgan for 16 years. During her tenure at JP Morgan, she had regional responsibilities for the Global Markets and Emerging Markets Sales and Trading business in Asia and was also JP Morgan's head for Singapore between 1997 to 2002. Jeanette's career began in 1982 at Banque Paribas and then Citibank from 1984 to 1986 before joining JP Morgan in 1986.

Jeanette joined the Board on 12 May 2021 as a non-executive director and is a member of the Audit and Risk Committees.

Other appointments

- UBS Group AG
- JTC Corporation
- PSA International Pte Ltd
- Board of Trustees National University of Singapore
- Council of CareShield Life
- Singapore Airlines Limited
- Singapore Securities Industry Council

BUSINESS

Introduction

Prudential provides life and health insurance and asset management, with a focus on Asia and Africa. The business helps people get the most out of life, by making healthcare affordable and accessible and by promoting financial inclusion. Prudential protects people's wealth, helps them grow their assets and empowers them to save for their goals. The business has more than 17 million life customers in Asia and Africa and is listed on stock exchanges in London, Hong Kong, Singapore and New York.

Prudential was founded in London in 1848 and has a long history of deepening its commitment and presence in Hong Kong, having been established there 57 years ago. In 2010, Prudential achieved dual primary listed status by becoming listed in Hong Kong and in 2019, following the M&G Demerger, the Group's regulator shifted from the UK's Prudential Regulation Authority to the Hong Kong IA. On 13 September 2021, the Group completed the Jackson Demerger.

The Group is joint-headquartered in London and Hong Kong. The Group, and the location of its employees, including key executives, has shifted further towards Hong Kong over the years, with circa 60 per cent. of head office staff now located in Hong Kong.

The Group has a pan-Asian footprint, with its largest life and protection operations in Hong Kong, Singapore, Indonesia and Malaysia as well as its joint venture in China. The Group also operates in Thailand, Vietnam, Taiwan, the Philippines, Cambodia, Laos and Myanmar, and has a successful partnership in India. Within this footprint, the Group has top-three positions¹ in nine out of 13 life markets in Asia and extensive distribution networks across digital, agency and bancassurance channels. The Group focuses on delivering profitable regular premium health and protection insurance products and fee-based earnings. The Group's pan-Asia asset manager, Eastspring, is one of the largest pan-Asia asset managers, managing US\$254.0 billion in assets (as at 30 June 2021) across 11 markets in Asia and is a top-10 asset manager² in seven of those markets. Since 2014, Prudential has also built a rapidly growing multi-product business in Africa, with operations now in eight countries across the continent.

The life insurance industry in much of Asia and Africa is characterised today by low penetration rates for insurance in many countries. In particular, many of the markets in Asia where the Group operates are progressing towards the level of per capita annual income when demand increases sharply. Across the Asia region, there are significant health funding and wellness gaps: an estimated 80 per cent.³ of Asians do not have insurance cover and spend around US\$400 billion⁴ on healthcare as an out-of-pocket expense. Covid-19, the rise in non-communicable conditions such as heart disease and diabetes, and ageing populations threaten to widen further the existing health, protection and savings gaps in Asia and Africa.

Prudential's offering in Asia and Africa and its continued innovation in product and distribution addresses the growing customer awareness and demand for products that support health and wellness, as well as providing life insurance cover. The Group intends to accelerate development of its digitally enabled products and services to help prevent, postpone and protect customers from threats to their health and wellbeing, as well as supporting them to achieve their savings goals. In particular, Pulse by Prudential, Prudential's health and wellness platform, is designed to provide a compelling offering to address these needs, building on its existing distribution channels and trusted brand.

The Group's businesses derive revenue from life and health insurance and asset management activities. These are supported by central functions which are responsible for Prudential's strategy, cash and capital management, leadership development and succession, reputation management and other core Group functions.

¹ Based on full year 2020 (calendar year 2020 for India), or the latest information available. Sources include formal (e.g. competitors' results release, local regulators and insurance association) and informal (industry exchange) market share data. Ranking based on new business (APE sales, weighted full year premium or full year premium depending on availability of data) or total weighted revenue premiums.

² Source: Asia Asset Management – Fund Manager Surveys. Based on assets sourced in Asia ex-Japan, Australia and New Zealand. Ranked according to participating firms only.

³ Prudential estimate based on number of in-force policies over total population.

⁴ World Health Organisation: Global Health Observatory data repository (2013). Out-of-pocket as % of total health expenditure. Asia calculated as average out-of-pocket.

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From 2013 to the end of 2020, the Group has committed almost US\$10 billion of capital to support growth in Asia, including around US\$5 billion of inorganic investments to grow distribution reach and to build digital capability. Around one-third of the total investment has been made since January 2019.

Over the decade from 2010 to 2020, embedded value in Asia grew on average by 14 per cent.^{5(a)} per annum, from US\$12.4 billion at 31 December 2010 to US\$44.2 billion^{5(c)} at 31 December 2020. On average in Asia over the same period, new business profit grew by 8 per cent.^{5(a)} ^{5(b)} per annum from US\$1,011 million to US\$2,201 million, adjusted operating profit grew by 15 per cent. per annum from US\$895 million to US\$3,667 million and Asia operating free surplus generation grew by 14 per cent.^{5(a)} ^{5(b)} per annum from US\$525 million to US\$1,895 million. In addition, over the same period, on average profit after tax for Asia grew by 14 per cent.^{5(a)} ^{5(b)} per annum from US\$932 million to US\$3,382 million⁵.

Markets

Given management's increased focus on Asia and Africa following the Jackson Demerger, the Group's segments from H1 2021 are: China JV, Hong Kong, Indonesia, Malaysia, Singapore, Growth markets and other (including Africa) and Eastspring. A summary of the Group's key performance indicators using these segments is set out in the following table. The Group's central functions will continue to be unallocated to a segment and are excluded from the amounts below.

US\$m	Actual exchange rate														
	APE sales			New business profit			Adjusted operating profit**			Profit after tax			EEV for long-term business [^]		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
China JV ^{^^}	582	590	403	269	262	199	251	219	191	394	268	226	2,798	2,180	1,618
Hong Kong	758	2,016	2,266	787	2,042	2,309	891	734	591	994	1,116	122	20,156	18,255	14,693
Indonesia	267	390	315	155	227	163	519	540	555	409	428	409	2,630	2,737	2,692
Malaysia	346	355	335	209	210	196	309	276	259	256	237	212	4,142	3,535	3,120
Singapore	610	660	617	341	387	358	574	493	439	521	470	355	8,160	7,337	6,242
Growth markets and other**	1,245	1,232	1,114	440*	394*	252*	835	737	615	548	960	281	4,975	3,858	2,665
Eastspring	n/a	n/a	n/a	n/a	n/a	n/a	283	283	242	253	250	211	n/a	n/a	n/a
Total segment***	3,808	5,243	5,050	2,201*	3,522*	3,477*	3,662	3,282	2,892	3,375	3,729	1,816	42,861	37,902	31,030

* Excludes amounts relating to Africa.

** Adjusted operating profit for growth markets and other includes other of US\$119 million (2019: US\$125 million, 2018: US\$84 million) which primarily comprises of taxes for joint ventures and associates and other non-recurring items.

*** Excludes amounts unallocated to a segment (central operations) being costs attributable to the head office functions in London and Hong Kong including interest costs on core structural borrowings and restructuring and IFRS 17 implementation costs.

[^] Excludes goodwill and Eastspring

^{^^} Amounts shown for China JV represent Prudential's 50 per cent interest in the joint venture

US\$m	Actual exchange rate									
	APE sales		New business profit		Adjusted operating profit**		Profit after tax		EEV for long-term business [^]	
	Half year 2021	Half year 2020	Half year 2021	Half year 2020	Half year 2021	Half year 2020	Half year 2021	Half year 2020	Half year 2021	
China JV ^{^^}	448	319	228	127	139	101	148	57	3,049	
Hong Kong	253	388	306	353	460	412	441	108	20,951	
Indonesia	117	123	57	68	225	249	179	184	2,350	
Malaysia	211	123	113	69	184	158	135	135	3,814	
Singapore	379	229	215	123	320	262	141	246	7,917	
Growth markets and other**	675	537	257	172*	479	404	330	192	5,601	
Eastspring	n/a	n/a	n/a	n/a	162	143	147	126	n/a	
Total segment***	2,083	1,719	1,176	912*	1,969	1,729	1,521	1,048	43,682	

* Excludes amounts relating to Africa.

** Adjusted operating profit for growth markets and other includes other of US\$167 million (HY20: US\$104 million) which primarily comprises of taxes for joint ventures and associates and other non-recurring items.

⁵ Notes: (a) Shown on an actual exchange rate basis and representing the compound annual growth rate (CAGR) (b) restated, where applicable, for accounting policy changes and disposed businesses. (c) Includes Asia long-term insurance, Eastspring and goodwill attributable to the Asian businesses.

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*** Excludes amounts unallocated to a segment (central operations) being costs attributable to the head office functions in London and Hong Kong including interest costs on core structural borrowings and restructuring and IFRS 17 implementation costs.

^ Excludes goodwill and Eastspring

^^ Amounts shown for China JV represent Prudential's 50 per cent interest in the joint venture

The Group's largest market in respect of APE⁶ sales in the first half of 2021 was China, which accounted for 22 per cent. of the Group's overall APE sales, followed by Singapore, contributing 18 per cent. and Hong Kong which accounted for 12 per cent. The rest of the Group's new business sales is diversified across the Group's 10 other Asia markets and Africa. The Group's adjusted IFRS operating profit is well-balanced, with the largest contributions from the Hong Kong, Singapore and Indonesia segments.

Adjusted operating profit is management's primary measure of profitability and provides an underlying operating result based on longer-term investment returns and excludes non-operating items. Further explanation on the determination of adjusted operating profit is provided in note B1.3 'Determining operating segments and performance measure of operating segments' to Prudential's consolidated IFRS financial statements on pages 228 to 231 of the 2020 Annual Report. A full reconciliation to profit after tax is given on pages 30 and 226 of the 2020 Annual Report and on pages 11 and 61 of the 2021 Half Year Financial Report.

In China, Prudential's life business is a 50/50 joint venture with CITIC, a leading Chinese state owned conglomerate. It benefits from a balanced distribution network with strength in agency and bancassurance and a well-diversified product range. The China joint venture business performed well in 2020 after the Covid-19 disruption in the first quarter, increasing new business profit by 3 per cent. from US\$262 million in 2019 to US\$269 million in 2020 and embedded value by 28 per cent. from US\$2.2 billion as at 31 December 2019 to US\$2.8 billion as at 31 December 2020 (on an actual exchange rate basis)⁷.

Prudential's Hong Kong business offers domestic Hong Kong residents and mainland visitors sophisticated critical illness, medical benefits and life insurance protection business. In a third party consumer survey⁸ 91 per cent. of all Hong Kong consumers indicated they would retain life insurance even if their financial position is disadvantaged by Covid-19, demonstrating the resilience of this market. The investment proposition provides access to international equities and bonds. In particular, Prudential's main with-profits product offering pools the investments of policyholders and allocates returns based on long-term investment performance (similar to that historically used in the UK). This is a distinct, capital-efficient structure benefiting from significant scale, enabling Prudential to provide differentiated products while generating attractive margins.

⁶ The Group reports APE as a measure of new business sales, which is a key metric for the Group's management of the development and growth of the business. APE is calculated as the aggregate of regular premiums and one-tenth of single premiums on new business written during the year for all insurance products, including premiums for contracts designated as investment contracts under IFRS 4. The use of the one-tenth of single premiums is to normalise these policy premiums into the equivalent of regular annual payments. This measure is commonly used in the insurance industry to allow comparisons of the amount of new business written in a period by life insurance companies, particularly when the sales contain both single premium and regular premium business. This differs from the IFRS measure of gross premiums earned that also includes the premiums from the in-force book of business. The gross premiums earned for Asia and Africa as reported were US\$23,495 million in full year 2020 and US\$11,521 million in half year 2021. As required under the equity method of accounting this excludes amounts relating to joint ventures and associates. A reconciliation of IFRS gross premiums earned to APE new business sales is provided in note II(vii) of the section headed Additional Unaudited Financial Information on page 376 of the 2020 Annual Report and in note II(viii) of the section headed Additional Financial Information on page 134 of the 2021 Half Year Financial Report.

⁷ Figures represent Prudential's 50 per cent. interest.

⁸ Swiss Re COVID-19 Consumer Survey, April 2020.

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Along with the Group's business in Taiwan, Prudential has a significant footprint in the Greater China region. The table below demonstrates the significant proportion of the Group's financial measures that were contributed by its Hong Kong, China JV and Taiwan businesses.

US\$m	Gross premiums earned**				New business profit***			
	Half year		Full year		Half year		Full year	
	2021	2020	2020	2019	2021	2020	2020	2019
Total Greater China*	6,677	6,975	14,179	13,572	575	516	1,145	2,379
Total Group* (continuing operations)	13,587	12,578	26,728	27,002	1,176	912	2,201	3,522
Percentage of total	49%^	55%	53%	50%	49%	57%	52%	68%

* Total Greater China represents the amount contributed by the life business in Hong Kong, Taiwan and the Group's share of the amounts earned by the China JV. The Group total includes the Group's share of the amounts earned by all life associates and JVs.

** The gross earned premium amount shown above differs from that shown in the income statement as it includes the Group's share of amounts earned by associates and JVs. A reconciliation to the amount included in the income statements is included in note II of the Additional financial information in the 2021 Half Year Financial Report.

*** New business profit results for half year 2020, full year 2020 and full year 2019 exclude contributions from Africa.

^ Renewal premiums declined in aggregate as some policies within the with-profits funds in Hong Kong reached the end of the premium-paying term.

In Indonesia, the Group is the market leader in the overall life insurance market. Indonesia has the largest Muslim population of any country⁹ and the Group is also the market leader in the sharia-compliant market, with a 35 per cent. market share.

In Malaysia, Prudential has a leading market position where it ranks second in the combined conventional life insurance and family Takaful market. The business is focused on regular premium products which account for 97 per cent. of APE sales in 2020. It benefits from a strong and growing agency force, with nearly 1,000 Million Dollar Round Table ("MDRT") members¹⁰.

In Singapore, Prudential offers a similar type of product mix to that offered in Hong Kong, including the use of a UK-style with-profits structure. Prudential is one of the market leaders in protection, savings and investment-linked plans. The Group has been serving the financial needs of Singapore for 90 years, delivering a suite of product offerings and professional advisory through its network of more than 5,000 financial consultants and its bank partners. The Group's corporate and small and medium sized enterprise ("SME") clients benefit from Prudential's specialised enterprise business solutions. Prudential also offers a dedicated advice and service-led offering, Opus by Prudential, to its High Net Worth customers.

In India, Prudential's business primarily consists of a 22.1 per cent. holding in the Indian Stock Exchange listed life insurance business, ICICI Prudential Life Insurance (with its investment valued at US\$2.2 billion as at 31 December 2020), and 49 per cent. of the asset manager, ICICI Prudential Asset Management, which had total funds under management of US\$26.9 billion¹¹ as at 31 December 2020. Prudential's India life business continues to pivot to health and protection, with a 17 per cent. increase between 2019 and 2020 in health and protection APE sales, which represented 24 per cent. of total APE sales in 2020 (up 9 percentage points on 2019).

In Thailand, Prudential's strategic bancassurance distribution partnership with TMBThanachart Bank provides the opportunity for Prudential to be a leader in the bancassurance channel. Coupled with the completion of the acquisition of TMBAM and TFund, which established Prudential as a top-five player in the mutual fund market, Prudential has a high-quality platform to deliver best-in-class health and wealth solutions to serve the growing retirement needs of both the rising middle class and the growing high net worth segments.

Prudential's other high-potential markets of Vietnam, the Philippines, Cambodia and Laos, and in Africa, currently have very low levels of life insurance penetration, however, with rising GDP per capita, and supported by Prudential's proven expertise and market leading positions, Prudential is confident of delivering strong new life insurance sales growth in these markets.

⁹ Source: Indonesia Ministry of Religion Data Centre.

¹⁰ The MDRT is a trade association of insurance brokers and financial advisers. In order to join, brokers and advisers must meet certain annual membership requirements, including earning minimum levels of premium, commission or income.

¹¹ Figure represents Prudential's 49 per cent. interest.

Strategy

The Group's strategy in its Asia and Africa businesses is aligned with the supportive structural trends in those regions. Despite the rapid rise in prosperity in Asia, people still have low levels of insurance cover, with 40 per cent. of health and protection spend still paid out-of-pocket¹², and an estimated 80 per cent. of the population of Asia still without insurance cover¹³. Combined with rising prosperity and ageing populations, this creates a large and growing health and protection gap that has been estimated at US\$1.8 trillion¹⁴. Even larger is the estimated US\$83 trillion mortality gap¹⁵, representing the income that families forgo if they lose their breadwinner. In Africa, where the population is expected to double to more than two billion people by 2050¹⁶, less than 50 per cent. of people have access to modern health facilities¹⁷.

These long-term trends underpin rising demand for savings and protection across both Asia and Africa, and create significant opportunity for growth and value creation. The Group has trusted brands, digitally enhanced multi-channel distribution and capabilities to differentiate its insurance and asset management products and services. By tailoring these products and services to specific consumer segments and markets, the Group is well positioned to meet the growing health, protection and long-term savings needs of its customers in these geographies.

The Group has significant investment appetite that is based on the absolute size and demographic characteristics of each economy and its ability to build competitive advantage, leveraging its scale and expertise. The Group will continue to build on its leading positions in Hong Kong and South-east Asia, and sees the greatest growth opportunities in the largest economies of China, India, Indonesia and Thailand.

In Mainland China, the Group has a substantial opportunity to deepen its presence across its nationwide footprint of 20 branches covering 99 cities, which provides access to 83 per cent. of China's GDP and 85 per cent. of gross written premium, by leveraging its multi-channel distribution capabilities. China continues to have very low levels of insurance penetration, and recent regulatory developments and consumer demand support further growth both in health and protection and pension products and services. The Group has a particular focus on areas with the greatest economic growth potential, a strategy aligned with the Chinese government's 'City Cluster Model', centred on Beijing, Shanghai and the Greater Bay Area, a region which, if it were a separate economy, would be one of the 10 largest economies in the world. The Group intends to continue to focus on building a professional, high-quality health and protection-capable agency force. Over time, as its agency force matures and builds experience, the Group expects this to result in substantially enhanced productivity, providing additional support to its growth trajectory. The Group will also continue to build out its bancassurance distribution network with multiple partners throughout China, and to broaden its product offering to address opportunities in wealth management, pensions and in meeting the insurance needs of SMEs.

Mainland China customers are an important customer segment for the Group's Hong Kong business, although new sales have been severely curtailed following the closure of the border between Mainland China and Hong Kong implemented in late January 2020. Based on its own and third-party surveys, the Group believes there is latent demand from Mainland China customers for its Hong Kong product suite. As a result, the Group expects to see the return of this important source of new business when the border between Mainland China and Hong Kong reopens and visitor arrivals normalise. Additionally, supportive regulatory developments such as Wealth and Insurance Connect between the Greater Bay Area and Hong Kong will further enhance the Hong Kong business's ability to serve Mainland China customers. In the meantime, Prudential continues to build its already strong and substantial business through multi-channel expansion and increased digitalisation of its service offering. Prudential also continues to broaden its product offerings, such as its mid-tier medical reimbursement product, the PRUHealth VHIS VIP Plan, to fulfil the protection needs of its customers.

¹² Source: World Health Organisation: Global Health Observatory data repository (2018). Out-of-pocket expenditure as percentage of current health expenditure.

¹³ Prudential estimate based on number of in-force policies over total population.

¹⁴ Source: Swiss Re Institute: The health protection gap in Asia, October 2018.

¹⁵ Source: Swiss Re Institute: Closing Asia's mortality protection gap, July 2020.

¹⁶ Source: The Economist, Special Report, Mar 28th 2020 edition.

¹⁷ Source: Health and Diseases in Africa, October 2017 (nih.gov).

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In Indonesia, the Group will continue to execute its strategy of upgrading its agency force and building its bancassurance presence, while broadening its product set from its unit-linked core. The Group sees great potential in broadening its customer base, notably in further developing its leadership in the Sharia market, and leveraging its digital capabilities based on the Pulse app to address the substantial needs of the mass market and SME customer segments.

In Malaysia, the Group has leading market positions in both the conventional and Takaful markets. In particular, in the underprovided Takaful segment, in which it sees substantial opportunity for growth, it ranks number one with a 32 per cent. market share in 2020 (based on weighted new business premiums).

In Singapore, the Group sees significant prospects in expanding the servicing of the high net worth and SME markets, alongside supporting a fast-ageing population to address under-covered retirement and health needs. The Group has launched Pulse Wealth in Singapore as it expands its customer offering and plans a similar roll-out in high-income markets across the Group.

The Group's growth market and other segment incorporates its businesses in India and Thailand, as well as Vietnam, the Philippines, Cambodia, Laos, Taiwan and Myanmar and its businesses in Africa. The Group sees the opportunity for rapid growth through the roll-out of its efficient and scalable business model, multi-channel distribution networks and the provision of market leading digital products and services through Pulse.

In India, as the businesses grow, both in terms of scale and profitability, the Group sees the opportunity to increase its presence in this important market. ICICI Prudential has indicated its intention to double its 2019 new business profit over four years, and further increase the weighting of its health and protection business. This would be driven by deepening its penetration of under-served customer segments, enhancing its distribution footprint and increasing its focus on pension and annuity business. Its strategy of growing its protection business is aligned with the Indian government's ambition to increase insurance penetration, with growth supported by increasing online term business and exploring partnerships with loan providers. The business will continue to focus on enhancing persistency by encouraging long-term customer behaviour and improving productivity by leveraging its scale and digital platform.

In Thailand, the Group is focused on delivering the strategic benefits of recent investments and intends to upscale its position significantly. Prudential sees a very substantial value opportunity from its enhanced TMBThanachart Bank and UOB bank partnerships and acquisition of TMBAM and TFund. The Group intends to increase its share of the high net worth and affluent bancassurance segment by delivering integrated wealth, health and retirement solutions. It also plans to increase its share of the health and protection bancassurance market by aligning its distribution and simplifying its product proposition, supported by a specialist health and protection-focused wholesaling unit. In addition, the Group sees a very significant opportunity to leverage its Pulse digital capabilities, in conjunction with digital partners, to increase its health and protection penetration of the mass market.

In Africa, the Group has built a rapidly growing multi-product business since 2014, with operations now in eight countries across the continent. Prudential's business is well-positioned to expand and accelerate its growth, building on the strong foundations established over the last seven years as it seeks to meet the growing health and savings needs of a rapidly growing working-age population and growing number of middle-class consumers. The Group's expansion has been underpinned by a range of approaches tailored to local market opportunities and includes joint ventures and building on established partnerships. Regional leadership has been consolidated from London into Nairobi, the Group's East Africa base, and two-way sharing of best practice and innovation is taking place with the rest of the Group's operations in Asia.

The Group continues to diversify Eastspring's product set and intends to accelerate Eastspring's development as a leader in Asia by broadening its investment strategies and making wealth services more accessible at lower levels of individual contributions. To support its ambition, Eastspring's strategic objectives include developing its distribution, product range and investment advisory capability, while continuing to enhance support for the asset management needs of Prudential's life insurance business. In developing its capabilities, Eastspring will further integrate its offerings with those of the Group's life business, to enable Prudential to offer services seamlessly across the full spectrum of life, health and wealth products. Eastspring will leverage the Group's established

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distribution channels as well as continue to build its third-party mandates from international asset allocators.

The Group expects that if it executes its Asia and Africa-focused strategy successfully, it will result in the long-term delivery of future shareholder returns through value appreciation, with a focus on achieving long-term double-digit growth in embedded value per share. This will in turn be supported by the growth rates of new business profit, which are expected to substantially exceed GDP growth rates in the markets in which Prudential operates.

Operational delivery

The Group continues to invest in its people and systems to ensure it has the resources to deliver on its long-term growth strategy, to evolve its operating model to keep pace with its future as an exclusively Asian and African business, and to develop the capacity to serve 50 million customers by 2025. This will be achieved by:

- delivering profitable growth in a socially responsible way;
- digitalising the Group's products, services and experiences; and
- humanising Prudential and its advice channels.

The Group intends to:

- drive close collaboration across the Group's businesses in all the markets in which it operates, sharing best practice and customer insight across all areas of product development, agency and partnership distribution, and digital development;
- invest in the continued development and roll out of Prudential's digital platform, Pulse, in order to acquire and engage customers and meet their needs efficiently and at scale. The digitalising of the Group's products, services and experiences is intended to expand the Group's data-driven knowledge of, and for, the customer, and make it easier for customers to buy repeatedly to improve their health and wealth outcomes;
- provide inclusive offerings across all the Group's customer segments, enabling affordable access to health, protection and wealth solutions and services;
- accelerate Eastspring's development to position it as a leader in Asia through enhancing wealth product capability by broadening its investment strategies and making wealth services more accessible at lower levels of individual contributions. Eastspring will play an important role in supporting the Group's commitment to carbon reduction in its insurance company asset portfolio, allowing Prudential to deliver profitable growth alongside a positive social impact; and
- complete the process of concentrating central functions in a cost effective and stakeholder-focused manner.

Decarbonising the Group's portfolio¹⁸

As a significant asset manager and asset owner in regions forecast to be severely impacted by global warming, Prudential has a distinctive role to play in the transition to a low-carbon economy. Prudential is a responsible steward in managing the human impact of climate change. Prudential is a signatory to the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), and as a significant asset manager and asset owner in regions forecast to be severely impacted by global warming, Prudential has a distinctive role to play in the transition to a low-carbon economy. Reflecting the stage of their development, the economies in which the Group operates tend to have a greater reliance on fossil fuels and more exposure to carbon intensive industries than in more developed markets. This means that the energy transition across the region is starting from a higher carbon intensity level and is likely to proceed at a slower pace than for more advanced economies. Recognising this, as Prudential supports the move to a lower-carbon economy in these emerging markets, it strives to ensure that the transition is an inclusive one for all of society – one that supports sustainable growth and economic health within its local markets and communities. The Group is decarbonising its investment portfolio and has announced its intention that the assets which it holds on behalf of its insurance companies will become 'net zero' by 2050. To deliver on this, Prudential will divest from all investments in businesses that derive more than 30 per

¹⁸ The portfolio, with a value of US\$128 billion as at 31 December 2020, excludes unit-linked funds and assets held by joint venture businesses. Following the Jackson Demerger, the Jackson business and all assets it holds are also excluded from these commitments. In addition, this policy cannot be applied to certain externally-managed collective investment scheme balances.

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cent. of their income from coal, with equities to be fully divested by the end of 2021, and fixed-income assets by the end of 2022. The Group will also make a 25 per cent. reduction in the carbon emissions of all shareholder and policyholder assets by 2025, and will engage directly on this subject with companies responsible for 65 per cent. of the emissions in its portfolio.

Products and brands

Prudential offers a wide range of insurance products that are tailored to local market requirements and fast-changing individual needs. Prudential focuses on health and protection and savings products that include participating, linked and other traditional products, and, through Eastspring, mutual funds. The product range offered is tailored to suit the individual country markets.

The diversity and resilience of Prudential's business is supported by the continued innovations and enhancements made to its product range, which include broadening coverage for new risks and adding innovative features. Prudential introduced or refreshed 175 new products in 2020, of which more than 115 were traditional and health and protection products, and around 100 new or refreshed products in the first half of 2021.

The Covid-19 pandemic has reinforced customer interest in health and protection products, with 58 per cent. of consumers across Prudential's Asian markets desiring access to healthcare value-added services, such as access to a virtual GP¹⁹. This has been converted into an increase in the proportions of APE represented by health and protection products in seven of Prudential's Asian markets, led by India, Singapore, Thailand and Vietnam. Health and protection products accounted for over half of Prudential's Asia and Africa new business profits in 2020 and in the first half of 2021.

Prudential's Hong Kong business offers domestic Hong Kong residents and mainland visitors sophisticated critical illness, medical benefits and life insurance protection business, as well as investment products in a UK-style with-profits structure, as described above in the section headed "Markets". Prudential offers a similar type of product mix in Singapore, including UK-style with-profits products.

In China, Anxin, Prudential's digital health and protection solution, generated 165,000 policies in 2020, with around 50 per cent. to new customers. In Hong Kong, in the second half of 2020 Prudential launched PRUHealth VHIS VIP Plan, a tax-efficient medical insurance targeting the mid-tier segment.

In Indonesia, Prudential retains leadership in the sharia-compliant market, with a 35 per cent. share of the market in 2020, comprising 37 per cent. of Prudential's overall agency sales in Indonesia. Prudential's PRUCinta product, the first traditional sharia product with specific cash value, accounted for 14 per cent. of Indonesia agency sales in 2020. More widely, Prudential launched 60 products in Indonesia in 2020, including lower ticket standalone protection products which collectively accounted for 52 per cent. of new case count (2019: 11 per cent.).

Alongside offering products that meet customer needs, Prudential invests in its brands to build trust, drive awareness and attract and retain customers.

Distribution and customer engagement

The Group believes in a multi-channel and integrated distribution strategy for the Group's business which can adapt and respond flexibly depending on local market conditions. The Group's distribution network covers agency, bancassurance and non-traditional partnerships, including digital. In the first half of 2021, new business profit split by channel was: 67 per cent. agency, 31 per cent. bancassurance and 2 per cent. others. The Group continues to support the sales process becoming more virtual across its markets and products, and in the first half of 2021 virtual sales represented 39 per cent. of new cases sold through agency and 30 per cent. of bancassurance new cases. Despite the gradual relaxation of Covid-19 containment measures in several markets, virtual selling tools have now become mainstream with distributors.

The Group is continually developing its digital capabilities, in order to facilitate customer acquisition at scale. The Group is focused on digitalising many of its products, services and experiences so that they can be delivered by Pulse, Prudential's digital platform and ecosystem which builds on its existing distribution channels and trusted brand.

¹⁹ Swiss Re COVID-19 Consumer Survey, April 2020.

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Agency

The Group's continued support for the agency channel positions it well for sustainable growth.

The Group has around 560,000 licensed tied agents across its life insurance markets²⁰ and had agent recruits of 143,000 in 2020 and over 60,000 in the first half of 2021. The Group's agency channel is a core component of its success given the high proportion of high margin protection products sold via this channel.

The Group's agent management has moved online across all markets, enhancing effectiveness of agent communication and operation, and expanding sales capacity. The productivity of active agents increased 8 per cent. in 2020, based on number of cases, which are becoming smaller in size as the Group, and its customers, focus increasingly on standalone protection products.

The Group places great emphasis on agent professionalism and promotes career progression by providing tailored training programmes that share experience and best practice across different markets. In addition, to further assist agents during the sales process and enhance productivity, the Group continually upgrades the tools at agents' disposal. During 2020, the number of agents qualifying for the MDRT doubled to more than 13,200.

Bancassurance

The Group's bancassurance partnerships make an important contribution to the Group's business, contributing over 40 per cent. of new APE sales in 2020 and the first half of 2021. The Group's leading bancassurance franchise provides access to around 28,000 bank outlets through strategic partnerships with multi-national banks and prominent domestic banks, the largest of which are with Standard Chartered Bank and United Overseas Bank ("UOB"). During the first half of 2021, 11 Asian markets achieved double-digit new business profit growth through the Group's Bancassurance channels.

The strategic partnership with TMBThanachart Bank in Thailand, which commenced on 1 January 2021, will significantly strengthen the Group's distribution capability in Thailand's fast-growing life insurance sector, giving the Group access to an expanded network of 685 branches and strongly complementing the Group's top-five position in the country's mutual fund market. The Group has launched a refreshed set of propositions encompassing the high net-worth, retail, commercial and SME segments and rolled out a new e-POS system.

The Group has also developed partnerships to reach the digitally-savvy millennial segment through UOB Mighty, UOB's digital bank, and new partners such as Central Group in Thailand. In addition, Prudential Laos has also partnered with Star Fintech to launch payment services via its U-money platform. It is anticipated that these partnerships will significantly enhance the Group's reach to millennial consumers in these territories through the joint development of digital propositions that encompass health, wellness and wealth products. The experience will also help the Group in designing and managing distribution strategies in its existing markets as well as in targeting new points of entry.

Pulse by Prudential

Pulse is a free-to-download digital mobile application that offers artificial intelligence (AI)-powered self-help tools and information to serve users at any time.

Pulse is aimed at attracting a new, younger generation of customers from the middle and lower-income segments, in addition to serving customers within the Group's current demographic and income groups. The majority of Pulse users²¹ are in the 18 to 35 age group, compared with the average age of an existing Prudential policyholder of around 40. By 5 August 2021 Pulse had been downloaded around 30 million times since its introduction in 2019, and has now been launched in 11 different languages across 17 markets in Asia and Africa, with varying levels of development. This execution and innovation is demonstrated in the US\$158 million of APE sales²² involving Pulse in the first half of 2021, representing 10 per cent. of the Group's APE sales in markets where Pulse is available.

²⁰ Number of agents as at 30 June 2021 and includes India.

²¹ A majority of Pulse users who submitted demographic data aggregated across Pulse markets.

²² APE sales involving Pulse are sales completed by agents on leads from digital campaigns captured within the Pulse customer management system or on leads from Pulse registrations, together with a small number of policies purchased via Pulse online.

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The Group's aspiration is for Pulse to act both as a complementary tool for sourcing and managing new business to enhance customer experience and as a future platform for the business, with scope for delivering future operational efficiency.

Pulse is designed with the intention to provide a single digital means of delivering frictionless customer experience, and enables people to engage with a range of health and wellness services. The Group believes that this will provide significantly enhanced customer fulfilment, online servicing and an advanced claims experience. The Group works with multiple partners to provide Pulse's products and services and, to 11 August 2021, has entered into 47 key digital partnerships.

As a platform for the business, Pulse can provide end-to-end processing and partnership integration, better positioning the Group to achieve both scale and efficiency and enhancing the Group's operating model. Agents have the ability to sell Prudential products virtually within the Pulse platform in the Philippines, Malaysia and Indonesia, while e-claims are available in Indonesia, Malaysia, Cambodia, the Philippines and Myanmar.

Customer service and loyalty

The Group believes that excellent customer service has been key to Prudential's strong reputation and leading pan-Asia franchise. Customer loyalty has remained high during the Covid-19 pandemic, with a retention ratio consistently in excess of 90 per cent²³. The satisfaction and trust customers have in the Prudential Asia business also translates into a high proportion of repeat sales, which comprised 47 per cent. of Asia APE sales in 2020. The result of these dynamics is an Asia and Africa portfolio of over 26 million in-force policies and over 17 million life customers as at the end of June 2021.

The Group is focused on unlocking new customer segments through a broader proposition set.

The Group continues to identify and target new customer groups and segments outside its traditional focus in the Mass and Affluent space in order to accelerate future growth. Within the Group segment, Prudential also developed tailored group insurance and related service offerings for SME, a segment that remains under-served and offers significant growth potential. This strategy is advanced through Prudential's all-inclusive platform, Business at Pulse, which provides digitally-enabled insurance and HR solutions for business owners and their employees.

Integrated asset management

Eastspring has US\$254.0 billion of assets under management²⁴ across 11 markets in Asia and provides focused investment solutions to third-party retail and institutional clients as well as to Prudential's internally sourced life funds. External client assets under management at 30 June 2021 stood at US\$96.1 billion, internal assets under management at US\$141.8 billion and assets managed on behalf of M&G at US\$16.1 billion. Assets managed are diversified between fixed income and other equities and also include quantitative, beta, multi-asset and private market investments. Eastspring is one of the largest pan-Asian asset managers and is a top-10²⁵ asset manager in seven of the 11 markets in which it operates.

Eastspring has a broad product set, as well as significant distribution capabilities and industry-leading operational efficiency. Eastspring provides focused investment solutions, across equity, bonds and multi-asset products, to the Group's internally sourced life insurance funds and third-party retail and institutional clients. Distribution channels include wholesale, intermediary and direct online formats, which are tailored as required, depending on the geography involved. This means that Eastspring can continue to grow and develop through both market cycles and changes to individual investment styles. The completion of the TMBAM and TFund acquisitions in Thailand and successful development of its China business have strengthened its business.

Prudential's asset management business in China operates through CITIC-Prudential Fund Management Company Limited, a joint venture with CITIC, as well as its wholly owned private fund manager operationalised in 2019. Prudential's Chinese life insurance joint venture has also established its own asset management company, which further strengthens the Group's capabilities in savings and

²³ Excluding India, Laos and Myanmar.

²⁴ As at 30 June 2021.

²⁵ Source: Asia Asset Management — Fund Manager Surveys. Based on assets sourced in Asia ex-Japan, Australia and New Zealand. Ranked according to participating firms only.

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retirement products. Prudential also has joint venture operations in India (through its joint venture with ICICI Bank, ICICI Prudential Asset Management) and Hong Kong (through its joint venture with Bank of China International).

In terms of strategy, the Group sees substantial growth opportunities to accelerate Eastspring, building on its leading market position as Asia's largest retail asset manager²⁵ (excluding Japan) and structural advantages of reliable and predictable inflows from the Group's life business. In particular, the Group sees China, India and Thailand as the Group's most material market opportunities. Eastspring is well positioned to broaden its investment capabilities to serve the global needs of Asia-based clients, while offering global investors access to its expertise in investing in Asian markets. For example, in October 2020, Eastspring announced a strategic partnership with Atlantic Zagros Financial Partners to expand its offshore distribution capabilities to the Americas. To support this ambition Eastspring's strategic objectives include developing its distribution, product range and investment advisory capability, while continuing to enhance support for the asset management needs of Prudential's life insurance business.

To support these objectives, Eastspring has organised its operations into three pillars that will drive the expansion of its capabilities and growth in the future:

- Alpha engine – representing centralised investment capability with an emphasis on driving asset class return on investment after adjusting for market-related volatility. This pillar will focus on diversifying Eastspring's investment capabilities and styles.
- Advisory solutions – standalone advisory service for institutional clients; focusing on solutions and products for that market, including the growing need to support clients' ESG requirements. This pillar will also focus on reinforcing the quality of service provided to the Group's life operations and supporting the Group's ESG strategy.
- Complementary partner solutions – this pillar will focus on complementary investment capabilities sourced from partners, in order to enhance strategies available to investors.

Capital management framework

The Group will continue to monitor regulatory capital, economic capital and rating agency capital metrics and will manage the business within its risk appetite by remaining within its economic and regulatory capital limits.

The Group's capital management framework will continue to focus on achieving sustainable, profitable growth and retaining a resilient balance sheet, with a disciplined approach to active capital allocation. The framework comprises the following key elements:

- sufficient capital is held in each business unit to meet local regulatory capital requirements, the applicable capital requirements under the GWS Framework and the Group's risk appetite to ensure that commitments made to customers can be fulfilled in stress scenarios;
- sufficient resources are held centrally to provide a capital buffer to support businesses in stress scenarios and to provide liquidity to service debt and other central expenses (including central payments for bancassurance distribution agreements and restructuring costs);
- both organic and inorganic opportunities are assessed by reference to expected shareholder returns and payback periods, relative to risk-adjusted hurdle rates which are set centrally. The assessment for inorganic investments also considers a range of other factors including the strategic rationale for the investment, the extent of diversification with existing risks in the Group, experience in managing similar businesses in the Group, the level of control or reliance on third parties (e.g. via joint ventures and co-investments) to achieve the intended shareholder returns, and the level of uncertainty in financial projections. Assessment of these opportunities is also reviewed and approved centrally within the Group's governance framework in order to maintain a rigorous approach to capital allocation;
- reflecting the Group's capital allocation priorities, a portion of capital generation will be retained for reinvestment in the business, and dividends will be determined primarily based on Asia's operating capital generation after allowing for the capital strain of writing new business and recurring central costs; and

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- to the extent that surplus capital arises which is not required to support organic and inorganic growth opportunities, consideration will be given to returning capital to Shareholders.

Financing and liquidity

The Group seeks to maintain its financial strength rating with applicable credit rating agencies which derives, in part, from its high level of financial flexibility to issue debt and equity instruments, which is intended to be maintained and enhanced in the future. In addition to its core structural borrowings, the Group is able to access funding via the medium-term note programme, the U.S. shelf programme (the platform for issuance of SEC-registered bonds in the U.S. market), a commercial paper programme and committed revolving credit facilities.

Following the Jackson Demerger, Prudential will target a Moody's debt-leverage ratio of around 20 to 25 per cent. over the medium term²⁶. Prudential may operate outside this range temporarily to take advantage of growth opportunities with attractive risk-adjusted returns as they arise, while still preserving its strong credit ratings.

Prudential may consider raising further ordinary equity in the future, subject to its shareholder authorities, if required to fund large inorganic investment opportunities which meet the criteria in its capital allocation framework, which includes amongst other things, the expectation to deliver high risk-adjusted returns to Shareholders.

Dividend policy

Reflecting the Group's capital allocation priorities, a portion of capital generation will be retained for reinvestment in the business, and dividends will be determined primarily based on Asia's operating capital generation after allowing for the capital strain of writing new business and recurring central costs. Dividends are expected to grow broadly in line with the growth in Asia operating free surplus generation net of right-sized central costs, and will be set taking into account financial prospects, investment opportunities and market conditions.

The Board applies a formulaic approach to first interim dividends, calculated as one-third of the previous year's full-year ordinary dividend.

REASONS FOR THE SHARE OFFER AND USE OF PROCEEDS

Using the closing trading price of the Shares on the HK Stock Exchange on the Latest Practicable Date of HK\$162.40 per Offer Share, the net proceeds from the Share Offer, from the issue of 130,780,350 Shares are assumed to be approximately HK\$20,850 million (US\$2,680 million), after deducting estimated underwriting fees and other expenses payable, based on an exchange rate of US\$1.00 = HK\$7.78 as at the Latest Practicable Date.

The Share Offer is expected to maintain and enhance Prudential's financial flexibility in light of the breadth of opportunities to invest for growth in Asia and Africa. Specifically, the majority of the net proceeds (approximately HK\$17,505 million or US\$2,250 million²⁷) from the Share Offer is expected to be used to redeem existing high coupon debt within six months following the date of this Prospectus, with the remaining net proceeds (approximately HK\$3,345 million or US\$430 million) expected to contribute to Prudential's central stock of liquidity, in order to further increase Prudential's financial flexibility.

²⁶ Calculated on a Moody's total leverage basis.

²⁷ Based on an exchange rate of US\$1.00 = HK\$7.78 as at the Latest Practicable Date.

STRUCTURE OF THE SHARE OFFER

1. THE SHARE OFFER

A total of 130,780,350 Offer Shares will be made available under the Share Offer. The Share Offer comprises:

- (A) the Public Offer which will be offered to the public in Hong Kong of 6,539,100 Offer Shares (including 335,650 Employee Reserved Shares and 972,150 Agent Reserved Shares) (subject to Reallocation), representing 5 per cent. of the Offer Shares; and
- (B) the Placing which will be conditionally placed with selected professional, institutional and other investors of 124,241,250 Offer Shares (subject to Reallocation), representing 95 per cent. of the Offer Shares.

The Public Offer is open to all members of the public in Hong Kong as well as to institutional and professional investors (acting in their capacity as members of the public in Hong Kong).

Investors may apply for the Public Offer Shares or indicate an interest, if qualified to do so, for the Placing Shares, but may only receive Shares under either the Public Offer or the Placing.

Of the 6,539,100 Public Offer Shares being offered under the Public Offer, 335,650 Public Offer Shares (representing 0.26 per cent. of the total number of Offer Shares being offered under the Share Offer) are available for subscription by Eligible Employees on an assured and preferential basis under the Employee Preferential Offering, subject to the terms and conditions set out in this Prospectus and the designated Pink Form eIPO service website at www.eipo.com.hk. Eligible Employees may make an application for the Employee Reserved Shares through the Pink Form eIPO service and, in addition, will be entitled to either (i) apply for Public Offer Shares under the Public Offer as a member of the public or (ii) indicate an interest, if qualified to do so, for Placing Shares under the Placing, but may only receive Shares under either the Public Offer or the Placing. Eligible Employees will receive no preferences as to entitlement or allocation in respect of such further application for or indication of interest in Offer Shares under the Public Offer or the Placing.

Of the 6,539,100 Public Offer Shares being offered under the Public Offer, 972,150 Public Offer Shares (representing 0.74 per cent. of the total number of Offer Shares being offered under the Share Offer) are available for subscription by Eligible Agents on an assured and preferential basis under the Agent Preferential Offering, subject to the terms and conditions set out in this Prospectus and the designated Blue Form eIPO service website at www.eipo.com.hk. Eligible Agents may make an application for the Agent Reserved Shares through the Blue Form eIPO service and, in addition, will be entitled to either (i) apply for Public Offer Shares under the Public Offer as a member of the public, or (ii) indicate an interest, if qualified to do so, for Placing Shares under the Placing, but may only receive Shares under either the Public Offer or the Placing. Eligible Agents will receive no preferences as to entitlement or allocation in respect of such further application for or indication of interest in Offer Shares under the Public Offer or the Placing.

The Public Offer Underwriters have severally agreed to underwrite the Public Offer under the terms of the Public Offer Underwriting Agreement. The Placing Underwriters will underwrite the Placing pursuant to the terms of the Placing Underwriting Agreement. Further details of the underwriting are set out in the section headed "Underwriting" in this Prospectus.

2. CONDITIONS OF THE SHARE OFFER

The Share Offer is conditional upon, among others:

2.1 Listing

- (A) the Listing Committee granting the listing of, and permission to deal in, the Offer Shares on the HK Stock Exchange and such approval not subsequently having been revoked prior to the commencement of dealings in the Offer Shares;
- (B) admission of the Offer Shares to the premium listing segment of the Official List and the Main Market of the London Stock Exchange; and
- (C) the Singapore Stock Exchange granting the listing and quotation of the Offer Shares on the Singapore Stock Exchange and such approval not subsequently having been revoked prior to the commencement of dealings in the Offer Shares,

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2.2 Underwriting Agreements

- (A) the execution and delivery of the Placing Underwriting Agreement prior to or on the Price Determination Date; and
- (B) the obligations of the Underwriters under the Underwriting Agreements becoming and remaining unconditional, and not being terminated in accordance with the terms of the respective agreements, and

2.3 Price determination

the Public Offer Price and Placing Offer Price having been determined and the execution of the Price Determination Agreement on or around the Price Determination Date,

in each case on or before the dates and times specified in such Underwriting Agreements (unless and to the extent such conditions are waived on or before such dates and times) and in any event not beyond the 30th day after the date of this Prospectus.

If any of the above conditions are not fulfilled or waived on or before the times and dates specified, the Share Offer (therefore both the Public Offer and the Placing) will lapse. If the Share Offer lapses, the HK Stock Exchange will be notified immediately. Prudential will cause a notice of the lapse of the Public Offer to be published on the website of the HK Stock Exchange at www.hkexnews.hk and Prudential's website at www.prudentialplc.com on the next business day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares" in this Prospectus. In the meantime, the application money will be held in one or more separate bank accounts with the Receiving Bank or other bank(s) in Hong Kong, licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares are expected to be issued on Thursday, 30 September 2021 but will only become valid evidence of title at 8:00 a.m. on Monday, 4 October 2021 provided that (i) the Share Offer has become unconditional in all respects; and (ii) neither of the Underwriting Agreements has been terminated in accordance with its terms. Investors who trade Shares prior to the receipt of the share certificates or prior to the share certificates becoming valid evidence of title do so entirely at their own risk.

3. PUBLIC OFFER

Number of Public Offer Shares offered

Prudential is offering 6,539,100 Public Offer Shares (including 335,650 Employee Reserved Shares and 972,150 Agent Reserved Shares) for subscription by the public in Hong Kong at the Public Offer Price, representing 5 per cent. of the total number of Offer Shares available under the Share Offer. Subject to Reallocation, the number of the Public Offer Shares will represent approximately 0.24 per cent. of Prudential's enlarged issued share capital immediately after completion of the Share Offer.

Completion of the Public Offer is subject to the conditions as set out in the paragraph headed "Conditions of the Share Offer" in this section.

Allocation

Allocation of the Public Offer Shares to investors will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of Public Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

The total available Public Offer Shares (after taking into account of any Reallocation) is to be divided into two pools for allocation purposes: pool A and pool B. Accordingly, the maximum number of Public Offer Shares initially in each of pool A and pool B will be 2,615,650. The Public Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate price of HK\$5 million (excluding the brokerage of 1.0 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent. payable) or less. The Public

STRUCTURE OF THE SHARE OFFER

Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate price of more than HK\$5 million (excluding the brokerage of 1.0 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent. payable). Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Public Offer Shares in one (but not both) of the pools are undersubscribed, the surplus Public Offer Shares will be transferred to the other pool to satisfy demand in that other pool and thereafter be allocated accordingly. For the purpose of this section only, the “price” for Offer Shares means the price payable on application therefor (without regard to the Public Offer Price as finally determined). Applicants can only receive an allocation of Public Offer Shares from either pool A or pool B but not from both pools and can only apply for Public Offer Shares in either pool A or pool B.

Multiple or suspected multiple applications within either pool or between pools and any application for more than 2,615,650 Public Offer Shares are liable to be rejected.

Applications

Each applicant under the Public Offer will be required to give an undertaking and confirmation in their application that the applicant and any person(s) for whose benefit they are making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Placing Shares under the Placing, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated (including conditionally and/or provisionally) Placing Shares under the Placing.

Applicants under the Public Offer are required to pay, on application, the maximum Public Offer Price of HK\$172.00 per Offer Share in addition to any brokerage of 1.0 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent. payable on each Offer Share. If the Public Offer Price, as finally determined in the manner described in the paragraph “Price Determination of the Share Offer” below in this section, is less than the maximum Public Offer Price of HK\$172.00 per Offer Share, appropriate refund payments (including the brokerage of 1.0 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent. attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out in section headed “How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares” in this Prospectus.

References in this Prospectus to applications, application monies or the procedure for application relate solely to the Public Offer.

4. PLACING

Number of Placing Shares offered

The number of Placing Shares to be offered for subscription under the Placing will be 124,241,250 Shares (subject to Reallocation). Subject to Reallocation, the Placing Shares will represent approximately 4.52 per cent. of Prudential's enlarged issued share capital immediately after completion of the Share Offer.

Completion of the Placing is subject to the conditions as set out in the paragraph headed “Conditions of the Share Offer” in this section.

Allocation

Allocation of Placing Shares will be effected in accordance with the book-building process and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares, and/or hold or sell its Shares, after the listing of the Offer Shares on the HK Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would contribute to the maintenance of a solid professional and institutional shareholder base to the benefit of Prudential and its Shareholders as a whole.

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Placing Shares, and who has made an application under the Public Offer, to provide sufficient information to the Joint Global Coordinators so as to allow them to identify

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the relevant applications under the Public Offer and to ensure that it is excluded from any application for Public Offer Shares under the Public Offer.

5. REALLOCATION AND CLAWBACK

The allocation of the Offer Shares between the Placing and the Public Offer is subject to reallocation.

Prudential has applied to the HK Stock Exchange for a confirmation to adopt Prudential's proposed clawback mechanism, and the HK Stock Exchange has no objection, such that, in the event of oversubscription in the Public Offer, the Joint Global Coordinators will apply a clawback mechanism following the closing of the application lists on the following basis:

(A) Where the Placing Shares are fully subscribed or oversubscribed:

- (i) if the Public Offer Shares are undersubscribed, the Joint Global Coordinators have the authority to reallocate all or any unsubscribed Public Offer Shares to the Placing, in such proportions as the Joint Global Coordinators deem appropriate;
- (ii) if the number of Offer Shares validly applied for under the Public Offer represents 3 times or more but less than 6 times the number of Shares initially available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the total number of Offer Shares available for subscription under the Public Offer will be increased to 19,617,100 Shares, representing 15 per cent. of the Offer Shares available for subscription under the Share Offer;
- (iii) if the number of Offer Shares validly applied for under the Public Offer represents 6 times or more but less than 10 times the number of Offer Shares available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the number of Offer Shares available for subscription under the Public Offer will be increased to 26,156,100 Shares, representing 20 per cent. of the Offer Shares initially available for subscription under the Share Offer; and
- (iv) if the number of Offer Shares validly applied for under the Public Offer represents 10 times or more the number of Offer Shares available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing, so that the number of Offer Shares available for subscription under the Public Offer will be increased to 32,695,100 Offer Shares, representing 25 per cent. of the Offer Shares initially available for subscription under the Share Offer.

(B) Where the Placing Shares are undersubscribed:

- (i) if the Public Offer Shares are undersubscribed, the Share Offer will not proceed unless the Underwriters subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Share Offer on the terms and conditions of this Prospectus and the Underwriting Agreements; and
- (ii) if the Public Offer Shares are oversubscribed, irrespective of the number of times the number of Offer Shares available for subscription under the Public Offer, then up to 6,539,100 Offer Shares may be reallocated to the Public Offer from the Placing, so that the total number of Offer Shares available under the Public Offer will be increased to 13,078,200 Offer Shares, representing approximately 10 per cent. of the number of Offer Shares available under the Share Offer.

In the event of Reallocation in circumstances under paragraph (A)(ii), (A)(iii), (A)(iv) or (B)(ii) above, the additional Offer Shares reallocated to the Public Offer from the Placing will be allocated equally between pool A and pool B and the number of Offer Shares allocated to the Placing will be correspondingly reduced. If the Public Offer is not fully subscribed, the Joint Global Coordinators have the authority to reallocate all or any of the unsubscribed Public Offer Shares originally included in the Public Offer to the Placing in such proportions as they deem appropriate.

The Employee Reserved Shares which are offered under the Employee Preferential Offering to the Eligible Employees and the Agent Reserved Shares which are offered under the Agent Preferential Offering to the Eligible Agents, will not be subject to Reallocation.

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6. THE EMPLOYEE PREFERENTIAL OFFERING

Of the 6,539,100 Public Offer Shares being offered under the Public Offer, 335,650 Public Offer Shares (representing approximately 0.26 per cent. of the total number of Offer Shares being offered under the Share Offer) are available for subscription by the Eligible Employees on an assured and preferential basis, subject to the terms and conditions set out in this Prospectus and the designated Pink Form eIPO service website at www.eipo.com.hk. As at 31 August 2021, there were not more than 577 Eligible Employees.

The Employee Reserved Shares are being offered out of the Public Offer and are not subject to Reallocation.

Eligible Employees are permitted to apply for a number of Employee Reserved Shares which is greater than, less than or equal to their Assured Employee Entitlement under the Employee Preferential Offering but applications in excess of 335,650 Employee Reserved Shares, being the number of Employee Reserved Shares allocated to the Employee Preferential Offering, as specified on the designated website at www.eipo.com.hk, will be rejected. A valid application in respect of a number of Employee Reserved Shares less than or equal to an Eligible Employee's Assured Employee Entitlement will be accepted in full, subject to the terms and conditions set out in this Prospectus and the designated Pink Form eIPO service website at www.eipo.com.hk. Where an Eligible Employee applies for a number of Employee Reserved Shares which is greater than their Assured Employee Entitlement, their Assured Employee Entitlement will be satisfied in full, subject as mentioned above, but the excess portion of such application will be met fully or in part only to the extent that there are sufficient remaining Employee Reserved Shares resulting from other Eligible Employees declining to take up all or some of their Assured Employee Entitlements. Such remaining Employee Reserved Shares, if sufficient, will be allocated to such applicants on a pro-rata basis in proportion (as nearly as possible without involving portions of a board lot) to the level of outstanding valid applications received from Eligible Employees, or balloted if such remaining Employee Reserved Shares are not sufficient. If balloting is conducted, some Eligible Employees may be allocated more Employee Reserved Shares than others who have applied for the same number of Employee Reserved Shares.

No allocation preference will be given to Eligible Employees who apply for a larger number of Employee Reserved Shares. Allocation of the Employee Reserved Shares under the Employee Preferential Offering will be based on the written guidelines distributed to the Eligible Employees which are consistent with the allocation guidelines contained in Practice Note 20 of the HK Listing Rules. The allocation of the Employee Reserved Shares under the Employee Preferential Offering will, in any event, be made on an equitable basis and will not be based on the identity, the seniority, the length of service or the work performance of the Eligible Employees. No favour will be given to the Eligible Employees who apply for a large number of Employee Reserved Shares. Any Employee Reserved Shares not subscribed for by the Eligible Employees under the Employee Preferential Offering will be available for subscription under the Public Offer after Reallocation.

If you are an Eligible Employee, in addition to being able to apply for Employee Reserved Shares under the Employee Preferential Offering through the Pink Form eIPO service, you may also either (i) apply for Public Offer Shares as a member of the public in the Public Offer by giving electronic application instructions to HKSCC via CCASS or to the White Form eIPO Service Provider in the White Form eIPO Service, or (ii) indicate an interest, if qualified to do so, for Placing Shares under the Placing, but may only receive Shares under either the Public Offer or the Placing. Eligible Employees will receive no preference as to entitlement or allocation in respect of such further application for Offer Shares under the Public Offer or the Placing.

Assured Employee Entitlements of Eligible Employees to Employee Reserved Shares are not transferable and there will be no trading in nil-paid entitlements on the HK Stock Exchange.

7. THE AGENT PREFERENTIAL OFFERING

Of the 6,539,100 Public Offer Shares being offered under the Public Offer, 972,150 Public Offer Shares (representing approximately 0.74 per cent. of the total number of Offer Shares being offered under the Share Offer) are available for subscription by the Eligible Agents on an assured and preferential basis, subject to the terms and conditions set out in this Prospectus and the designated Blue Form eIPO service website at www.eipo.com.hk. As at 31 August 2021, there were not more than 1,671 Eligible Agents.

STRUCTURE OF THE SHARE OFFER

The Agent Reserved Shares are being offered out of the Public Offer and are not subject to Reallocation.

Eligible Agents are permitted to apply for a number of Agent Reserved Shares which is greater than, less than or equal to their Assured Agent Entitlement under the Agent Preferential Offering but applications in excess of 972,150 Agent Reserved Shares, being the number of Agent Reserved Shares allocated to the Agent Preferential Offering, as stated in the application made through Blue Form eIPO service, will be rejected. A valid application in respect of a number of Agent Reserved Shares less than or equal to an Eligible Agent's Assured Agent Entitlement will be accepted in full, subject to the terms and conditions set out in this Prospectus and the designated Blue Form eIPO service website at www.eipo.com.hk. Where an Eligible Agent applies for a number of Agent Reserved Shares which is greater than their Assured Agent Entitlement, their Assured Agent Entitlement will be satisfied in full, subject as mentioned above, but the excess portion of such application will be met fully or in part only to the extent that there are sufficient remaining Agent Reserved Shares resulting from other Eligible Agents declining to take up all or some of their Assured Agent Entitlements. Such remaining Agent Reserved Shares, if sufficient, will be allocated to such applicants on a pro-rata basis in proportion (as nearly as possible without involving portions of a board lot) to the level of outstanding valid applications received from Eligible Agents, or balloted if such remaining Agent Reserved Shares are not sufficient. If balloting is conducted, some Eligible Agents may be allocated more Agent Reserved Shares than others who have applied for the same number of Agent Reserved Shares.

No allocation preference will be given to Eligible Agents who apply for a larger number of Agent Reserved Shares. Allocation of the Agent Reserved Shares under the Agent Preferential Offering will be based on the written guidelines distributed to the Eligible Agents which are consistent with the allocation guidelines contained in Practice Note 20 of the HK Listing Rules. The allocation of the Agent Reserved Shares under the Agent Preferential Offering will, in any event, be made on an equitable basis and will not be based on the identity, the seniority, the length of service or the work performance of the Eligible Agents. No favour will be given to the Eligible Agents who apply for a large number of Agent Reserved Shares. Any Agent Reserved Shares not subscribed for by the Eligible Agents under the Agent Preferential Offering will be available for subscription under the Public Offer after Reallocation.

If you are an Eligible Agent, in addition to being able to apply for Agent Reserved Shares under the Agent Preferential Offering through the Blue Form eIPO service, you may also either (i) apply for Public Offer Shares as a member of the public in the Public Offer by giving electronic application instructions to HKSCC via CCASS or to the White Form eIPO Service Provider in the White Form eIPO Service, or (ii) indicate an interest, if qualified to do so, for Placing Shares under the Placing, but may only receive Shares under either the Public Offer or the Placing. Eligible Agents will receive no preference as to entitlement or allocation in respect of such further application for Offer Shares under the Public Offer or Placing.

Assured Agent Entitlements of Eligible Agents to Agent Reserved Shares are not transferable and there will be no trading in nil-paid entitlements on the HK Stock Exchange.

8. PRICE DETERMINATION OF THE SHARE OFFER

The Public Offer Price and Placing Offer Price are expected to be fixed on the Price Determination Date, which is expected to be on or around Saturday, 25 September 2021, or such later date as may be agreed by the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential. If, for any reason, the pricing for the Share Offer is not agreed between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and Prudential on the Price Determination Date, the Share Offer will not proceed and will lapse.

The Public Offer Price will be determined by reference to, among other factors, the closing trading price of the Shares on last trading day on or before the Price Determination Date, and the Public Offer Price will be not more than HK\$172.00 per Share.

We may set the Placing Offer Price at a level higher than the maximum Public Offer Price if (a) any of (i) the closing trading price of the Shares on the HK Stock Exchange, (ii) the Hong Kong dollar equivalent of the closing trading price of the Shares on the London Stock Exchange, (iii) the Hong Kong dollar equivalent of the closing trading price of the Shares on the Singapore Stock Exchange or

STRUCTURE OF THE SHARE OFFER

(iv) the Hong Kong dollar equivalent of the closing trading price of the ADRs on the NYSE (on a per-Share converted basis) on the last trading day on or before the Price Determination Date were to exceed the maximum Public Offer Price as stated in this Prospectus and/or (b) Prudential believes that it is in its best interest as a listed company to set the Placing Offer Price at a level higher than the maximum Public Offer Price based on the level of interest expressed by professional and institutional investors during the bookbuilding process.

If the Placing Offer Price is set at or lower than the maximum Public Offer Price, the Public Offer Price must be set at such price which is equal to the Placing Offer Price. In no circumstances will Prudential set the Public Offer Price above the maximum Public Offer Price as stated in this Prospectus or the Placing Offer Price.

The Joint Global Coordinators, for themselves and on behalf of the Underwriters, may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of Prudential, reduce the number of Offer Shares being offered below that stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Public Offer. In such a case, Prudential will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Public Offer, cause to be published on the website of the HK Stock Exchange at www.hkexnews.hk and Prudential's website at www.prudentialplc.com notices of the reduction in the number of Offer Shares being offered. Upon issue of such a notice, the revised number of Offer Shares will be final and conclusive. If the number of Offer Shares is so reduced, all applicants who have already submitted an application will need to confirm their applications in accordance with the procedures set out in the supplemental prospectus and all unconfirmed applications will not be valid. Before submitting applications for the Public Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered may not be made until the day which is the last day for lodging applications under the Public Offer. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Share Offer statistics as currently set out in this Prospectus, and any other financial information which may change as a result of such reduction.

The Public Offer Price and Placing Offer Price are expected to be announced on or about Sunday, 26 September 2021 in Hong Kong. The levels of indication of interest in the Share Offer, the results of applications and the basis of allotment of Public Offer Shares under the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering, are expected to be announced on Thursday, 30 September 2021 in the manner set out in the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares – Publication of Results" in this Prospectus.

9. PRICE PAYABLE ON APPLICATION

The Public Offer Price will not be more than HK\$172.00 per Offer Share. Applicants under the Public Offer should pay, on application, the maximum Public Offer Price of HK\$172.00 per Offer Share plus 1 per cent. brokerage, 0.005 per cent. HK Stock Exchange trading fee and 0.0027 per cent. SFC transaction levy, amounting to a total of HK\$8,686.66 per board lot of 50 Offer Shares.

If the Public Offer Price, as finally determined in the manner described above, is lower than the maximum Public Offer Price of HK\$172.00 per Offer Share, appropriate refund payments (including the related brokerage, the HK Stock Exchange trading fee and the SFC transaction levy attributable to the excess application monies) will be made to applicants, without interest. Further details are set out in the section headed "How to Apply for Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares" in this Prospectus.

10. RESTRICTIONS ON THE OFFER SHARES

No action has been taken to permit a public offering of the Offer Shares other than in Hong Kong. Accordingly, this Prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. Selling restrictions relating to the Placing are included in Appendix IV (*Selling and Transfer Restrictions*) to this Prospectus.

STRUCTURE OF THE SHARE OFFER

11. COMMENCEMENT OF DEALINGS

Assuming the Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, 4 October 2021, it is expected that dealings in the Offer Shares on the HK Stock Exchange will commence at 9:00 a.m. on Monday, 4 October 2021.

The Offer Shares on the HK Stock Exchange will be traded in board lots of 50 Shares each. The stock code of Prudential is 2378.

UNDERWRITING

1. UNDERWRITERS

1.1 PUBLIC OFFER UNDERWRITERS

Citigroup Global Markets Asia Limited
Goldman Sachs (Asia) L.L.C.
CLSA Limited
The Hongkong and Shanghai Banking Corporation Limited
Merrill Lynch (Asia Pacific) Limited
Credit Suisse (Hong Kong) Limited
UBS AG Hong Kong Branch
UOB Kay Hian (Hong Kong) Limited

1.2 PLACING UNDERWRITERS

Citigroup Global Markets Limited
Goldman Sachs (Asia) L.L.C.
CLSA Limited
The Hongkong and Shanghai Banking Corporation Limited
Merrill Lynch (Asia Pacific) Limited
Credit Suisse (Hong Kong) Limited
UBS AG London Branch
UOB Kay Hian (Hong Kong) Limited

2. UNDERWRITING ARRANGEMENTS AND EXPENSES

2.1 PUBLIC OFFER

Public Offer Underwriting Agreement

Pursuant to the Public Offer Underwriting Agreement, Prudential is initially offering 6,539,100 Public Offer Shares for subscription by the public in Hong Kong on and subject to the terms and conditions of this Prospectus.

Subject to (i) the Listing Committee granting listing of, and permission to deal in the Offer Shares to be issued as mentioned in this Prospectus on the Main Board of the HK Stock Exchange; and (ii) certain other conditions set out in the Public Offer Underwriting Agreement (including, among others, the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters) and Prudential agreeing on the Public Offer Price and the Placing Offer Price), the Public Offer Underwriters have agreed, severally but not jointly, to subscribe for, or procure subscribers to subscribe for, their respective applicable proportions of the Public Offer Shares which are being offered but are not taken up under the Public Offer on the terms and subject to the conditions of this Prospectus and the Public Offer Underwriting Agreement. The Public Offer Shares are fully underwritten pursuant to the Public Offer Underwriting Agreement.

The Public Offer Underwriting Agreement is conditional upon and subject to the Placing Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination of the Public Offer Underwriting Agreement

If any of the events set out below shall occur at any time prior to 8:00 a.m. on the Listing Date, the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters) shall be entitled, in their sole and absolute discretion, by a joint notice in writing given to Prudential, to terminate the Public Offer Underwriting Agreement with immediate effect:

- (a) trading in Prudential's securities having been suspended for over two consecutive business days on any exchange or in any over-the-counter market;
- (b) a material disruption in securities settlement, payment or clearance services in the United Kingdom or Hong Kong having occurred;
- (c) any general moratorium on commercial banking activities having been declared by the United Kingdom or Hong Kong;
- (d) there having occurred any outbreak or escalation of hostilities, or any change in financial markets, currency exchange rates or controls or any calamity or crisis that, in the reasonable judgment of

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the Joint Global Coordinators, is material and adverse and which, singly or together with any other event specified in this paragraph (d), makes it, in the reasonable judgment of the Joint Global Coordinators, impracticable to proceed with the offer, sale or delivery of the Public Offer Shares on the terms and in the manner contemplated in this Prospectus, and the registration statement, the general disclosure package and the final prospectus to be filed or issued by Prudential in connection with the Placing; or

- (e) there having been a breach by Prudential of certain warranties under the Public Offer Underwriting Agreement relating to events subsequent to the date of Prudential's accounts as incorporated by reference in Appendix I to this Prospectus, or after the respective dates as at which information is given in this Prospectus, which breach is either irremediable or, if capable of being remedied, has not been remedied at or prior to 8:00 a.m. on the Listing Date (or such other date as agreed by Prudential and the Joint Global Coordinators).

Undertakings by Prudential pursuant to the Public Offer Underwriting Agreement

Under the terms of the Public Offer Underwriting Agreement, Prudential has undertaken to the Public Offer Underwriters not to (other than in connection with the Share Offer) during the period commencing on the date of the Public Offer Underwriting Agreement and ending on, and including, the date that is 90 days after the Listing Date without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Public Offer Underwriters):

- (a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, pledge, grant or sell any option, warrant, contract or right to subscribe for or purchase, or otherwise dispose of, either directly or indirectly, conditionally or unconditionally, any Shares or any other securities of Prudential or any interest in any of the foregoing (including any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to subscribe for or purchase, any Shares or any other equity securities of Prudential);
- (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or any other securities of Prudential or any interest in any of the foregoing (including any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to subscribe for or purchase, any Shares or any other equity securities of Prudential);
- (c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or
- (d) offer to or agree to or announce any intention to effect any transaction specified in (a) to (c) above, in each case, whether the transaction is to be settled by delivery of Shares or such other equity securities of Prudential or in cash or otherwise, but in each case not including any action taken in Prudential's ordinary course of business (including, but not limited to, the operation of the share option schemes disclosed in this Prospectus).

Commissions and expenses

According to the Public Offer Underwriting Agreement, the Public Offer Underwriters will receive an underwriting commission of 0.8 per cent. of the aggregate Public Offer Price in respect of the Public Offer Shares, excluding Shares sold to investors introduced by Prudential (the "**Reference Public Offer Amount**").

Prudential may, at its sole and absolute discretion, and by reference to the discretionary incentive fee evaluation criteria agreed with the Joint Global Coordinators, elect to pay to the Joint Global Coordinators (on behalf of the Public Offer Underwriters) a discretionary incentive fee of up to 0.2 per cent. of the Reference Public Offer Amount.

For any unsubscribed Public Offer Shares reallocated to the Placing, the underwriting commission will not be paid to the Public Offer Underwriters but will instead be paid, at the rate applicable to the Placing, to the relevant Placing Underwriters.

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2.2 THE PLACING

Placing Underwriting Agreement

In connection with the Placing, it is expected that Prudential and the Placing Underwriters will enter into the Placing Underwriting Agreement. Under the Placing Underwriting Agreement, Prudential will offer the Placing Shares for subscription and purchase by professional, institutional and other investors at the Placing Offer Price payable in full on subscription and purchase in HK dollars, on and subject to the terms and conditions set out in the Placing Underwriting Agreement and the placing documents. It is expected that the Placing Underwriters will agree to severally underwrite the Placing Shares in their respective applicable proportions.

The obligations of the Placing Underwriters under the Placing Underwriting Agreement are conditional on the conditions set out in the Placing Underwriting Agreement, including the Listing Committee granting listing of, and permission to deal in, the Offer Shares on the Main Board of the Hong Kong Stock Exchange and the Public Offer Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Commissions and expenses

Prudential expects to pay an underwriting commission of 0.8 per cent. of the aggregate Placing Offer Price in respect of the Placing Shares.

Prudential may, at its sole and absolute discretion, and by reference to the discretionary incentive fee evaluation criteria agreed with the Joint Global Coordinators, elect to pay to the Joint Global Coordinators (on behalf of the Placing Underwriters) a discretionary incentive fee of up to 0.2 per cent. of the aggregate Placing Offer Price in respect of the Placing Shares.

The Placing Underwriters shall be entitled to the underwriting commission and the discretionary incentive fee (if any) in respect of any unsubscribed Placing Shares reallocated to the Public Offer. For the avoidance of doubt, the Public Offer Underwriters shall not be entitled to any underwriting commission in respect of such reallocated Placing Shares.

Grounds for termination of the Placing Underwriting Agreement

It is expected that the Placing Underwriting Agreement will be terminable on similar grounds to the Public Offer Underwriting Agreement.

2.3 COMMISSIONS AND EXPENSES OF THE SHARE OFFER

The underwriting commissions in relation to the Share Offer, together with the HK Stock Exchange listing fee, the HK Stock Exchange trading fee, the SFC transaction levy, the registration, translation, legal, accounting and other professional fees and expenses relating to the Share Offer are estimated to be approximately HK\$389m in aggregate (calculated using the closing trading price of the Shares on the HK Stock Exchange on the Latest Practicable Date of HK\$162.40 per Offer Share) and will be borne by Prudential.

2.4 UNDERWRITERS' INTEREST IN PRUDENTIAL

Following the completion of the Share Offer, the Public Offer Underwriters and Placing Underwriters (and their respective affiliated companies) may hold a certain portion of the Offer Shares as a result of fulfilling their obligations under the Underwriting Agreements.

2.5 ACTIVITIES BY THE UNDERWRITERS

The Underwriters and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting process.

The Underwriters and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Underwriters and their affiliates holding long and/or short

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positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Underwriters or their affiliates of any listed securities having the Shares as their underlying securities, whether on the HK Stock Exchange or on another stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

It should be noted that when engaging in any of these activities, the Underwriters will be subject to certain restrictions, including the following:

- (a) the Underwriters must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilising or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Underwriters must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Underwriters or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking, commercial banking (including loan financing) and other services to Prudential and each of its affiliates for which such Underwriters or their respective affiliates have received or will receive customary fees and commissions.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

FULLY ELECTRONIC APPLICATION PROCESS

Prudential has adopted a fully electronic application process for the Public Offer. Prudential will not provide printed copies of this Prospectus or printed copies of any application forms to the general public in relation to the Public Offer.

This Prospectus is available at the website of the HK Stock Exchange at www.hkexnews.hk and Prudential's website at www.prudentialplc.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

The contents of the electronic version of this Prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Set out below are procedures through which you can apply for the Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares electronically. Prudential will not provide any physical channels to accept any application for the Public Offer Shares by the public, the Employee Reserved Shares for the Employee Preferential Offering by Eligible Employees or the Agent Reserved Shares for the Agent Preferential Offering by Eligible Agents.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses above.

If you have any question about the application for the Public Offer Shares, Employee Reserved Shares or Agent Reserved Shares, you may call the enquiry hotline of the Hong Kong Share Registrar and eIPO Service Provider, Computershare Hong Kong Investor Services Limited, both at +852 2862 8600 on the following dates:

- 9:00 a.m. to 9:00 p.m. – Monday, 20 September 2021
- 9:00 a.m. to 9:00 p.m. – Tuesday, 21 September 2021
- 9:00 a.m. to 6:00 p.m. – Wednesday, 22 September 2021
- 9:00 a.m. to 9:00 p.m. – Thursday, 23 September 2021
- 9:00 a.m. to 12:00 noon – Friday, 24 September 2021

1 HOW TO APPLY

If you apply for Public Offer Shares, then you may not apply for or indicate an interest for Placing Shares.

To apply for Public Offer Shares, you may:

- apply online via the White Form eIPO Service at www.eipo.com.hk; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

If you are an Eligible Employee, you may also apply for Employee Reserved Shares through the Pink Form eIPO service. In addition, Eligible Employees will be entitled to either (i) apply for Public Offer Shares as a member of the public or (ii) indicate an interest, if qualified to do so, for Placing Shares, but may only receive Shares under either the Public Offer or the Placing.

If you are an Eligible Agent, you may also apply for Agent Reserved Shares through the Blue Form eIPO service. In addition, Eligible Agents will be entitled to either (i) apply for Public Offer Shares as a member of the public or (ii) indicate an interest, if qualified to do so, for Placing Shares, but may only receive Shares under either the Public Offer or the Placing.

Prudential, the Joint Global Coordinators, the eIPO Service Provider and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2 WHO CAN APPLY

You can apply for Public Offer Shares if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

- have a Hong Kong address;
- are outside the United States, and are not a U.S. Person (as defined in Regulation S under the U.S. Securities Act); and
- are not a legal or natural person of the PRC.

Pursuant to a waiver granted by the HK Stock Exchange, connected persons are permitted to participate in the Public Offer. For details, please refer to the section headed “Waivers from Strict Compliance with the HK Listing Rules and Confirmation obtained from the HK Stock Exchange” in this Prospectus.

You can also or alternatively, as applicable, apply for Employee Reserved Shares or Agent Reserved Shares if you satisfy the above criteria and you are also an Eligible Employee or an Eligible Agent.

If you apply online through the White Form eIPO service, you must also: (i) have a valid Hong Kong identity card number and (ii) provide a valid e-mail address and a contact telephone number.

If you apply online through the Pink Form eIPO service or the Blue Form eIPO service, in addition to the above, you must also: (i) have a valid passport number or Hong Kong identity card number and (ii) provide a valid e-mail address and a contact telephone number.

If you are a firm, the application must be in the individual members' names.

If an application is made by a person under a power of attorney, the Joint Global Coordinators may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

The number of joint applicants may not exceed four and they may not apply by means of White Form eIPO Service for the Public Offer Shares.

Unless permitted by the HK Listing Rules, you cannot receive any Public Offer Shares if you have been allocated any Placing Shares or otherwise participate in the Placing.

Only Eligible Employees may apply for the Employee Reserved Shares through the Pink Form eIPO service. Only Eligible Agents may apply for the Agent Reserved Shares through the Blue Form eIPO service.

3 APPLYING FOR PUBLIC OFFER SHARES, INCLUDING EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

Which Application Channel to Use

For Public Offer Shares to be issued in your own name, apply online through www.eipo.com.hk.

For Public Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, electronically instruct HKSCC via CCASS to cause HKSCC Nominees to apply for you.

If you are an Eligible Employee applying for the Employee Reserved Shares under the Employee Preferential Offering through the Pink Form eIPO service, you may apply on an assured basis for a number of Employee Reserved Shares less than or equal to your Assured Employee Entitlement, which will be specified on the designated website at www.eipo.com.hk. Eligible Employees may also apply for a number of Employee Reserved Shares in excess of their Assured Employee Entitlement specified on the designated website at www.eipo.com.hk.

If you are an Eligible Agent applying for the Agent Reserved Shares under the Agent Preferential Offering through the Blue Form eIPO service, you may apply on an assured basis for a number of Agent Reserved Shares less than or equal to your Assured Agent Entitlement, which will be specified on the designated website at www.eipo.com.hk. Eligible Agents may also apply for a number of Agent Reserved Shares in excess of their Assured Agent Entitlement specified on the designated website at www.eipo.com.hk.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

4 TERMS AND CONDITIONS OF AN APPLICATION

By applying through the application channels specified in this Prospectus, among other things, you:

- (i) undertake to execute all relevant documents and instruct and authorise Prudential, and/or the Joint Global Coordinators (or their agents or nominees), as agents of Prudential, to execute any documents for you and to do on your behalf all things necessary to register any Public Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association;
- (ii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Articles of Association;
- (iii) confirm that you have read the terms and conditions and application procedures set out in this Prospectus and agree to be bound by them;
- (iv) confirm that you have received and read this Prospectus and have only relied on the information and representations contained in and incorporated by reference into this Prospectus in making your application and will not rely on any other information or representations except those in any supplement to this Prospectus;
- (v) confirm that you are aware of the restrictions on the Share Offer in this Prospectus;
- (vi) agree that none of Prudential, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer is or will be liable for any information and representations not in this Prospectus (and any supplement to it);
- (vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Placing Shares nor participated in the Placing;
- (viii) agree to disclose to Prudential, the Hong Kong Share Registrar, the Receiving Bank, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters and/or their respective advisers and agents any personal data which they may require about you and the person(s) for whose benefit you have made the application;
- (ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of Prudential, the Joint Global Coordinators, the Joint Bookrunners and the Underwriters nor any of their respective officers or advisers will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;
- (x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;
- (xi) agree that your application will be governed by the laws of Hong Kong;
- (xii) represent, warrant and undertake that (i) you understand that the Public Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Public Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;
- (xiii) warrant that the information you have provided is true and accurate;
- (xiv) agree to accept the Public Offer Shares applied for, or any lesser number allocated to you under the application;
- (xv) authorise Prudential to place your name(s) or the name of the HKSCC Nominees, on Prudential's register of members as the holder(s) of any Public Offer Shares allocated to you, and Prudential and/or its agents to send any share certificate(s) and/or any e-Refund payment instructions and/or any refund cheque(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you are eligible to collect the share certificate(s) and/or refund cheque(s) in person;

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

- (xvi) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying (except that Eligible Employees may also make an additional application for the Employee Reserved Shares through the Pink Form eIPO service and Eligible Agents may also make an additional application for the Agent Reserved Shares through the Blue Form eIPO service apart from application for the Public Offer Shares);
- (xvii) understand that Prudential and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted for making a false declaration;
- (xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC or to the White Form eIPO Service by you or by any one as your agent or by any other person (except that Eligible Employees may also make an additional application for the Employee Reserved Shares through the Pink Form eIPO service and Eligible Agents may also make an additional application for the Agent Reserved Shares through the Blue Form eIPO service apart from application for the Public Offer Shares); and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that no other application has been or will be made by you as an agent for or for the benefit of that person or by that person or by any other person as an agent for that person by giving electronic application instructions to HKSCC (except that Eligible Employees may also make an additional application for the Employee Reserved Shares through the Pink Form eIPO service and Eligible Agents may also make an additional application for the Agent Reserved Shares through the Blue Form eIPO service apart from application for the Public Offer Shares); and you have due authority to give electronic application instructions on behalf of that other person as their agent.

Additional Instructions for application made through the Pink Form eIPO service for Eligible Employees

If you apply for the Employee Reserved Shares through the Pink Form eIPO service, in addition to the confirmations and agreements referred to above, you warrant that in making an application, you or any person(s) for whose behalf you may be acting is an/are Eligible Employee(s).

Additional Instructions for application made through the Blue Form eIPO service for Eligible Agents

If you apply for the Agent Reserved Shares through the Blue Form eIPO service, in addition to the confirmations and agreements referred to above, you warrant that in making an application, you or any person(s) for whose behalf you may be acting is an/are Eligible Agent(s).

5 APPLYING THROUGH WHITE FORM eIPO SERVICE, PINK FORM eIPO SERVICE or BLUE FORM eIPO SERVICE

General

Individuals who meet the criteria in “Who can apply” section, may apply through the White Form eIPO service, Pink Form eIPO service or Blue Form eIPO service, as applicable, for the Public Offer Shares to be allotted and registered in their own names through the designated website at www.eipo.com.hk.

Detailed instructions for application through the White Form eIPO service, the Pink Form eIPO service and the Blue Form eIPO service are on the designated website. If you do not follow the instructions, your application may be rejected and may not be submitted to Prudential. If you apply through the designated website, you authorise the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service, as relevant, to apply on your behalf on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service (as applicable).

Time for Submitting Applications under the White Form eIPO, Pink Form eIPO or Blue Form eIPO

You may submit your application to the White Form eIPO service, Pink Form eIPO service or Blue Form eIPO service at www.eipo.com.hk (24 hours daily, except on the last application day) from 9:00 a.m. on Monday, 20 September 2021 until 11:30 a.m. on Friday, 24 September 2021 and the latest time for completing full payment of application monies in respect of such applications will be 12:00

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noon on Friday, 24 September 2021 or such later time under the “Effect of Bad Weather on the Opening of the Application Lists” in this section.

No Multiple Applications

If you apply by means of White Form eIPO, Pink Form eIPO or Blue Form eIPO, once you complete payment in respect of any electronic application instruction given by you or for your benefit through the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service to make an application for Public Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an electronic application instruction under White Form eIPO, Pink Form eIPO or Blue Form eIPO more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you are suspected of submitting more than one application through the White Form eIPO service or by any other means (other than a further application made as an Eligible Agent for Agent Reserved Shares through the Blue Form eIPO service or a further application made as an Eligible Employee for Employee Reserved Shares through the Pink Form eIPO service, which are permitted) for the Public Offer, or through the Pink Form eIPO service for the Employee Preferential Offering, or through the Blue Form eIPO service for the Agent Preferential Offering, all of your applications are liable to be rejected.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, Prudential and all other parties involved in the preparation of this Prospectus acknowledge that each applicant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

Commitment to sustainability

One advantage of using the White Form eIPO service is to save the use of paper via the self-serviced and electronic application process. Computershare Hong Kong Investor Services Limited, being the designated eIPO Service Provider, has agreed with Prudential that it will contribute HK\$2.0 for each “Prudential plc” White Form eIPO application submitted via www.eipo.com.hk to support sustainability.

6 APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give electronic application instructions to apply for the Public Offer Shares (which, for the purposes of this section, excludes the Employee Reserved Shares and Agent Reserved Shares) and to arrange payment of the money due on application and payment of refunds under their participant agreements with HKSCC and the General Rules of CCASS and the CCASS Operational Procedures.

If you are a CCASS Investor Participant, you may give these electronic application instructions through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System at <https://ip.ccass.com> (using the procedures in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time).

HKSCC can also input electronic application instructions for you if you go to:

Hong Kong Securities Clearing Company Limited
Customer Service Centre
1/F, One & Two Exchange Square
8 Connaught Place, Central
Hong Kong

and complete an input request form.

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If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give electronic application instructions via CCASS terminals to apply for the Public Offer Shares on your behalf.

You will be deemed to have authorised HKSCC and/or HKSCC Nominees to transfer the details of your application to Prudential, the Joint Global Coordinators, the Joint Bookrunners and the Hong Kong Share Registrar.

Giving Electronic Application Instructions to HKSCC via CCASS

Where you have given electronic application instructions to apply for the Public Offer Shares and an application is made by HKSCC Nominees on your behalf:

- (i) HKSCC Nominees will only be acting as a nominee for you and is not liable for any breach of the terms and conditions of this Prospectus;
- (ii) HKSCC Nominees will do the following things on your behalf:
 - agree that the Public Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant's stock account on your behalf or your CCASS Investor Participant's stock account;
 - agree to accept the Public Offer Shares applied for or any lesser number allocated;
 - undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any Placing Shares;
 - (if the electronic application instructions are given for your benefit) declare that only one set of electronic application instructions has been given for your benefit;
 - (if you are an agent for another person) declare that you have only given one set of electronic application instructions for the other person's benefit and are duly authorised to give those instructions as their agent;
 - confirm that you understand that Prudential and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted if you make a false declaration;
 - authorise Prudential to place HKSCC Nominees' name on Prudential's register of members as the holder of the Public Offer Shares allocated to you and to send share certificate(s) and/or refund monies under the arrangements separately agreed between Prudential and HKSCC;
 - confirm that you have read the terms and conditions and application procedures set out in this Prospectus and agree to be bound by them;
 - confirm that you have received and/or read a copy of this Prospectus and have relied only on the information and representations in this Prospectus in causing the application to be made, save as set out in any supplement to this Prospectus;
 - agree that none of Prudential, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer, is or will be liable for any information and representations not contained in this Prospectus (and any supplement to it);
 - agree to disclose your personal data to Prudential, the Hong Kong Share Registrar, Receiving Bank, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters and/or their respective advisers and agents;
 - agree (without prejudice to any other rights which you may have) that once HKSCC Nominees' application has been accepted, it cannot be rescinded for innocent misrepresentation;
 - agree that any application made by HKSCC Nominees on your behalf is irrevocable before the fifth day after the time of the opening of the application lists (excluding any day which is

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Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with Prudential and to become binding when you give the instructions and such collateral contract to be in consideration of Prudential agreeing that it will not offer any Public Offer Shares to any person before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this Prospectus. However, HKSCC Nominees may revoke the application before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this Prospectus under section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this Prospectus;

- agree that once HKSCC Nominees' application is accepted, neither that application nor your electronic application instructions can be revoked, and that acceptance of that application will be evidenced by Prudential's announcement of the Public Offer results;
- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with the General Rules of CCASS and the CCASS Operational Procedures, for the giving electronic application instructions to apply for Public Offer Shares;
- agree with Prudential, for itself and for the benefit of each Shareholder (and so that Prudential will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving electronic application instructions) to observe and comply with the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Articles of Association; and
- agree that your application, any acceptance of it and the resulting contract will be governed by the Laws of Hong Kong.

Effect of Giving Electronic Application Instructions to HKSCC via CCASS

By giving electronic application instructions to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to Prudential or any other person in respect of the things mentioned below:

- instructed and authorised HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Public Offer Shares on your behalf;
- instructed and authorised HKSCC to arrange payment of the maximum Public Offer Price, brokerage, SFC transaction levy and the HK Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Public Offer Price is less than the maximum Public Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the HK Stock Exchange trading fee) by crediting your designated bank account; and
- instructed and authorised HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in this Prospectus.

Time for Inputting Electronic Application Instructions⁽¹⁾

CCASS Clearing/Custodian Participants can input electronic application instructions at the following times on the following dates:

- 9:00 a.m. to 8:30 p.m. – Monday, 20 September 2021
- 8:00 a.m. to 8:30 p.m. – Tuesday, 21 September 2021
- 8:00 a.m. to 8:30 p.m. – Thursday, 23 September 2021
- 8:00 a.m. to 12:00 noon – Friday, 24 September 2021

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CCASS Investor Participants can input electronic application instructions from 9:00 a.m. on Monday, 20 September 2021 until 12:00 noon on Friday, 24 September 2021 (24 hours daily, except on Friday, 24 September 2021, the last application day).

The latest time for inputting your electronic application instructions will be 12:00 noon on Friday, 24 September 2021, the last application day, or such later time as described in “Effect of Bad Weather on the Opening of the Application Lists” in this section.

(1) *These times in this sub-section are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.*

No Multiple Applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Public Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Public Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit. Any electronic application instructions to make an application for the Public Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, Prudential and all other parties involved in the preparation of this Prospectus acknowledge that each CCASS Participant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

Personal Data

The personal data relating to an applicant for Public Offer Shares will be held and processed by Prudential in compliance with (a) applicable data protection legislation, including the UK DPA and the UK GDPR, and the relevant UK legal and regulatory requirements; and (b) Prudential’s share register privacy notice, a copy of which is available at:

<https://www.prudentialplc.com/~media/Files/P/Prudential-V3/content-pdf/prudential-share-register-privacy-notice.pdf>.

The following Personal Information Collection Statement also applies to any personal data held by Prudential, the Hong Kong Share Registrar, the Receiving Bank, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters and any of their respective advisers and agents about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. By electronically causing HKSCC Nominees to apply on your behalf, you agree to all of the terms of the Personal Information Collection Statement below.

Personal information collection statement

This Personal Information Collection Statement informs the applicant for, and holder of, the Public Offer Shares, of the policies and practices of Prudential and its Hong Kong Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

Reasons for the collection of your personal data

It is necessary for applicants and registered holders of the Public Offer Shares to supply correct personal data to Prudential or its agents and the Hong Kong Share Registrar when applying for the Public Offer Shares or transferring the Public Offer Shares into or out of their names or in procuring the services of the Hong Kong Share Registrar.

Failure to supply the requested data may result in your application for the Public Offer Shares being rejected, or in delay or the inability of Prudential or its Hong Kong Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of the Public Offer Shares which you have successfully applied for and/or the despatch of share certificate(s) and/or refund cheque(s) and/or e-Refund payment instruction(s) to which you are entitled.

It is important that the holders of the Public Offer Shares inform Prudential and the Hong Kong Share Registrar immediately of any inaccuracies in the personal data supplied.

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Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and e-Refund payment instructions/refund cheque, where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of the Public Offer Shares;
- enabling compliance with all applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of Shares including, where applicable, HKSCC Nominees;
- maintaining or updating Prudential's register of members;
- verifying identities of the holders of Shares;
- establishing benefit entitlements of holders of Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from Prudential and its subsidiaries;
- compiling statistical information and profiles of the holder of Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable Prudential and the Hong Kong Share Registrar to discharge their obligations to holders of Shares and/or regulators and/or any other purposes to which the securities' holders may from time to time agree.

Transfer of personal data

Personal data held by Prudential and its Hong Kong Share Registrar relating to the holders of the Public Offer Shares will be kept confidential but Prudential and its Hong Kong Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- Prudential's appointed agents such as financial advisers, the Joint Global Coordinators, receiving banks and overseas principal share registrar;
- where applicants for the Public Offer Shares request a deposit into CCASS, HKSCC or HKSCC Nominees, who will use the personal data for the purposes of operating CCASS;
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to Prudential or the Hong Kong Share Registrar in connection with their respective business operations;
- the HK Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations; and
- any persons or institutions with which the holders of the Public Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or stockbrokers etc.

Retention of personal data

Prudential and its Hong Kong Share Registrar will keep the personal data of the applicants and holders of the Public Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance.

Access to and correction of personal data

Holders of the Public Offer Shares have the right to ascertain whether Prudential or the Hong Kong Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. Prudential and the Hong Kong Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be

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addressed to Prudential, at Prudential's registered address disclosed in the section headed "Corporate Information" in this Prospectus or as notified from time to time, for the attention of the secretary, or Prudential's Hong Kong Share Registrar for the attention of the privacy compliance officer.

7 WARNING FOR ELECTRONIC APPLICATIONS

The subscription of the Public Offer Shares by giving electronic application instructions to HKSCC is only a facility provided to CCASS Participants. Similarly, the application for Public Offer Shares through the White Form eIPO service, the application for Employee Reserved Shares through the Pink Form eIPO service and the application for Agent Reserved Shares through the Blue Form eIPO service are also only a facility provided by the eIPO Service Provider to public investors. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last application day in making your electronic applications. Prudential, the Directors, the Sole Sponsor, the Joint Global Coordinators, the Joint Bookrunners and the Underwriters take no responsibility for such applications and provide no assurance that any CCASS Participant or person applying through the White Form eIPO service, Pink Form eIPO service or Blue Form eIPO service will be allotted any Public Offer Shares.

To ensure that CCASS Investor Participants can give their electronic application instructions, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems in the connection to CCASS Phone System/CCASS Internet System for submission of electronic application instructions, they should either go to HKSCC's Customer Service Centre to complete an input request form for electronic application instructions before 12:00 noon on Friday, 24 September 2021.

8 HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Public Offer Shares (except for applications under the Employee Preferential Offering and the Agent Preferential Offering) are not allowed except by nominees.

If you are an Eligible Employee, you may also make an application for Employee Reserved Shares through the Pink Form eIPO service. Only one application for Employee Reserved Shares is permitted per Eligible Employee under the Employee Preferential Offering. Multiple applications by any Eligible Employee are liable to be rejected.

If you are an Eligible Agent, you may also make an application for Agent Reserved Shares through the Blue Form eIPO service. Only one application for Agent Reserved Shares is permitted per Eligible Agent under the Agent Preferential Offering. Multiple applications by any Eligible Agent are liable to be rejected.

All of your applications will be rejected if more than one application by giving electronic application instructions to HKSCC or through the White Form eIPO service under the Public Offer, or if more than one application through the Pink Form eIPO service for the Employee Preferential Offering, or if more than one application through the Blue Form eIPO service for the Agent Preferential Offering, is made for your benefit (including the part of the application made by HKSCC Nominees acting on electronic application instructions). If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

"Unlisted company" means a company with no equity securities listed on the HK Stock Exchange.

"Statutory control" means you:

- control the composition of the board;
- control more than half of the voting power; or
- hold more than half of the issued share capital (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

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9 HOW MUCH ARE THE PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

You must pay the maximum Public Offer Price, brokerage, SFC transaction levy and the HK Stock Exchange trading fee in full upon application for Public Offer Shares.

You may submit an application by giving electronic application instructions to HKSCC or through the White Form eIPO Service in respect of a minimum of 50 Public Offer Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$
50	8,686.66	800	138,986.60	7,000	1,216,132.71	100,000	17,373,324.40
100	17,373.32	900	156,359.92	8,000	1,389,865.95	200,000	34,746,648.80
150	26,059.99	1,000	173,733.24	9,000	1,563,599.20	300,000	52,119,973.20
200	34,746.65	1,500	260,599.87	10,000	1,737,332.44	400,000	69,493,297.60
250	43,433.31	2,000	347,466.49	20,000	3,474,664.88	500,000	86,866,622.00
300	52,119.97	2,500	434,333.11	30,000	5,211,997.32	1,000,000	173,733,244.00
350	60,806.64	3,000	521,199.73	40,000	6,949,329.76	1,500,000	260,599,866.00
400	69,493.30	3,500	608,066.35	50,000	8,686,662.20	2,000,000	347,466,488.00
450	78,179.96	4,000	694,932.98	60,000	10,423,994.64	2,615,650 ⁽¹⁾	454,425,359.67
500	86,866.62	4,500	781,799.60	70,000	12,161,327.08		
600	104,239.95	5,000	868,666.22	80,000	13,898,659.52		
700	121,613.27	6,000	1,042,399.46	90,000	15,635,991.96		

(1) Maximum number of Public Offer Shares you may apply for.

No application for any other number of Public Offer Shares will be considered and any such application is liable to be rejected.

If you are an Eligible Employee applying for the Employee Reserved Shares under the Employee Preferential Offering through the Pink Form eIPO service, you may apply for a number of Employee Reserved Shares in respect of a minimum of 50 Employee Reserved Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$
50	8,686.66	550	95,553.28	6,000	1,042,399.46	70,000	12,161,327.08
100	17,373.32	600	104,239.95	7,000	1,216,132.71	80,000	13,898,659.52
150	26,059.99	700	121,613.27	8,000	1,389,865.95	90,000	15,635,991.96
200	34,746.65	800	138,986.60	9,000	1,563,599.20	100,000	17,373,324.40
250	43,433.31	900	156,359.92	10,000	1,737,332.44	150,000	26,059,986.60
300	52,119.97	1,000	173,733.24	20,000	3,474,664.88	200,000	34,746,648.80
350	60,806.64	2,000	347,466.49	30,000	5,211,997.32	250,000	43,433,311.00
400	69,493.30	3,000	521,199.73	40,000	6,949,329.76	300,000	52,119,973.20
450	78,179.96	4,000	694,932.98	50,000	8,686,662.20	335,650 ⁽¹⁾	58,313,563.35
500	86,866.62	5,000	868,666.22	60,000	10,423,994.64		

(1) Maximum number of Employee Reserved Shares you may apply for.

No application for any other number of Employee Reserved Shares will be considered and any such application is liable to be rejected.

If you are an Eligible Agent applying for the Agent Reserved Shares under the Agent Preferential Offering through the Blue Form eIPO service, you may apply for a number of Agent Reserved Shares in respect

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of a minimum of 50 Agent Reserved Shares and in one of the numbers set out in the table below. You are required to pay the amount next to the number of Public Offer Shares you select. The amount payable is based on the maximum Public Offer Price (subject to refund) and inclusive of brokerage of 1 per cent., SFC transaction levy of 0.0027 per cent. and HK Stock Exchange trading fee of 0.005 per cent.

No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$	No. of Public Offer Shares applied for	Amount payable on application HK\$
50	8,686.66	700	121,613.27	6,000	1,042,399.46	90,000	15,635,991.96
100	17,373.32	800	138,986.60	7,000	1,216,132.71	100,000	17,373,324.40
150	26,059.99	900	156,359.92	8,000	1,389,865.95	200,000	34,746,648.80
200	34,746.65	1,000	173,733.24	9,000	1,563,599.20	300,000	52,119,973.20
250	43,433.31	1,500	260,599.87	10,000	1,737,332.44	400,000	69,493,297.60
300	52,119.97	2,000	347,466.49	20,000	3,474,664.88	500,000	86,866,622.00
350	60,806.64	2,500	434,333.11	30,000	5,211,997.32	600,000	104,239,946.40
400	69,493.30	3,000	521,199.73	40,000	6,949,329.76	700,000	121,613,270.80
450	78,179.96	3,500	608,066.35	50,000	8,686,662.20	800,000	138,986,595.20
500	86,866.62	4,000	694,932.98	60,000	10,423,994.64	900,000	156,359,919.60
550	95,553.28	4,500	781,799.60	70,000	12,161,327.08	972,150 ⁽¹⁾	168,894,773.15
600	104,239.95	5,000	868,666.22	80,000	13,898,659.52		

(1) Maximum number of Agent Reserved Shares you may apply for.

No application for any other number of Agent Reserved Shares will be considered and any such application is liable to be rejected.

If your application is successful, brokerage will be paid to the Exchange Participants, and the SFC transaction levy and the HK Stock Exchange trading fee are paid to the HK Stock Exchange (in the case of the SFC transaction levy, collected by the HK Stock Exchange on behalf of the SFC).

For further details on the Public Offer Price, see the section headed “Structure of the Share Offer – Price Determination of the Share Offer” in this Prospectus.

10 EFFECT OF BAD WEATHER ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is/are:

- a tropical cyclone warning signal number 8 or above;
- a “black” rainstorm warning; or
- Extreme Conditions,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, 24 September 2021. Instead they will open between 11:45 a.m. and 12:00 noon on the next business day which does not have either of those warnings in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Friday, 24 September 2021 or if there is a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal or Extreme Conditions in force in Hong Kong that may affect the dates mentioned in the section headed “Expected Timetable” in this Prospectus, an announcement will be made in such event.

11 PUBLICATION OF RESULTS

Prudential expects to announce the Public Offer Price and Placing Offer Price on or about Sunday, 26 September 2021 in Hong Kong, and the level of indication of interest in the Placing, the level of applications in the Public Offer, the Employee Preferential Offering and the Agent Preferential Offering and the basis of allocation of the Public Offer Shares, Employee Reserved Shares and Agent Reserved Shares on Thursday, 30 September 2021 on Prudential’s website at www.prudentialplc.com and the website of the HK Stock Exchange at www.hkexnews.hk.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Public Offer, the Employee Preferential Offering and Agent Preferential Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on Prudential's website at www.prudentialplc.com and the HK Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Thursday, 30 September 2021;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a "search by ID function" on a 24-hour basis from 8:00 a.m. on Thursday, 30 September 2021 to 12:00 midnight on Wednesday, 6 October 2021; and
- by telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. from Thursday, 30 September 2021 to Wednesday, 6 October 2021 (excluding Saturday and Sunday or public holiday in Hong Kong).

If Prudential accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Public Offer Shares, the Employee Reserved Shares or the Agent Reserved Shares (as applicable) if the conditions of the Share Offer are satisfied and the Share Offer is not otherwise terminated. Further details are contained in the section headed "Structure of the Share Offer" in this Prospectus.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

12 CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES OR AGENT RESERVED SHARES

You should note the following situations in which the Public Offer Shares, Employee Reserved Shares or Agent Reserved Shares (as applicable) will not be allotted to you:

- (i) If your application is revoked:

By giving electronic application instructions to HKSCC or to the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with Prudential.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this Prospectus under section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance) gives a public notice under that section which excludes or limits that person's responsibility for this Prospectus.

If any supplement to this Prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

(ii) If Prudential or its agents exercise their discretion to reject your application:

Prudential, the Joint Global Coordinators, the eIPO Service Provider and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allotment of Public Offer Shares is void:

The allotment of Public Offer Shares will be void if the Listing Committee of the HK Stock Exchange does not grant permission to list the Offer Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies Prudential of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or suspected multiple applications;
- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Public Offer Shares and Placing Shares;
- your electronic application instructions through the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service (as applicable) are not completed in accordance with the instructions, terms and conditions on the designated website;
- your payment is not made correctly or the cheque or banker's cashier order paid by you is dishonoured upon its first presentation;
- the Underwriting Agreements do not become unconditional or are terminated;
- the Offer Shares are not admitted to the premium listing segment of the Official List;
- the Offer Shares are not admitted to the Main Market of the London Stock Exchange;
- Prudential or the Joint Global Coordinators believe that by accepting your application, it would violate applicable securities or other laws, rules or regulations;
- your application is for more than 50 per cent. of the Public Offer Shares initially offered under the Public Offer;
- your application for Employee Reserved Shares is for more than the number of Employee Reserved Shares allocated to the Employee Preferential Offering; or
- your application for Agent Reserved Shares is for more than the number of Agent Reserved Shares allocated to the Agent Preferential Offering.

13 REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Public Offer Price as finally determined is less than the maximum Public Offer Price of HK\$172.00 per Offer Share (excluding brokerage, SFC transaction levy and the HK Stock Exchange trading fee thereon), or if the conditions of the Public Offer are not fulfilled in accordance with the section headed "Structure of the Share Offer – Conditions of the Share Offer" in this Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the HK Stock Exchange trading fee, will be refunded, without interest or the cheque or banker's cashier order will not be cleared.

Any refund of your application monies will be made on Thursday, 30 September 2021.

14 DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

You will receive one share certificate for all Public Offer Shares allotted to you under the Public Offer (except pursuant to applications made by electronic application instructions to HKSCC via CCASS where the share certificates will be deposited into CCASS as described below), one share certificate for all Employee Reserved Shares allocated to you under the Employee Preferential Offering and one share certificate for all Agent Reserved Shares allocated to you under the Agent Preferential Offering.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

Subject to arrangement on despatch/collection of share certificates and refund monies as mentioned below, any refund cheques and share certificates are expected to be posted on or before Thursday, 30 September 2021. The right is reserved to retain any share certificate(s) and any surplus application monies pending clearance of cheque(s) or banker's cashier's order(s).

Share certificates will only become valid evidence of title at 8:00 a.m. on Monday, 4 October 2021 provided that the Share Offer has become unconditional and the right of termination described in the section headed "Underwriting" in this Prospectus has not been exercised. Investors who trade shares prior to the receipt of share certificates or the share certificates becoming valid evidence of title do so at their own risk.

Personal Collection

- (i) If you apply through the White Form eIPO service, the Pink Form eIPO service or the Blue Form eIPO service:

If you apply for 1,000,000 Public Offer Shares, 10,000 Employee Reserved Shares or 100,000 Agent Reserved Shares or more and your application is wholly or partially successful, you may collect your share certificate(s) from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 30 September 2021 or such other date as notified by Prudential as the date of despatch/collection of share certificates/e-Refund payment instructions/refund cheques.

If you do not collect your share certificate(s) personally within the time specified for collection, they will be sent to the address specified in your application instructions by ordinary post at your own risk.

If you apply for fewer than 1,000,000 Public Offer Shares, 10,000 Employee Reserved Shares or 100,000 Agent Reserved Shares, your share certificate(s) (where applicable) will be sent to the address specified in your application instructions on Thursday, 30 September 2021 by ordinary post at your own risk. If you apply and pay the application monies from a single bank account, any refund monies will be despatched to that bank account in the form of e-Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be despatched to the address as specified in your application instructions in the form of refund cheque(s) by ordinary post at your own risk.

- (ii) If you apply via Electronic Application Instructions to HKSCC:

Allocation of Public Offer Shares

For the purposes of allocating Public Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives electronic application instructions or each person for whose benefit instructions are given will be treated as an applicant.

Deposit of Share Certificates into CCASS and Refund of Application Monies

- If your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Thursday, 30 September 2021, or, on any other date determined by HKSCC or HKSCC Nominees.
- Prudential expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, Prudential will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Public Offer in the manner specified in "Publication of Results" in this section on Thursday, 30 September 2021. You should check the announcement published by Prudential and report any discrepancies to HKSCC before 5:00 p.m. on Thursday, 30 September 2021 or such other date as determined by HKSCC or HKSCC Nominees.

HOW TO APPLY FOR PUBLIC OFFER SHARES, EMPLOYEE RESERVED SHARES AND AGENT RESERVED SHARES

- If you have instructed your broker or custodian to give electronic application instructions on your behalf, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you with that broker or custodian.
- If you have applied as a CCASS Investor Participant, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Thursday, 30 September 2021. Immediately following the credit of the Public Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Public Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.
- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Public Offer Price and the maximum Public Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the HK Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on or before Thursday, 30 September 2021.

15 ADMISSION OF THE OFFER SHARES INTO CCASS

If the HK Stock Exchange grants the listing of, and permission to deal in the Offer Shares and Prudential complies with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Offer Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the HK Listing Rules) is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the Offer Shares to be admitted into CCASS.

APPENDIX I – FINANCIAL INFORMATION OF THE GROUP

1. CONSOLIDATED FINANCIAL INFORMATION OF PRUDENTIAL

Prudential's consolidated financial information for each of the three financial years ended 31 December 2018, 2019 and 2020 and for the six months ended 30 June 2021 is disclosed in the following documents, which have been published on the website of the HK Stock Exchange (<https://www1.hkexnews.hk>) and are incorporated into this Prospectus by reference:

- (A) annual report of Prudential for the year ended 31 December 2018 published on Prudential's website on 9 April 2019 (pages 171 to 340, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0409/ltn201904091080.pdf>);
- (B) annual report of Prudential for the year ended 31 December 2019 published on Prudential's website on 1 April 2020 (pages 196 to 329, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0401/2020040103513.pdf>);
- (C) annual report of Prudential for the year ended 31 December 2020 published on Prudential's website on 15 March 2021 (pages 206 to 319, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0412/2021041200079.pdf>); and
- (D) half year financial report of Prudential for the period ended 30 June 2021 published on Prudential's website on 26 August 2021 (pages 51 to 95, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0830/2021083000871.pdf>).

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 July 2021, being the most recent practicable date for the purpose of this Indebtedness Statement, the Group (excluding amounts issued directly by the Jackson Group, which was demerged from the Group on 13 September 2021, and for which there is no recourse to the Group) had the following indebtedness (excluding intra-group liabilities):

	Indebtedness (US\$m)
Core structural borrowings of shareholder-financed business	
<i>Subordinated debt:</i>	
US\$250m 6.75 per cent. Notes ^(a)	250
US\$300m 6.5 per cent. Notes ^(a)	300
US\$700m 5.25 per cent. Notes	700
US\$1,000m 5.25 per cent. Notes	1,000
US\$725m 4.375 per cent. Notes	725
US\$750m 4.875 per cent. Notes	747
€20m Medium Term Notes 2023	24
£435m 6.125 per cent. Notes 2031	600
<i>Senior debt:</i> ^(b)	
£300m 6.875 per cent. Notes 2023	414
£250m 5.875 per cent. Notes 2029	319
US\$1,000m 3.125 per cent. Notes 2030	984
US\$350m Loan 2024	350
Total core structural borrowings	6,413
Operational borrowings	
<i>Operational borrowings attributable to shareholder-financed business:</i>	
Borrowings in respect of short-term fixed income securities programmes – commercial paper	509
Lease liabilities under IFRS 16	232
<i>Operational borrowings attributable to with-profits business:</i>	
Lease liabilities under IFRS 16	150
Total operational borrowings	891
Total outstanding indebtedness	7,304

Notes:

- (a) These borrowings may be converted, in whole or in part, at Prudential's option and subject to certain conditions on any interest payment date, into one or more series of Prudential preference shares.
- (b) The senior debt ranks above subordinate debt in the event of liquidation.

APPENDIX I – FINANCIAL INFORMATION OF THE GROUP

Guaranteed and secured borrowings

Lease liabilities under IFRS 16 represent the Group's obligation to make lease payments, for which there is a corresponding 'right-of-use' asset recognised within 'Property, plant and equipment' on the Group's statement of financial position. The leases are primarily operating leases of properties occupied by the Group's businesses where Prudential is a lessee.

With the exception of the above, none of the indebtedness is guaranteed by a party outside of the Group nor is it secured on the Group's assets.

Guarantees and contingent liabilities

The Group has provided guarantees and commitments to third parties entered into in the normal course of business but the Group does not consider that the amounts involved are significant.

Prudential has put in place intra-group arrangements to formalise undertakings by Prudential to the regulators of the Hong Kong subsidiaries regarding their solvency levels.

Mortgages and charges

As at 30 July 2021, no member of the Group had any outstanding mortgages or charges on its property, plant and equipment that would have a material impact on the financial position of the Group.

Obligations under sale and repurchase agreements and securities lending

In addition to the indebtedness above, as at 30 July 2021, the Group had obligations under sale and repurchase agreements and securities lending activities of US\$367 million in respect of cash received under the terms of these transactions that had been recognised as an asset on the balance sheet.

Disclaimer

Save as disclosed above and apart from intra-group liabilities and normal trade and other payables, at the close of the business on 30 July 2021, the Group did not have any debt securities issued and outstanding, authorised or otherwise created but unissued, bank overdrafts or term loans, other borrowings or other similar indebtedness, liabilities under acceptances, acceptance credits, hire purchase commitments or material guarantees and contingent liabilities.

3. SOLVENCY AND CAPITAL ADEQUACY

Solvency and capital adequacy information for Prudential for each of the financial years ended 31 December 2018, 31 December 2019 and 31 December 2020 and for the six months ended 30 June 2021 is disclosed in the following documents, which have been published on the website of the HK Stock Exchange (<https://www1.hkexnews.hk>) and are incorporated into this Prospectus by reference:

- (A) annual report of Prudential for the year ended 31 December 2019 published on Prudential's website on 1 April 2020 (pages 37, 292-294 and 363-367, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0401/2020040103513.pdf>);
- (B) annual report of Prudential for the year ended 31 December 2020 published on Prudential's website on 15 March 2021 (pages 31, 283-285 and 355-358, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0412/2021041200079.pdf>); and
- (C) half year financial report of Prudential for the period ended 30 June 2021 published on Prudential's website on 26 August 2021 (pages 19-20 and 123-126, accessible via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0830/2021083000871.pdf>).

APPENDIX I – FINANCIAL INFORMATION OF THE GROUP

4. REGULATORY AND CAPITAL REGIME

The Group is subject to the group-wide supervision of the Hong Kong IA. The GWS Framework comprises primary legislation, the relevant subsidiary legislation including the Insurance (Group Capital) Rules, and supporting guidance material from the Hong Kong IA. The GWS Framework became effective for Prudential upon designation by the Hong Kong IA on 14 May 2021, subject to transitional arrangements. Further detail on the GWS methodology is included in the basis of preparation section below. At 30 June 2021, the Group's GWS capital position excluding the recently demerged Jackson Group was as follows:

30 Jun 2021	Total*	Less policyholder	Shareholder*
Capital resources (US\$bn)	37.2	(23.6)	13.6
Group Minimum Capital Requirement (US\$bn)	10.6	(7.1)	3.5
Group capital surplus (over GMCR) (US\$bn)	26.6	(16.5)	10.1
Group coverage ratio (over GMCR) (%)	349%		383%

*before allowing for the 2021 first interim dividend

No allowance has been made in the table above for the Group's retained 19.7 per cent. economic retained interest in Jackson, which will be included in Group capital resources valued at 60 per cent. of market value being the basis agreed with the Hong Kong IA.

The Share Offer would have increased the Group shareholder coverage ratio at 30 June 2021 shown above by approximately 13 percentage points to 396 per cent., after allowing for repayment of US\$2.25 billion of subordinated debt at par (see the section headed "Reasons for the Share Offer and Use of Proceeds").

Basis of preparation

Under the GWS methodology, the summation of local statutory capital requirements across the Group is used to determine Group regulatory capital requirements, with no allowance for diversification between business operations. The GWS eligible Group capital resources is determined by the summation of capital resources across local solvency regimes for regulated entities and IFRS shareholders' equity (with adjustments described below) for non-regulated entities.

In determining the Group GWS capital resources and required capital the following principles have been applied:

- for regulated insurance entities, capital resources and required capital are based on the local solvency regime applicable in each jurisdiction, with minimum required capital set at the solo legal entity statutory minimum capital requirements;
- for asset management operations and other regulated entities, the capital position is derived based on the sectoral basis applicable in each jurisdiction, with minimum required capital based on the solo legal entity statutory minimum capital requirement;
- for non-regulated entities, the capital resources are based on IFRS shareholders' equity after deducting intangible assets. No required capital is held in respect of unregulated entities;
- for entities where the Group's shareholding is less than 100 per cent., the contribution of the entity to the GWS eligible Group capital resources and required capital represents the Group's share of these amounts and excludes any amounts attributable to non-controlling interests. This does not apply to investment holdings which are not part of the Group (for example the 19.7 per cent. economic interest in Jackson held post its demerger);
- investments in subsidiaries, joint ventures and associates (including, if any, loans that are recognised as capital on the receiving entity's balance sheet) are eliminated from the relevant holding company to prevent the double counting of capital resources; and
- under the GWS Framework, all debt instruments (senior and subordinated) issued by Prudential at the date of designation meet the transitional conditions set by the Hong Kong IA and are included as GWS eligible Group capital resources. The eligible amount permitted to be included as Group capital resources is based on the net proceeds amount translated using 31 December 2020 exchange rates for debt not denominated in US dollars.

5. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2020, being the date to which the latest published audited consolidated accounts of Prudential were made up, up to and including the Latest Practicable Date.

6. BUSINESS AND FINANCIAL PROSPECTS OF THE GROUP²⁸

The Group delivered a resilient performance in the first half of 2021 against a backdrop of continuing economic and social challenges due to Covid-19 and the resulting continuing volatility in consumer activity. The quality of execution in the Group's chosen markets saw growth in new business sales in the first six months of 2021 (on an APE basis) in Asia and Africa of 17 per cent²⁹ compared to the same period in 2020 and Asia's IFRS operating earnings remained resilient, driven by the compounding nature of regular premium income and the focus on health and protection led insurance margin income. Year to date new business sales performance continues to grow at a double digit rate, including in markets such as China, Singapore and Malaysia.

Prudential expects vaccination programmes being rolled out during 2021 and 2022 to facilitate a gradual return to more normal economic patterns, although the pace of these programmes and their effect are likely to vary substantially and give a degree of uncertainty over the economy, and therefore the performance of the business of the Group in the short-term. Significant Covid-19 related restrictions continue in many markets including Indonesia, Malaysia, Thailand, Vietnam and the Philippines the impacts of which are likely to extend at least into the fourth quarter of 2021. There is also continuing uncertainty over the extent and the timing of the re-opening of the border between Hong Kong and Mainland China and we expect that it will remain closed at least for the rest of this year. However, the Prudential Board is confident that the demand for products offered by the Group will continue to grow in line with the structural growth in its chosen markets, and that its expanded offering and increasingly digitalised distribution platforms are well placed to meet this demand.

²⁸ Comparisons are to the first six months of the prior year unless otherwise stated and year-on-year percentage changes are provided on a constant exchange rate basis unless otherwise stated.

²⁹ On a constant exchange rate basis, 21 per. cent. on an actual exchange rate basis.

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A. UNAUDITED PRO FORMA STATEMENT OF THE GROUP

The unaudited pro forma IFRS basis financial information has been prepared in accordance with IFRS as issued by the IASB and on the basis of the notes set out below. It has been prepared to illustrate the effect of the Share Offer and the Jackson Demerger on the Group's financial position as at 30 June 2021 and the Group's financial performance for the year ended 31 December 2020 and for the six months ended 30 June 2021 as if the Share Offer and Jackson Demerger had taken place at 30 June 2021 and 1 January 2020, respectively. The unaudited pro forma IFRS basis financial information has been prepared for illustrative purposes only and in accordance with Paragraph 4.29 of the HK Listing Rules, with the exception that the HK Stock Exchange has granted a waiver from strict compliance with the rule set out in 4.29(6)(b). The pro-forma below, in accordance with the waiver, represents the position, post the Share Offer, of the Group, excluding Jackson. The Jackson Demerger completed on 13 September 2021.

Due to its nature, the unaudited pro forma IFRS basis financial information addresses a hypothetical situation and, therefore, does not represent the actual IFRS results and financial position of the Group following the Share Offer and the Jackson Demerger. It may not, therefore, give a true picture of the IFRS results and financial position of the Group following the Share Offer and the Jackson Demerger, nor is it indicative of the results and financial position that may, or may not, be expected to be achieved in the future.

1. Unaudited pro forma statement of financial position and net tangible assets at 30 June 2021

30 June 2021 US\$m	Adjustments					Pro forma Group (v)
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Consolidation adjustments (ii)	Jackson Demerger Transaction costs (iii)	Net Proceeds from the Share Offer (iv)	
Assets						
Goodwill	926	–	–	–	–	926
Deferred acquisition costs and other intangible assets	6,525	–	–	–	–	6,525
Property, plant and equipment	525	–	–	–	–	525
Reinsurers' share of insurance contract liabilities	9,891	–	–	–	–	9,891
Deferred tax assets	298	–	–	–	–	298
Current tax recoverable	23	–	–	–	–	23
Accrued investment income	1,092	–	–	–	–	1,092
Other debtors	2,238	–	–	–	–	2,238
Investment properties	39	–	–	–	–	39
Investment in joint ventures and associates accounted for using the equity method	2,056	–	–	–	–	2,056
Loans	2,440	–	–	–	–	2,440
Equity securities and holdings in collective investment schemes	60,466	590	–	–	–	61,056
Debt securities	92,728	–	–	–	–	92,728
Derivative assets	485	–	–	–	–	485
Deposits	3,344	–	–	–	–	3,344
Assets held for distribution	335,750	(335,760)	10	–	–	–
Cash and cash equivalents	6,295	–	–	(2)	2,680	8,973
Total assets	525,121	(335,170)	10	(2)	2,680	192,639
Equity						
Shareholders' equity	15,713	(2,077)	(85)	(2)	2,680	16,229
Non-controlling interests	510	(333)	–	–	–	177
Total equity	16,223	(2,410)	(85)	(2)	2,680	16,406

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

30 June 2021 US\$m	Adjustments					Pro forma Group (v)
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Consolidation adjustments (ii)	Jackson Demerger Transaction costs (iii)	Net Proceeds from the Share Offer (iv)	
Liabilities						
Contract liabilities (including amounts in respect of contracts classified as investment contracts under IFRS 4)	144,809	–	–	–	–	144,809
Unallocated surplus of with-profits funds	6,273	–	–	–	–	6,273
Core structural borrowings of shareholder-financed businesses	6,404	–	–	–	–	6,404
Operational borrowings	895	–	–	–	–	895
Obligations under funding, securities lending and sale and repurchase agreements	396	–	–	–	–	396
Net asset value attributable to unit holders of consolidated investment funds	5,770	–	–	–	–	5,770
Deferred tax liabilities	2,735	–	–	–	–	2,735
Current tax liabilities	200	–	–	–	–	200
Accruals, deferred income and other liabilities	8,017	–	95	–	–	8,112
Provisions	227	–	–	–	–	227
Derivative liabilities	412	–	–	–	–	412
Liabilities held for distribution	332,760	(332,760)	–	–	–	–
Total liabilities	508,898	(332,760)	95	–	–	176,233
Total equity and liabilities	525,121	(335,170)	10	(2)	2,680	192,639

30 June 2021 US\$m	Adjustments					Pro forma Group (vi)
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Consolidation adjustments (ii)	Jackson Demerger Transaction costs (iii)	Net Proceeds from the Share Offer (iv)	
Net Tangible Assets (vii)	11,010	(2,077)	(85)	(2)	2,680	11,526

Notes

- (i) Information on the total assets and liabilities of Prudential as at 30 June 2021 has been extracted without material adjustment from the “IFRS basis results” set out in the 2021 Half Year Financial Report.
- (ii) This adjustment reflects the fact that the results of the Jackson Group are no longer consolidated by the Group post the Jackson Demerger that completed on 13 September 2021. Consolidation adjustments relating to the Jackson Group including intra-group transactions between the Jackson Group and the rest of the Group are reversed and are presented separately in the table above. Following the completion of the Jackson Demerger, the Group holds common stock in Jackson that gives it a non-controlling economic interest of 19.7 per cent. (19.9 per cent. voting interest). This retained interest is recognised as an equity financial investment carried at fair value in the Group’s statement of financial position. At the 30 June 2021 the fair value of the Group’s remaining investment in Jackson was estimated to be US\$590 million. This may differ from the fair value that is determined following initial trading of the Jackson Shares.
- (iii) Transaction costs of approximately US\$2 million represent the directly attributable costs of the Jackson Demerger which had not been incurred on or before 30 June 2021.
- (iv) The net proceeds from the issue of new share capital are assumed to be US\$2,680 million from the issue of 130,780,350 Shares pursuant to the Share Offer, calculated based on the closing trading price of the Shares on the HK Stock Exchange on the Latest Practicable Date of HK\$162.40 per Offer Share (translated at an exchange rate of 7.78), net of assumed transaction costs of approximately US\$50 million (calculated using the closing trading price of the Shares on the HK Stock Exchange on the Latest Practicable Date of HK\$162.40 per Offer Share). These represent the directly attributable costs of the transaction, none of which had been expensed on or before 30 June 2021, which in accordance with the Group’s accounting policies have been offset against the proceeds received from the issue of share capital.
- (v) No account has been taken of any trading and other changes in financial position of the Group after 30 June 2021 except as described above. The position shown relates to the Group.
- (vi) The IFRS basis results have been prepared in accordance with IFRS as issued by the IASB, on a basis consistent with the accounting policies normally adopted by the Group and applied in preparing the 30 June 2021 Prudential consolidated IFRS financial statements.
- (vii) Net assets are total shareholders’ equity or total assets less total liabilities less non-controlling interests. Net tangible assets are net assets excluding goodwill and other intangible assets attributable to equity holders. Net tangible assets include deferred acquisition costs and acquired value of in force business as they do not fall within the scope of intangible assets under IAS 38 “Intangible Assets”.

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

2. Unaudited pro forma Group income statement for the year ended 31 December 2020 and for the six months ended 30 June 2021

Year ended 31 December 2020

US\$m	Adjustments				
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Reversal of intra-group eliminations (ii)	Jackson Demerger Transaction costs (iii)	Pro forma Group (iv), (v)
Gross premiums earned	42,521	(19,026)	–	–	23,495
Outward reinsurance premiums	(32,209)	30,584	–	–	(1,625)
Earned premiums, net of reinsurance	10,312	11,558	–	–	21,870
Investment return	44,991	(31,229)	–	–	13,762
Other income	670	(92)	37	–	615
Total revenue, net of reinsurance	55,973	(19,763)	37	–	36,247
Benefit and claims	(82,176)	47,714	–	–	(34,462)
Reinsurers' share of benefit and claims	34,409	(28,097)	–	–	6,312
Movement in unallocated surplus of with-profits funds	(438)	–	–	–	(438)
Benefits and claims and movement in unallocated surplus of with-profits funds, net of reinsurance	(48,205)	19,617	–	–	(28,588)
Acquisition costs and other expenditure	(5,481)	867	(37)	(27)	(4,678)
Finance costs: interest on core structural borrowings of shareholder-financed businesses	(337)	21	–	–	(316)
Loss attaching to corporate transactions	(48)	18	–	–	(30)
Total charges, net of reinsurance	(54,071)	20,523	(37)	(27)	(33,612)
Share of profit from joint ventures and associates, net of related tax	517	–	–	–	517
Profit before tax (<i>being tax attributable to shareholders' and policyholders' returns</i>)	2,419	760	–	(27)	3,152
Remove tax charge attributable to policyholders' returns	(271)	–	–	–	(271)
Profit before tax attributable to shareholders' returns (vii)	2,148	760	–	(27)	2,881
Tax charge attributable to shareholders' and policyholders' returns	37	(477)	–	–	(440)
Profit for the year	2,185	283	–	(27)	2,441
Attributable to:					
Equity holders of Prudential	2,118	340	–	(27)	2,431
Non-controlling interests	67	(57)	–	–	10
	2,185	283	–	(27)	2,441

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Six months ended 30 June 2021

US\$m	Adjustments			Pro forma Group (iv), (v)
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Reversal of Jackson Demerger Transaction costs (iii)	
Continuing operations:				
Gross premiums earned	11,521	–	–	11,521
Outward reinsurance premiums	(898)	–	–	(898)
Earned premiums, net of reinsurance	10,623	–	–	10,623
Investment return	738	–	–	738
Other income	331	–	–	331
Total revenue, net of reinsurance	11,692	–	–	11,692
Benefits and claims and movement in unallocated surplus of with-profits funds, net of reinsurance	(7,748)	–	–	(7,748)
Acquisition costs and other expenditure	(2,402)	–	25	(2,377)
Finance costs: interest on core structural borrowings of shareholder-financed businesses	(164)	–	–	(164)
Loss attaching to corporate transactions	(56)	–	–	(56)
Total charges, net of reinsurance	(10,370)	–	25	(10,345)
Share of profit from joint ventures and associates, net of related tax	179	–	–	179
Profit before tax (being tax attributable to shareholders' and policyholders' returns)	1,501	–	25	1,526
Remove tax charge attributable to policyholders' returns	(238)	–	–	(238)
Profit before tax attributable to shareholders' returns (vii)	1,263	–	25	1,288
Tax charge attributable to shareholders' and policyholders' returns	(193)	–	–	(193)
Profit from continuing operations	1,070	–	25	1,095
Loss from discontinued US operations	(5,707)	5,707	–	–
(Loss) Profit for the period	(4,637)	5,707	25	1,095
Attributable to:				
Equity holders of Prudential				
From continuing operations	1,063	–	25	1,088
From discontinued US operations	(5,073)	5,073	–	–
	(4,010)	5,073	25	1,088
Non-controlling interests				
From continuing operations	7	–	–	7
From discontinued US operations	(634)	634	–	–
	(627)	634	–	7

Notes

- (i) Information on the (loss) profit for the year ended 31 December 2020 has been extracted without material adjustment from the consolidated "IFRS Financial Statements" set out in the 2020 Annual Report. Information on the profit for the six months ended 30 June 2021 has been extracted without material adjustment from the consolidated "IFRS basis results" set out in the 2021 Half Year Financial Report.
- (ii) This adjustment reflects the fact that the results of the Jackson Group are no longer consolidated by the Group post the Jackson Demerger that completed on 13 September 2021 and represents an on-going change in profit earned by the Group. Intra-group transactions between the Jackson Group and the rest of the Group are reversed and are presented separately in the table for the year ended 31 December 2020 above. There is no reversal of intra-group eliminations to the income statement for the period ended 30 June 2021 following the classification of the Jackson Group's operation as discontinued. Following the completion of the Jackson Demerger, the Group holds common stock in Jackson that gives it a non-controlling economic interest of 19.7 per cent. (19.9 per cent. voting interest). This retained interest is recognised as an equity financial investment carried at fair value in the Group's statement of financial position with movements in fair value recognised outside of the income statement. No adjustment has been made for any income that may be earned from this remaining interest as the level of future dividend income will be at the discretion of the independent Jackson Board.
- (iii) Transaction costs of approximately US\$27 million in the unaudited pro forma income statement for the year ended 31 December 2020 represent the directly attributable costs of the demerger transaction which had not been incurred on or before 31 December 2020. In the unaudited pro forma income statement for the six months ended 30 June 2021, the transaction costs incurred in the period were reversed given that the Jackson Demerger is assumed to have been completed on 1 January 2020. These adjustments will not be repeated.

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

- (iv) No adjustments have been made to the pro-forma income statement above for the Share Offer as no additional income has been assumed on the cash proceeds received and costs directly attributable to the transaction have, in accordance with the Group's accounting policies, been offset against the proceeds received from the issue of share capital.
- (v) No account has been taken of any trading and other changes in results of the Group after the periods presented except as described above. The results shown relate to the Group.
- (vi) The IFRS basis results have been prepared in accordance with IFRS as issued by the IASB, on a basis consistent with the accounting policies normally adopted by Prudential and applied in preparing the consolidated IFRS financial statements for the periods presented.
- (vii) The Group provides supplementary analysis of profit before tax attributable to shareholders that distinguishes operating profit based on longer-term investment returns (adjusted operating profit) that presents the operating performance of the business and short-term investment variances and other corporate transactions. Details on how adjusted operating profit is determined are included in note B1.3 of the "IFRS Financial Statements" set out in the 2020 Annual Report.

The following table presents an estimated adjusted operating profit and other non-operating items on a pro forma basis. This information is supplementary to the unaudited pro forma income statement.

US\$ million	Adjustments			
	Prudential (i)	Jackson Demerger with a retained 19.7% economic interest (ii)	Jackson Demerger Transaction costs (iii)	Pro forma Group (iv), (v)
Year ended 31 December 2020				
Adjusted operating profit	5,507	(2,750)	–	2,757
Non-operating items	(3,359)	3,510	(27)	124
Profit before tax attributable to shareholders' returns	2,148	760	(27)	2,881
Six months ended 30 June 2021*				
Adjusted operating profit from continuing operations	1,571	–	–	1,571
Non-operating items from continuing operations	(308)	–	25	(283)
Profit before tax attributable to shareholders' returns from continuing operations	1,263	–	25	1,288

* Jackson was classified as discontinued in the period ended 30 June 2021 and its results are excluded from the adjusted operating profit and other non-operating items of the Group's continuing operations published in the 2021 Half Year Financial Report.

- (viii) The above adjustments in the pro forma income statements of the Group are not expected to have a continuing effect on the pro forma Group.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from Prudential's reporting accountants, KPMG LLP, Chartered Accountants, London, in respect of the Group's pro forma financial information for the purpose in this Prospectus.



INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF PRUDENTIAL PLC

We have completed our assurance engagement to report on the compilation of pro forma financial information of Prudential plc (the “**Company**” and, together with its subsidiaries, the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma statement of financial position and net tangible assets of the Group as at 30 June 2021, and the unaudited pro forma income statements of the Group for the year ended 31 December 2020 and for the six months ended 30 June 2021 and related notes as set out in Appendix II to the prospectus dated 20 September 2021 (the “**Prospectus**”) issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the “**Share Offer**”) and the demerger of the Jackson Financial Inc. and its subsidiaries on 13 September 2021 (the “**Jackson Demerger**”) on the Group's financial position as at 30 June 2021 and the Group's financial performance for the year ended 31 December 2020 and for the six months ended 30 June 2021 as if the Share Offer and Jackson Demerger had taken place at 30 June 2021 and 1 January 2020, respectively. As part of this process, information about the Group's financial position as at 30 June 2021 and the Group's financial performance for the six months ended 30 June 2021 has been extracted by the Directors from the interim financial statements of the Company for the period then ended, on which a review report has been published. Information about the Group's financial performance for the year ended 31 December 2020 has been extracted by the Directors from the annual financial statements of the Company for the year then ended, on which an audit report has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) with the consideration of the waiver from strict compliance with paragraphs 4.29(6)(b) of the Listing Rules in respect of the inclusion of the Jackson Demerger in the pro forma financial information (the “**Waiver**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 “Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements” issued by the International Auditing and Assurance Standards Board (“**IAASB**”) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“HKSAE”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 30 June 2021 or 1 January 2020 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed “Reasons for the Share Offer and Use of Proceeds” in the Prospectus.

APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Opinion

In our opinion:

- the pro forma financial information has been properly compiled on the basis stated;
- such basis is consistent with the accounting policies of the Group, and
- taking into consideration of the Waiver, the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG LLP

Chartered Accountants

London

20 September 2021

APPENDIX III – GENERAL INFORMATION

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HK Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The issued share capital of Prudential as at the Latest Practicable Date and upon completion of the Share Offer was and will be as follows:

(A) The number of Shares in issue	2,615,613,899
(B) The number of Offer Shares to be allotted and issued under the Share Offer	130,780,350
(C) The number of Shares in issue immediately following the completion of the Share Offer	2,746,394,249

All of the issued Shares will rank *pari passu* (in all respects) with each other and with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions, which are declared, made or paid, the record date of which is after the date of allotment of the Offer Shares in their fully-paid form.

The issued Shares have a primary listing on the Main Market of the London Stock Exchange and on the Main Board of the HK Stock Exchange and have a secondary listing on the on the NYSE (in the form of ADRs which are referenced to Shares on the main UK register) and on the Mainboard of the Singapore Stock Exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are or will be waived or agreed to be waived.

Share Option Schemes

The Group presently grants share options through three schemes and exercises of the options are satisfied by the issue of new Shares. Executive Directors and eligible employees based in the UK may participate in the Prudential Savings-Related Share Option Scheme. Executives and eligible employees based in Asia can participate in the Prudential International Savings-Related Share Option Scheme, while agents based in certain regions of Asia can participate in the Prudential International Savings-Related Share Option Scheme for Non-Employees.

All options were granted at nil consideration. The following analyses show the movement in options for each of the option schemes since 31 December 2020, being the date to which the latest published audited accounts of Prudential were made up, up to and including the Latest Practicable Date.

Prudential Savings-Related Share Option Scheme

Date of grant	Exercise price £	Exercise period		Beginning of year	Number of options					As at Latest Practicable Date
		Beginning	End		Granted	Exercised	Cancelled	Forfeited	Lapsed	
22-Sep-2015	11.11	01-Dec-2020	31-May-2021	8,046	0	3,996	0	0	4,050	0
21-Sep-2016	11.04	01-Dec-2021	31-May-2022	5,378	0	471	0	0	615	4,292
21-Sep-2017	14.55	01-Dec-2020	31-Dec-2021	23,908	0	9,816	0	1,237	12,237	618
21-Sep-2017	14.55	01-Dec-2022	31-May-2023	6,347	0	1,202	0	0	859	4,286
29-Nov-2019	11.18	01-Jan-2023	30-Jun-2024	67,203	0	2,623	3,220	3,542	4,461	52,552
29-Nov-2019	11.18	01-Jan-2025	30-Jun-2026	8,049	0	536	0	0	0	7,513
22-Sep-2020	9.64	01-Dec-2023	31-May-2024	74,308	0	414	2,451	3,732	1,453	66,258
22-Sep-2020	9.64	01-Dec-2025	31-May-2026	6,286	0	0	0	0	0	6,286

The total number of securities available for issue under the scheme is 141,805 which represents 0.005 per cent. of the issued share capital as at the Latest Practicable Date.

APPENDIX III – GENERAL INFORMATION

Prudential International Savings-Related Share Option Scheme for Non-Employees

Date of grant	Exercise price £	Exercise period		Beginning of year	Number of options					As at Latest Practicable Date	
		Beginning	End		Granted	Exercised	Cancelled	Forfeited	Lapsed		
22-Sep-2015	9.62	01-Dec-2020	31-May-2021	280,079	0	271,261	8,818	0	0	0	0
21-Sep-2016	9.56	01-Dec-2021	31-May-2022	214,845	0	0	1,568	0	0	0	213,277
21-Sep-2017	12.59	01-Dec-2020	31-May-2021	205,980	0	203,045	2,069	0	153	0	713
21-Sep-2017	12.59	01-Dec-2022	31-May-2023	190,274	0	0	3,420	582	0	0	186,232
18-Sep-2018	12.07	01-Dec-2021	31-May-2022	193,405	0	0	728	0	0	0	192,677
18-Sep-2018	12.07	01-Dec-2023	31-May-2024	129,527	0	0	1,242	139	0	0	128,146
02-Oct-2019	9.62	01-Dec-2022	31-May-2023	330,931	0	0	2,159	0	0	0	328,772
02-Oct-2019	9.62	01-Dec-2024	31-May-2025	223,165	0	0	2,178	470	0	0	220,517
22-Sep-2020	9.64	01-Dec-2023	31-May-2024	198,799	0	0	0	0	0	0	198,799
22-Sep-2020	9.64	01-Dec-2025	31-May-2026	153,790	0	0	1,556	0	0	0	152,234

The total number of securities available for issue under the scheme is 1,621,367 which represents 0.06 per cent. of the issued share capital as at the Latest Practicable Date.

The combined dilution from all outstanding shares and options is 0.067 per cent. of Prudential's total share capital as at the Latest Practicable Date.

Save as disclosed above, since 31 December 2020, being the date to which the latest published audited accounts of Prudential were made up, up to and including the Latest Practicable Date, there has been no alteration in the capital of Prudential and the Principal Subsidiaries.

Save as disclosed above, no share or loan capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

3. APPLICATION FOR LISTING

Application has been made to the Listing Committee of the HK Stock Exchange and Prudential will be writing to the Singapore Stock Exchange to seek its confirmation for the listing of, and permission to deal in, the Offer Shares to be allotted and issued pursuant to the Share Offer on the Main Board of the HK Stock Exchange.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the HK Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares or such other date as determined by HKSCC. Settlement of transactions between participants of the HK Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealings in the Offer Shares on the HK Stock Exchange in board lots of 50 Shares, which are registered in the register of members of Prudential, will be subject to the payment of stamp duty, HK Stock Exchange trading fee, transaction levy or any other applicable fees and charges in Hong Kong.

Application will be made to the FCA for the Offer Shares to be listed on the premium listing segment of the Official List and to the London Stock Exchange for the Offer Shares to be admitted to the Main Market of the London Stock Exchange (together "**UK Admission**"). It is expected that UK Admission will become effective at 8.00 a.m. on 4 October 2021 (UK time).

As Prudential has a secondary listing on the Singapore Stock Exchange, Prudential has notified the Singapore Stock Exchange of the Share Offer as required under Rule 217 of the Singapore Stock Exchange Listing Manual and will need to further notify the Singapore Stock Exchange of the decision of the HK Stock Exchange in respect of the listing of and permission to deal in the Offer Shares on the HK Stock Exchange as required under Rule 879 of the Singapore Stock Exchange Listing Manual in due course, for the purposes of facilitating the listing and quotation of the Offer Shares on the Singapore Stock Exchange.

As Prudential has a secondary listing on the NYSE (in the form of ADRs), Prudential has notified the NYSE of the Share Offer and will promptly release to the public any material news about the Share Offer as required under sections 201 and 202 of the NYSE Listed Company Manual.

APPENDIX III – GENERAL INFORMATION

4. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests of Directors in Shares are set out below:

	1 January 2021 (or on date of appointment)	During 2021 and up to the Latest Practicable Date		As at the Latest Practicable Date		
	Total beneficial interest (number of shares)	Number of shares acquired	Number of shares disposed	Total beneficial interest (number of shares)	Number of shares subject to performance conditions	Total interest in shares
Shriti Vadera	67,500	0	0	67,500	N/A	67,500
Mark FitzPatrick	166,360	117,047	59,269	224,138	443,830	667,968
James Turner	138,168	74,249	11,276	201,141	408,377	609,518
Michael Wells	1,144,085	250,699	136,846	1,257,938	1,073,605	2,331,543
Jeremy Anderson	9,157	9,157	0	9,157	N/A	9,157
Chua Sock Koong	0	0	0	0	N/A	0
David Law	11,054	11,054	0	11,054	N/A	11,054
Ming Lu	0	7,000	0	7,000	N/A	7,000
Anthony Nightingale	50,000	50,000	0	50,000	N/A	50,000
Philip Remnant	7,916	7,916	0	7,916	N/A	7,916
Alice Schroeder	20,000	20,000	0	20,000	N/A	20,000
Thomas Watjen	10,340	10,340	0	10,340	N/A	10,340
Fields Wicker- Miurin	6,500	6,500	0	6,500	N/A	6,500
Jeanette Wong	0	0	0	0	N/A	0
Amy Yip	2,500	2,500	0	2,500	N/A	2,500

The following table sets out the share options held by the Executive Directors in the UK Savings-Related Share Option Scheme (SAYE) as at the Latest Practicable Date. No other Directors participated in any other option scheme.

	Date of grant	Exercise price (pence)	Market price as at the Latest Practicable Date (pence)	Exercise period		Beginning of year	Number of options					As at the Latest Practicable Date
				Beginning	End		Granted	Exercised	Cancelled	Forfeited	Lapsed	
Mark FitzPatrick	21 Sep 2017	1455	1479	1 Dec 2022	31 May 2023	2,061	0	0	0	0	0	2,061
James Turner	21 Sep 2017	1455	1479	1 Dec 2020	31 May 2021	1,237	0	1,237	0	0	0	0
Michael Wells	22 Sep 2020	964	1479	1 Dec 2023	31 May 2024	1,867	0	0	0	0	0	0

The table below shows the holdings of major shareholders in Shares as at the Latest Practicable Date, as notified and disclosed to Prudential in accordance with the DTR.

As at the Latest Practicable Date	% of total voting rights
BlackRock Inc.	5.08%
Third Point LLC	5.04% ³⁰

Prudential and its Directors, Chief Executives and Shareholders have been granted a partial exemption from the disclosure requirements under Part XV of the SFO. As a result of this exemption, Directors, Chief Executives and Shareholders do not have an obligation under the SFO to notify Prudential of shareholding interests, and Prudential is not required to maintain a register of Directors' and Chief Executives' interests under section 352 of the SFO, nor a register of interests of substantial shareholders under section 336 of the SFO. Prudential is, however, required to file with the HK Stock Exchange any disclosure of interests notified to it in the United Kingdom.

³⁰ According to the Form TR-1 Prudential received from Third Point on 10 June 2020, its interest in Prudential is held by way of CFD and Call Option (OTC).

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5. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in the assets which had been, since 31 December 2020, being the date to which the latest published audited consolidated accounts of Prudential were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the business of the Group.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with Prudential or any of its subsidiaries which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

7. AGENCY FEES OR COMMISSIONS RECEIVED

Save as disclosed in the section headed "Underwriting – Underwriting arrangements and expenses" in this Prospectus and the issuance of commercial paper in the ordinary course of business pursuant to which a fee is charged by the dealers, since 31 December 2020, being the date to which the latest published audited consolidated accounts of Prudential were made up, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of Prudential and the Principal Subsidiaries.

8. CUSTOMERS

The Group's five largest customers constituted in aggregate less than 30 per cent. of its total sales for each of the three financial years ended 31 December 2018, 2019 and 2020.

9. TRADE MARKS

As at the Latest Practicable Date, the trade marks which were material in relation to the Group's business are:

Trade mark	Registered owner
Prudential face logo	Prudential IP Services Limited
Prudential name	Prudential IP Services Limited
Prudential face logo, UK Prudential Assurance in Chinese Character series	Prudential IP Services Limited

10. MATERIAL CONTRACTS

Save for the following, there were no material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus and up to the Latest Practicable Date:

10.1 Demerger Agreement

The Demerger Agreement was entered into on 6 August 2021 between Prudential and Jackson to effect the Jackson Demerger and to govern the post-demerger obligations of the Group and the Jackson Group in respect of, among other things, data sharing and their respective indemnity obligations.

The Demerger Agreement contains mutual cross indemnities under which Jackson indemnifies the Group against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the Jackson Group prior to the Jackson Demerger and Prudential indemnifies the Jackson Group against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the Group other than the Jackson Group prior to the Jackson Demerger. Claims made under these mutual cross indemnities by the indemnified party are, subject to the right of the indemnifying party to defend any such claim, required to be paid by the indemnifying party. These

APPENDIX III – GENERAL INFORMATION

mutual cross indemnities are unlimited in terms of amount and subject to customary time limits. It is not currently anticipated that the Group will be required to pay, or that the Group will receive, any significant amounts pursuant to such indemnity arrangements.

The Demerger Agreement sets out how guarantees, indemnities or other assurances given by the Group for the benefit of companies in the Jackson Group (or vice versa) will be dealt with following the Jackson Demerger. Under the Demerger Agreement, the beneficiary of such a guarantee must generally seek to obtain the guarantor's release from the guarantor's obligations thereunder and, pending release, indemnify the guarantor against all liabilities and costs arising under or by reason of the guarantee and ensure that the guarantor's exposure under the guarantee is not increased. Both the Group and the Jackson Group will be permitted access to each other's records for a customary period following the Jackson Demerger and both groups have agreed to keep certain information relating to the other group confidential, subject to certain customary exemptions.

The Demerger Agreement also sets out the costs of the Jackson Demerger expected to be incurred by each of the Group and the Jackson Group.

10.2 Registration Rights Agreement

Prudential entered into the Registration Rights Agreement with Jackson on 6 August 2021. The Registration Rights Agreement provides Prudential and certain permitted transferees with certain registration rights relating to Jackson Shares beneficially owned by Prudential whereby, at any time following completion of the Jackson Demerger, Prudential and its permitted transferees may require Jackson to register under the U.S. Securities Act all or any portion of such shares a so-called "demand registration," subject to certain limitations. Jackson will not be obliged to effect more than one demand registration in any 90-day period. Prudential and its permitted transferees will also have "piggyback" registration rights, such that Prudential and the permitted transferees may include their respective shares in any future registrations of Jackson's equity securities, whether or not that registration relates to a primary offering by Jackson or a secondary offering by or on behalf of any of Jackson's stockholders.

The Registration Rights Agreement sets forth customary registration procedures, including an agreement by Jackson to make its management reasonably available to participate in road show presentations in connection with any underwritten offerings. Jackson has also agreed to indemnify Prudential and permitted transferees with respect to liabilities resulting from untrue statements or omissions in any registration statement used in any such registration, other than untrue statements or omissions resulting from information furnished to Jackson for use in a registration statement by Prudential or any permitted transferee.

10.3 M&G Demerger Agreement

The M&G Demerger Agreement was entered into on 25 September 2019 between Prudential and M&G to effect the M&G Demerger and to govern the post-demerger obligations of the Group and the M&G Group in respect of, among other things, data sharing and their respective indemnity obligations.

The M&G Demerger Agreement contains mutual cross indemnities under which M&G indemnifies the Group against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the M&G Group prior to the M&G Demerger and Prudential indemnifies the M&G Group against losses, costs, damages and expenses of any kind suffered or arising directly or indirectly from or in consequence of the business carried on by the Group other than the M&G Group prior to the M&G Demerger. Claims made under these mutual cross indemnities by the indemnified party are, subject to the right of the indemnifying party to defend any such claim, required to be paid by the indemnifying party. These mutual cross indemnities are unlimited in terms of amount and duration. It is not currently anticipated that the Group will be required to pay, or that the Group will receive, any significant amounts pursuant to such indemnity arrangements.

The M&G Demerger Agreement sets out how guarantees, indemnities or other assurances given by the Group for the benefit of companies in the M&G Group (or vice versa) will be dealt with following the M&G Demerger. Under the M&G Demerger Agreement, the beneficiary of such a guarantee must generally seek to obtain the guarantor's release from the guarantor's obligations thereunder and, pending release, indemnify the guarantor against all liabilities and costs arising under or by reason of

APPENDIX III – GENERAL INFORMATION

the guarantee and ensure that the guarantor's exposure under the guarantee is not increased. Both the Group and the M&G Group will be permitted access to each other's records for a period of 10 years following the M&G Demerger and both groups have agreed to keep certain information relating to the other group confidential, subject to certain customary exemptions.

10.4 Public Offer Underwriting Agreement

The Public Offer Underwriting Agreement, as described in the section headed "Underwriting" in this Prospectus.

11. LITIGATION

As at the Latest Practicable Date, neither Prudential nor any other member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

12. FINANCIAL ADVISER

Rothschild & Co has been appointed by Prudential as the financial adviser to Prudential in respect of the Share Offer. Rothschild & Co is a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO.

13. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice contained in this Prospectus:

Name	Qualifications
KPMG LLP	Chartered Accountants, London, Public Interest Entity Auditor recognised in accordance with the Hong Kong Financial Reporting Council Ordinance

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report or advice, and references to its name in the forms and context in which it appears.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any direct nor indirect interest in any assets which had been, since 31 December 2020, being the date to which the latest published audited consolidated accounts of Prudential were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

14. BINDING EFFECT

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

15. EXPENSES

Subject to the section headed "Underwriting – Underwriting arrangements and expenses", the expenses in connection with the Share Offer, including the underwriting commission, the HK Stock Exchange listing fee, the HK Stock Exchange trading fee, the SFC transaction levy, the registration, translation, legal, accounting and other professional fees and expenses, are estimated to be approximately US\$50 million, which are payable by Prudential.

16. LANGUAGE

The English text of this Prospectus shall prevail over its Chinese text in case of inconsistency.

APPENDIX III – GENERAL INFORMATION

17. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

Copies of each of this Prospectus, the GREEN Application Form and the written consent referred to in the section headed “Expert and consent” in this Appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of Prudential in Hong Kong during normal business hours (i.e. from 9:00 a.m. to 5:00 p.m.) on any business day from the date of this Prospectus up to and including the latest time for application and payment for Offer Shares, being 24 September 2021:

- (A) the Articles of Association;
- (B) the annual reports of Prudential for the two years ended 31 December 2019 and 2020 and the 2021 Half Year Financial Report;
- (C) the report from KPMG LLP on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II of this Prospectus;
- (D) the material contracts referred to in the section headed “Material contracts” above in this Appendix; and
- (E) the written consent referred to in the section headed “Expert and consent” in this Appendix.

APPENDIX IV – SELLING AND TRANSFER RESTRICTIONS

A. GENERAL

The Offer Shares have not been and will not be registered under the U.S. Securities Act or under any relevant securities laws of any state or other jurisdiction of the United States. Accordingly, subject to certain exceptions, the Offer Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, U.S. Persons at any time except pursuant to the terms of an applicable exemption under the U.S. Securities Act and applicable state and other securities laws of the United States.

Accordingly, this Prospectus does not constitute an offer or invitation to purchase, acquire or subscribe for any Offer Shares in the United States or by, or for the account or benefit of, U.S. Persons, and this Prospectus will not be sent to any person with a registered address in the United States or to any U.S. Persons.

Each of the Underwriters has agreed that, except in the case of the Placing Underwriters as permitted by the Placing Underwriting Agreement, it will not offer or sell the Offer Shares (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the Price Determination Date and the Listing Date, within the United States or to, or for the account or benefit of, U.S. Persons, and it will have sent to each dealer to which it sells Offer Shares (other than a sale of Placing Shares to a person reasonably believed to be a QIB within the United States as described below) during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Offer Shares within the United States or to, or for the account or benefit of, U.S. Persons. Terms used in this paragraph have the meanings given to them by Regulation S.

Any person who acquires Offer Shares outside the United States pursuant to Regulation S and each subsequent purchaser of such Offer Shares in resales prior to the expiration of the distribution compliance period, will be deemed to have declared, warranted and agreed, by accepting delivery of this Prospectus and delivery of the Offer Shares, that:

1. It is not, and at the time of acquiring the Offer Shares it will not be, in the United States or a U.S. Person.
2. It is not an affiliate of Prudential or a person acting on behalf of such an affiliate.
3. It understands that such Offer Shares have not been and will not be registered under the U.S. Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Offer Shares except in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
4. Prudential, the Hong Kong Share Registrar, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Placing Underwriting Agreement provides that the Placing Underwriters may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and sale of the Placing Shares within the United States only to QIBs by way of private placement in offerings exempt from registration under the U.S. Securities Act. Any person reasonably believed to be a QIB to whom Placing Shares are offered and sold will be required to execute and deliver an investor letter substantially in the form described in Section B of this Appendix IV below. Rule 144A is not available for the resale of any Placing Shares.

Any person in the United States or any U.S. Person who obtains a copy of this Prospectus is required to disregard it.

In addition, until 40 days after the Price Determination Date, an offer, sale or delivery of Placing Shares within the United States by a dealer that is not participating in the Share Offer may violate the registration requirements of the U.S. Securities Act.

From the date of this Prospectus through the 40th day after the Price Determination Date (which is currently expected to be on or about 25 September 2021), the U.S. Depositary will not accept deposits of any Shares in the facility unless the shareholder certifies that the Shares were not acquired in this Share Offer.

APPENDIX IV – SELLING AND TRANSFER RESTRICTIONS

B. SELLING AND TRANSFER RESTRICTIONS

UNITED STATES

Each purchaser of Placing Shares in the United States or who is a U.S. Person will be required to execute and deliver to Prudential and/or one or more of its designees an investor letter in the appropriate form, which will contain the following representations:

1. It is a QIB and, if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, (a) each such account is a QIB, (b) it has investment discretion with respect to each such account and (c) it has full power and authority to make the representations, warranties, agreements and acknowledgements in the investor letter on behalf of each such account.
2. It will base its investment decision solely on the offering circular issued by Prudential in connection with the Placing (the “**Offering Circular**”) and not on any other information or representation concerning Prudential. It acknowledges that none of Prudential, any of its affiliates or any other person (including any of the Underwriters or any of their respective affiliates) has made any representations, express or implied, to it with respect to Prudential, the Placing, the Placing Shares or the accuracy, completeness or adequacy of any financial or other information concerning Prudential, the Placing or the Placing Shares, other than (in the case of Prudential only) the information contained in or incorporated by reference into the Offering Circular. It acknowledges that it has not relied on any information contained in any research reports prepared by the Underwriters or any of their respective affiliates. It understands that the Offering Circular has been prepared in accordance with the Rules Governing the Listing of Securities on the HK Stock Exchange, which differ from U.S. disclosure requirements. In addition, the financial information in relation to Prudential contained in or incorporated by reference into the Offering Circular has been prepared in accordance with IFRS and with EEV prepared in accordance with Principles issued by the CFO Forum of European Insurance Companies, and thus may not be comparable to financial statements of U.S. companies prepared in accordance with U.S. generally accepted accounting principles. It agrees that it will not distribute, forward, transfer or otherwise transmit the Offering Circular or any other presentational or other materials concerning the Share Offer (including electronic copies thereof) to any person (other than a QIB on behalf of which it acts), and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person (other than a QIB on behalf of which it acts). It acknowledges that it has read and agreed to the matters set forth under Appendix IV (*Selling and Transfer Restrictions*) of the Offering Circular. It is aware, and each beneficial owner of such Placing Shares has been advised, that the sale of Placing Shares to them is being made in reliance on an exemption from, or transaction not subject to, the registration requirements of the U.S. Securities Act.
3. It acknowledges that its purchase of any Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgments, agreements and undertakings and other information contained in the Offering Circular. It agrees that it (a) will not look to any of the Underwriters for all or part of any loss it may suffer, (b) has no need for liquidity with respect to its investment in the Placing Shares and (c) has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Placing Shares.
4. It is an institution that (a) invests in or purchases securities similar to the Placing Shares in the normal course of its business, (b) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Placing and (c) is, and any accounts for which it is acting are, able to bear the economic risk, and able to sustain a complete loss, of such investment in the Placing Shares.
5. It has made its own independent investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of Prudential, and it has made its own investment decision to acquire the Placing Shares. It understands that there may be certain consequences under U.S. and other tax laws resulting from an investment in the Placing Shares, including that it must bear the economic risk of an investment in the Placing Shares for an indefinite period of time, and it will make such investigation and consult such tax, legal, currency and other advisors with respect thereto as it deems appropriate.

APPENDIX IV – SELLING AND TRANSFER RESTRICTIONS

6. It and its ultimate beneficial owners are, and will immediately after completion of the Placing be, independent of Prudential and its respective subsidiaries, their respective directors, supervisors, substantial shareholders and chief executives, and the respective associates (as defined in the HK Listing Rules) of such directors, supervisors, substantial shareholders and chief executives.
7. It and its ultimate beneficial owners are not, and will not immediately after completion of the Placing be:
 - (i) a connected person of Prudential (as defined in the HK Listing Rules);
 - (ii) an “associate” of a connected person of Prudential (as defined in the HK Listing Rules); or
 - (iii) acting in concert (within the meaning of the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong) with any person who is accustomed to take instructions from Prudential, or any of the persons referred to under paragraphs 6, 7(i) and 7(ii) above.
8. Any Placing Shares that it acquires will be for its own account (or for the account of a QIB as to which it exercises sole investment discretion and has authority to make these statements) for investment purposes, and not with a view to resale or distribution within the meaning of the U.S. securities laws.
9. It acknowledges and agrees that it is not acquiring the Placing Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the U.S. Securities Act) or directed selling efforts (as that term is defined in Regulation S under the U.S. Securities Act).
10. It acknowledges that the Placing Shares will be “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and for so long as such securities are “restricted securities” (as so defined) the securities may not be deposited into any unrestricted depository receipt facility in respect of Prudential Shares established or maintained by any depository bank, including but not limited to Prudential’s existing ADR facility maintained by JPMorgan Chase Bank, N.A., as depository for Prudential’s ADRs.
11. It understands that the Placing Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act and that the Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (i) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, (ii) pursuant to an exemption from registration provided by Rule 144 under the U.S. Securities Act (if available) or (iii) pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States. It understands that Rule 144A under the U.S. Securities Act is not available for the resale of any Placing Shares. In addition, it understands that no representation has been made as to the availability of Rule 144 of the U.S. Securities Act or any other exemption under the U.S. Securities Act or any state securities laws for the offer, resale, pledge or transfer of the Placing Shares.
12. It understands that, although in the United States offers and sales of the Placing Shares are being made to QIBs, such offers and sales are not being made under Rule 144A and that, if in the future it, any such other QIB whose account it is acting for, or any other fiduciary or agent representing such persons decides to offer, sell, deliver, hypothecate or otherwise transfer the Placing Shares, it will do so only in compliance with the restrictions in paragraph 9 above.
13. It understands that any Placing Shares delivered in certificated form will bear a legend substantially in the following form unless otherwise determined by Prudential in accordance with applicable law:

“THE SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION

APPENDIX IV – SELLING AND TRANSFER RESTRICTIONS

COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT, (2) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT (IF AVAILABLE), OR (3) PURSUANT TO ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR REALES OF THE SHARES REPRESENTED HEREBY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES REPRESENTED HEREBY ARE “RESTRICTED SECURITIES” WITHIN THE MEANING OF RULE 144(a)(3) UNDER THE U.S. SECURITIES ACT AND FOR SO LONG AS SUCH SECURITIES ARE “RESTRICTED SECURITIES” (AS SO DEFINED) THE SECURITIES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THIS SHARE, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.”

14. It acknowledges and agrees that any offer, resale, pledge or other transfer made other than in compliance with the restrictions in paragraph 9 above will not be recognised by Prudential in respect of the Placing Shares.
15. It confirms that, to the extent it is purchasing Placing Shares for the account of one or more persons, (i) it has been duly authorised to make on their behalf the confirmations, acknowledgements and agreements set forth herein and (ii) these provisions constitute legal, valid and binding obligations of it and any other persons for whose account it is acting.
16. It acknowledges and agrees that Prudential, its affiliates, the Underwriters, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that if any of the representations, warranties, agreements and acknowledgements made herein are no longer accurate, it shall promptly notify Prudential and the Underwriters.
17. It represents and warrants that all necessary actions have been taken to authorise the purchase by it of the Placing Shares.
18. It understands that it is expected that delivery of the Placing Shares will be made against payment therefor on or about the Listing Date, which will be the sixth business day following the Price Determination Date. Pursuant to Rule 15c6-1 under the U.S. Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, it acknowledges and agrees that, if it wishes to trade Placing Shares on the date of pricing or the next succeeding business day, it will be required, by virtue of the fact that the Placing Shares initially will settle six business days following the pricing date (T+6), to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement, and it will consult its own advisor with respect thereto.

UNITED KINGDOM

No Placing Shares have been offered or will be offered to the public in the United Kingdom prior to the publication of a prospectus in relation to the Placing Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that the Placing Shares may be offered to the public in the United Kingdom at any time:

- to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Joint Global Co-ordinators for any such offer; or
- in any other circumstances falling within Section 86 of the FSMA,

APPENDIX IV – SELLING AND TRANSFER RESTRICTIONS

provided that no such offer of the Placing Shares shall require Prudential or any Placing Underwriter to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

EUROPEAN ECONOMIC AREA

In relation to each individual Member State of the European Economic Area (each a “**Relevant State**”), no Placing Shares have been offered or will be offered to the public in that Relevant State prior to the publication of a prospectus in relation to the Placing Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that an offer of Placing Shares to the public may be made in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than “qualified investors” as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer;
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of any Placing Shares shall result in a requirement for Prudential or any Placing Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Placing Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any securities to be offered so as to enable an investor to decide to purchase or subscribe for the Placing Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129

AUSTRALIA

This document:

- does not constitute a prospectus or a product disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act**”);
- does not purport to include the information required of a prospectus under Part 6D.2 of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act;
- has not been, nor will it be, lodged as a disclosure document with the Australian Securities and Investments Commission (“**ASIC**”), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and
- may not be provided in Australia other than to select investors (“**Exempt Investors**”) who are able to demonstrate that they: (i) fall within one or more of the categories of investors under Section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act; and (ii) are “wholesale clients” for the purpose of Section 761G of the Corporations Act.

Accordingly, the Placing Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Placing Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Placing Shares may be distributed directly or indirectly in or into Australia, except in circumstances where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Placing Shares, each subscriber or purchaser of Placing Shares represents and warrants to the

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Prudential, the Placing Underwriters and their affiliates that such subscriber or purchaser is an Exempt Investor.

As any offer of Placing Shares under this document, any supplement or the accompanying prospectus or any other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Placing Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Placing Shares, each subscriber or purchaser of Placing Shares undertakes to Prudential and the Placing Underwriters that such subscriber or purchaser will not, for a period of 12 months from the date of issue or purchase of the Placing Shares, offer, transfer, assign or otherwise alienate those Placing Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

BERMUDA

The Offer Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

CANADA

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Placing Shares. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Placing Shares and any representation to the contrary is an offence. The offer and sale of the Placing Shares in Canada is being made on a private placement basis and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of Placing Shares acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which resale restrictions may under certain circumstances apply to resales of the Ordinary Shares outside of Canada.

As applicable, each Canadian investor who purchases the Placing Shares will be deemed to have represented to the Prudential and the Placing Underwriters and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an “accredited investor” as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions (“**NI 45-106**”) or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and (iii) is a “permitted client” as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“**NI 33-105**”) (or section 3A.4 in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction), this Placing is conducted pursuant to any exemption from the requirement that Canadian investors be provided with certain underwriter conflicts of interest disclosure that would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

CAYMAN ISLANDS

This Prospectus does not constitute a public offer of the Offer Shares, whether by way of sale or subscription, in the Cayman Islands. Accordingly, the Offer Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to any member of the public in the Cayman Islands.

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HONG KONG

The Placing Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” within the meaning of the SFO and any rules made thereunder or (ii) in circumstances which do not constitute an offer to the public or an invitation of offers by the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or which do not require a document that is a “prospectus” or do not result in any document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance. Each Placing Underwriter may not issue or have in its possession for the purpose of issuing and will not issue or have in its possession for the purpose of issuing (in each case whether in Hong Kong or elsewhere) any invitation or advertisement or document relating to the Placing Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so by the securities laws of Hong Kong) other than with respect to Placing Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

JAPAN

The Placing Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**FIEA**”). Accordingly, this document is not an offer of securities for sale and the Placing Shares have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws, regulations and ministerial guidelines of Japan.

KUWAIT

This document is not for general circulation to the public in Kuwait. The Offer Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Placing Shares in Kuwait on the basis a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Offer Shares is being made in Kuwait, and no agreement relating to the sale of the Offer Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Offer Shares in Kuwait.

MAINLAND CHINA

This Prospectus does not constitute a public offer of the Offer Shares, whether by sale or subscription, in the PRC. The Offer Shares are not being offered or sold directly or indirectly in the PRC to or for the benefit of legal or natural persons of the PRC.

Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Offer Shares or any beneficial interest therein. Persons who come into possession of this Prospectus are required by Prudential and its representatives to observe these restrictions.

MALAYSIA

No offering material or document in connection with the offer and sale of the Offer Shares has been or will be registered with the Securities Commission of Malaysia (“**Commission**”) for the Commission’s approval pursuant to the Capital Markets and Services Act 2007.

Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence granted under Section 61 of the CSMA; (iii) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (iv) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (v) an

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individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vi) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (vii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies), based on the last audited accounts; (viii) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (ix) an Islamic bank licensee or takaful licensee as defined in the Labuan Islamic Financial Services and Securities Act 2010; and (x) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (x), the distribution of the Offer Shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities.

QATAR

This document is not intended to constitute an offer, sale or delivery of shares or other securities under the laws of the State of Qatar including the rules and regulations of Qatar Financial Centre Authority (“**QFCA**”) or the Qatar Financial Centre Regulatory Authority (“**QFCRA**”). The Offer Shares have not been and will not be listed on the Qatar Exchange and are not subject to the rules and regulations of the DSM Internal Regulations applying to the Qatar Exchange, the Qatar Financial Markets Authority (“**QFMA**”), the Qatar Central Bank (“**QCB**”), the QFCA or the QFCRA, or any laws of the State of Qatar.

This document has not been and will not be:

- lodged or registered with, or reviewed or approved by the QFCA, the QFCRA, the QCB or the QFMA; or
- authorised or licenced for distribution in the State of Qatar, and the information contained in this Prospectus does not, and is not intended to, constitute a public or general offer or other invitation in respect of shares or other securities in the State of Qatar or the QFC.

The offer of the Offer Shares and interests therein do not constitute a public offer of securities in the State of Qatar under the Commercial Companies Law No. (5) of 2002 (as amended) or otherwise under any laws of the State of Qatar, including the rules and regulations of the QFCA or QFCRA.

The Placing Shares are only being offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Shares. No transaction will be concluded in the jurisdiction of the State of Qatar (including the jurisdiction of the Qatar Financial Centre). Prudential and the Placing Underwriters are not regulated by the QCB, QFMA, QFC Authority, QFC Regulatory Authority or any other government authority in State of Qatar. Prudential and the Placing Underwriters do not, by virtue of this document, conduct any business in the State of Qatar. Prudential is an entity regulated under laws outside the State of Qatar.

SAUDI ARABIA

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority (“**CMA**”) pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended (the “**CMA Regulations**”). The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial adviser.

No action has been or will be taken in the Kingdom of Saudi Arabia (“**Saudi Arabia**”) that would permit a public offering of the Offer Shares. Any investor in Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires any Placing Shares pursuant to an offering should note that the offer of Placing Shares is a private placement under Article 10 and/or Article 11 of the “Offers of Securities Regulations” as issued by the Board of the Capital Market Authority of Saudi Arabia resolution number 2-11-2004 dated 4 October 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008 (the “**KSA Regulations**”), through a person authorised by the Capital Market Authority of Saudi Arabia to carry on the securities activity of arranging and following a notification to the Capital Markets Authority of Saudi Arabia under the KSA Regulations.

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The Placing Shares may thus not be advertised, offered or sold to any person in Saudi Arabia other than to “sophisticated investors” under Article 10 of the KSA Regulations or by way of a limited offer under Article 11 of the KSA Regulations. Each Placing Underwriter represents and agrees that any offer of Notes to a Saudi Investor will be made in compliance with the KSA Regulations.

SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of Placing Shares may not be circulated or distributed, nor may Placing Shares be offered or sold, or be made in the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than to (a) an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”) pursuant to section 274 of the SFA); (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Placing Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (however described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Placing Shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

SOUTH AFRICA

Investors in the Republic of South Africa should note that this Prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “**SA Companies Act**”). Therefore, this Prospectus does not comply with the substance and form requirements for prospectuses set out in the SA Companies Act and the SA Companies Act Regulations of 2011 (as amended or re-enacted) (“**SA Companies Act Regulations**”) and has not been approved by, and/or registered with, the South African Companies and Intellectual Property Commission (the “**CIPC**”), or any other South African authority.

Any offer of the Placing Shares in the Republic of South Africa will not be an ‘offer to the public’ as contemplated under the SA Companies Act and may only be made to persons falling within the categories of persons listed in section 96(1)(a) or (b) of the SA Companies Act (the “**South African Qualifying Investors**”) and any offer or sale of the Placing Shares shall be subject to compliance with South African exchange control regulations. Should any person in the Republic of South Africa who is not a South African Qualifying Investor receive this Prospectus, they should not and will not be entitled to acquire any Placing Shares and/or participate in the Placing or otherwise act thereon.

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The information contained in this Prospectus constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, No. 37 of 2002 (as amended or re-enacted) (“**FAIS**”) and does not constitute the furnishing of any “advice” as defined in section 1(1) of FAIS. The information contained in this Prospectus should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Prospectus should be construed as constituting the canvassing for, or marketing or advertising of, financial services in the Republic of South Africa.

SOUTH KOREA

The Offer Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “**FSCMA**”), and the Placing Shares may only be offered in Korea as a private placement under the FSCMA. None of the Offer Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “**FETL**”). The Offer Shares have not been listed on any of securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the Placing Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Placing Shares. By the purchase of the Placing Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Placing Shares pursuant to the applicable laws and regulations of Korea.

SWITZERLAND

This document is not intended to constitute an offer or solicitation to purchase or invest in the Offer Shares. The Offer Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”) and no application has or will be made to admit the Offer Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this document nor any other offering or marketing material relating to the Offer Shares constitutes a prospectus pursuant to the FinSA, and neither this document nor any other offering or marketing material relating to the Offer Shares may be publicly distributed or otherwise made publicly available in Switzerland.

TAIWAN

The Offer Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Offer Shares in Taiwan.

THAILAND

The Offer Shares have not been offered or sold and will not be offered or sold in Thailand, except by private placement offer in accordance with certain conditions as prescribed in the Thai Capital Market Supervisory Board’s Notification No. TorJor. 5/2558 re: rules regarding private placement offer of shares issued by foreign entities dated 23 March 2015, as amended from time to time, and other applicable regulations of the Thai Securities and Exchange Commission and Capital Market Supervisory Board.

UAE

The Offer Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this document does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not

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intended to be a public offer. This document has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

