



Prudential plc

2020 Half Year Results

11 August 2020

Additional Information

2020 Half Year Results

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Asia Section

Asia

Key features



- ✓ Leading pan-regional franchise
- ✓ Top 3 position in 9 of 13 life markets¹
- ✓ Market leading pan regional Asian Retail Fund Manager²
- ✓ Leading multi-channel distribution network
- ✓ Access to population of 3.7bn³

Asia financial performance, \$m				
	HY20	HY19 CER ⁷	%	FY19 CER ⁷
APE	1,665	2,540	(34)%	5,130
NBP	912	1,673	(45)%	3,515
IFRS operating profit⁵	1,733	1,526	14%	3,276 ⁴
Operating FSG⁵	988	871	13%	1,772 ⁴
Embedded value	37,252 ⁶	35,507 ⁴	4%	39,235 ⁴

Note: As per the FY19 disclosures, unless stated otherwise.

1. Based on full year 2019 (fiscal year 2020 for India). Sources include formal (eg 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. United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects 2019 Revision

4. Actual exchange rate (AER)

5. Before restructuring costs

6. As at 30 June 2020

7. Constant exchange rate (CER)



Context and HY20 performance



Strategic priorities and progress



Market updates



Supporting our staff, customers and community



Capital, balance sheet and earnings

Asia

Capturing structural opportunities with quality platform and new capabilities



Capturing structural consumer demand for H&P

High quality business model

Resilience through diversified platform

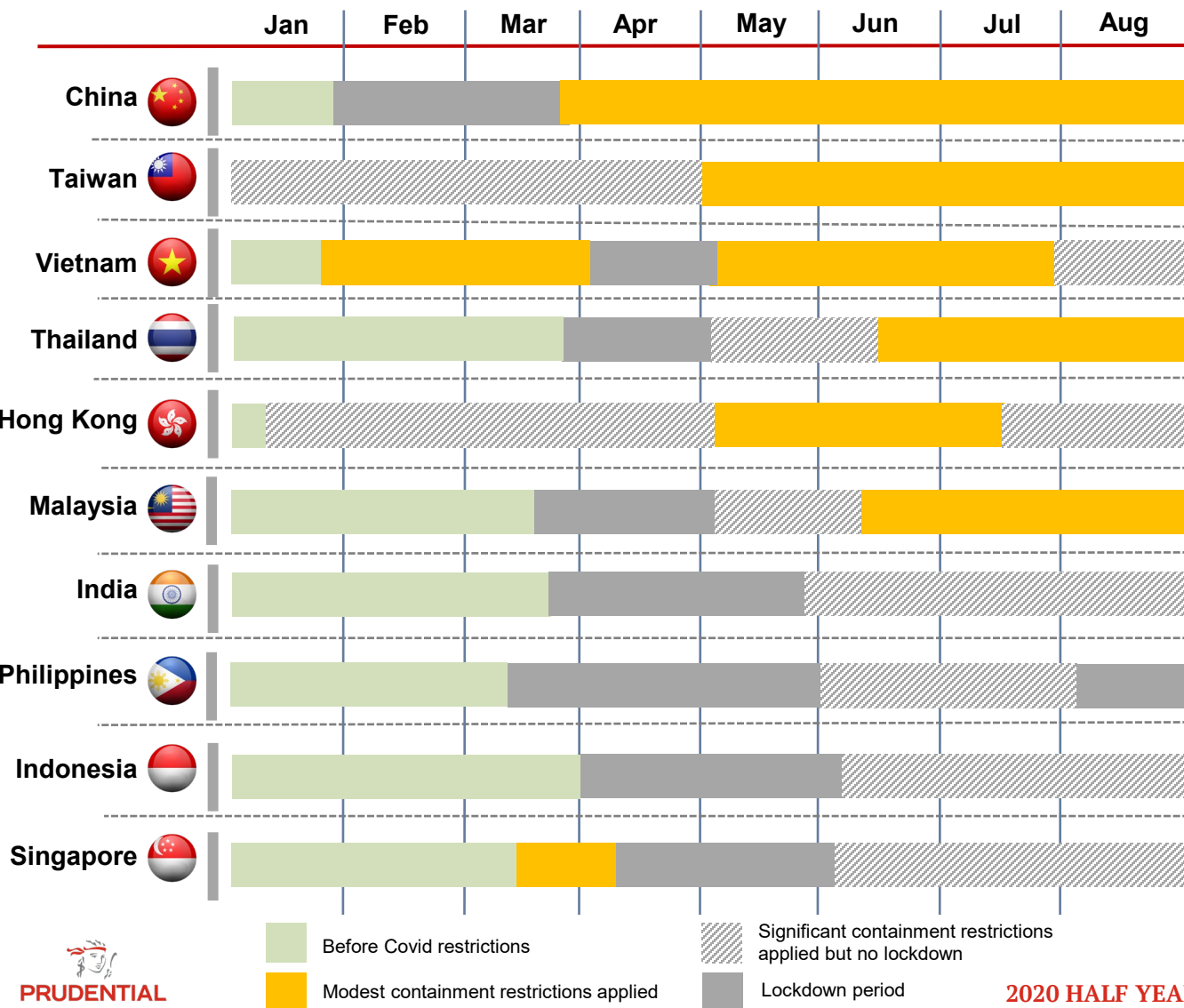
Amplifying capabilities to meet customer demand

Accelerating Pulse rollout

Operating environment

Several markets in restart mode with planned easing measures

Restriction measures & timeline



Current status of measures

Easing measures; internal travel and business activity resumed nationwide from 26 March with strict measures in place to respond and contain local spikes

Internal travel and normal business activity resumed from 1 May with ongoing measures in place to contain any infection spikes

From 30 July social distancing measures re-imposed; non-essential businesses closed and religious activities suspended in Hanoi and Ho Chi Minh City

Phased easing of restrictions to allow movement and businesses to resume from 3 May; curfew lifted on 14 June while ongoing social distancing extended till 31 Aug

New rounds of restrictions were placed on 15 July. Border with Mainland China remains closed

Recovery Movement Control Order enacted from 10 June to allow business to resume under ongoing disease prevention measures

Domestic flights resuming on 25 May; easing of business/religious restrictions from 8 June; national controls remain till 31 August

Renewed lockdown in Manila and nearby provinces from 4 August

Large scale social restrictions in Jakarta eased on 5 June, but the transitional period of holding activities at 50% remains in place

A three-phase plan to resume business began on 2 June. In Phase 1, businesses with low Covid-risk re-opened. In the current Phase 2, retail services and most businesses have resumed. In Phase 3, social/cultural activities will return to normal.

Note: Lockdown definition varies among countries but generally refers to date non-essential businesses were ordered to shut down. Easing of lockdown comes with certain restrictions in all the countries; PCA Analysis. Updated as of 30 July 2020.



Demand for insurance reinforced¹

Asia Pacific

46% searched for new policies

32% bought a new policy

58% desire access to healthcare services (e.g. virtual GP)

China



73% searched for new policies

56% bought a new policy

68% desire access to healthcare services (e.g. virtual GP)

Hong Kong



41% searched for new policies

22% bought a new policy

54% desire access to healthcare services (e.g. virtual GP)

Singapore



31% searched for new policies

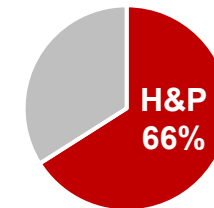
16% bought a new policy

57% desired immediate financial support (e.g. outside of a claim payment)

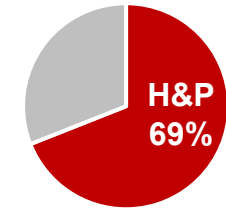
Shift towards H&P

7 markets with higher H&P APE mix in **HY20**, led by India (+**14**ppts to **27%**), Singapore (+**8**ppts to **29%**) and Thailand (+**4**ppts to **25%**)

NBP mix shifting towards H&P

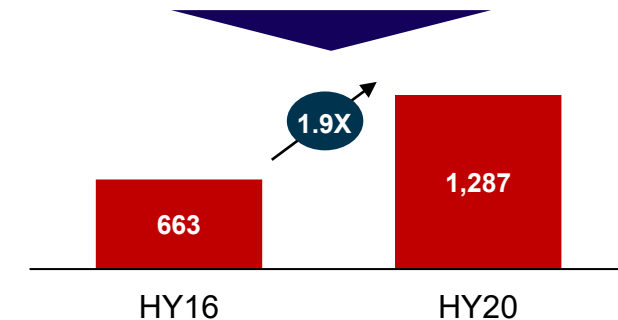


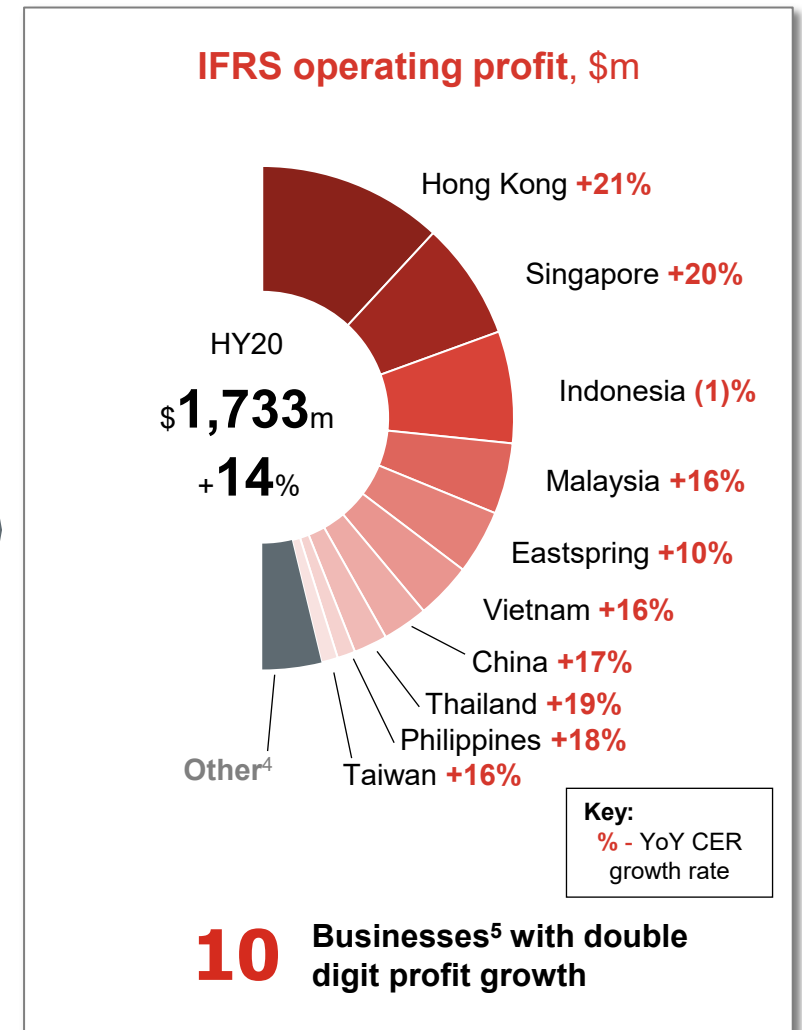
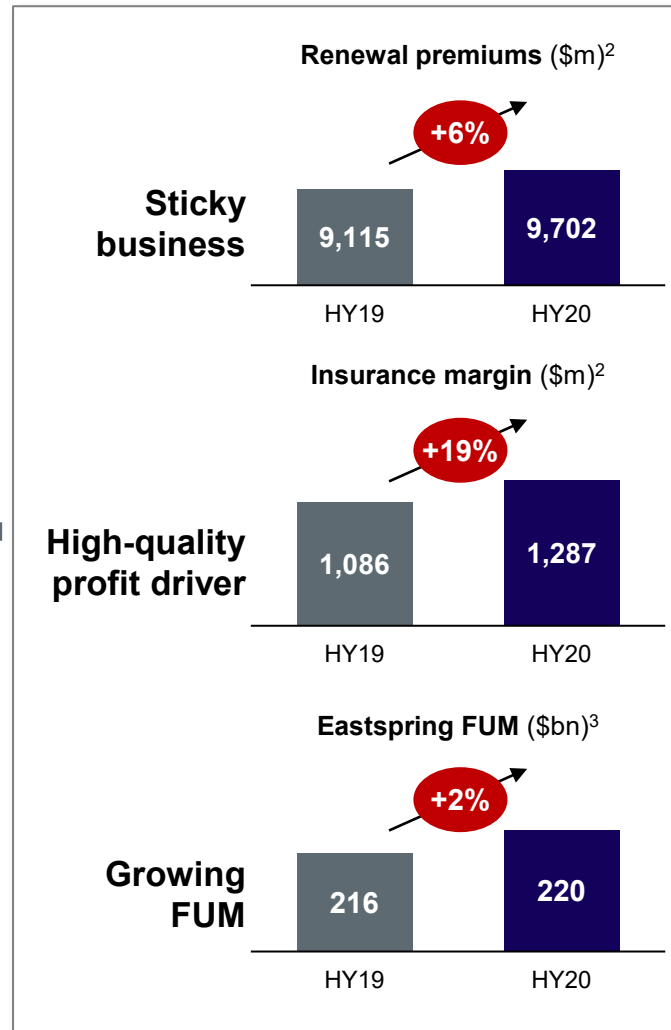
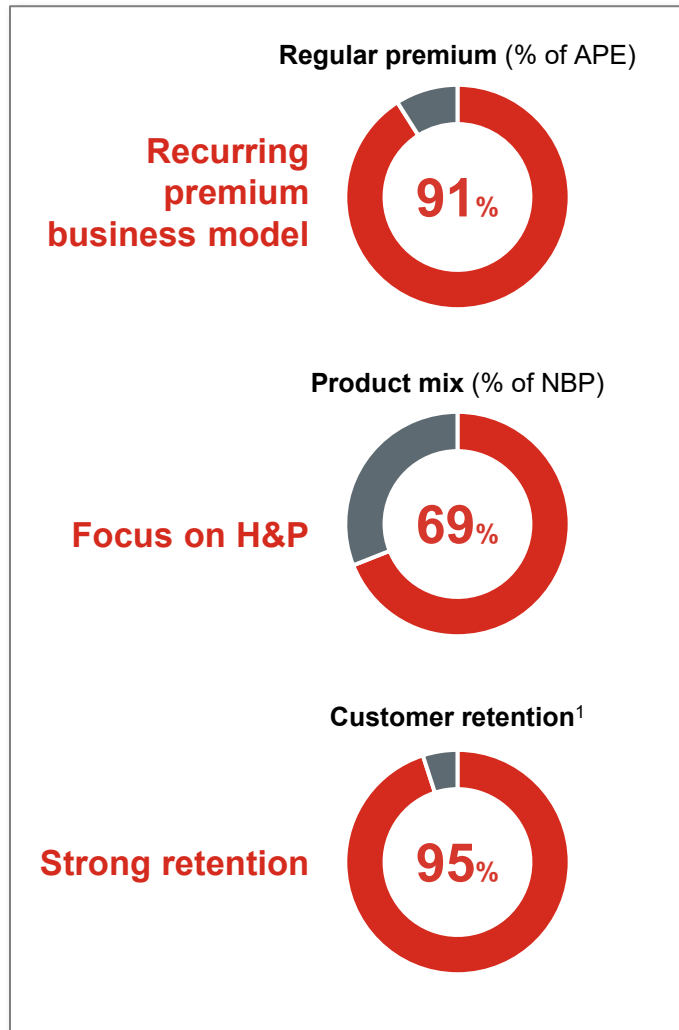
HY16



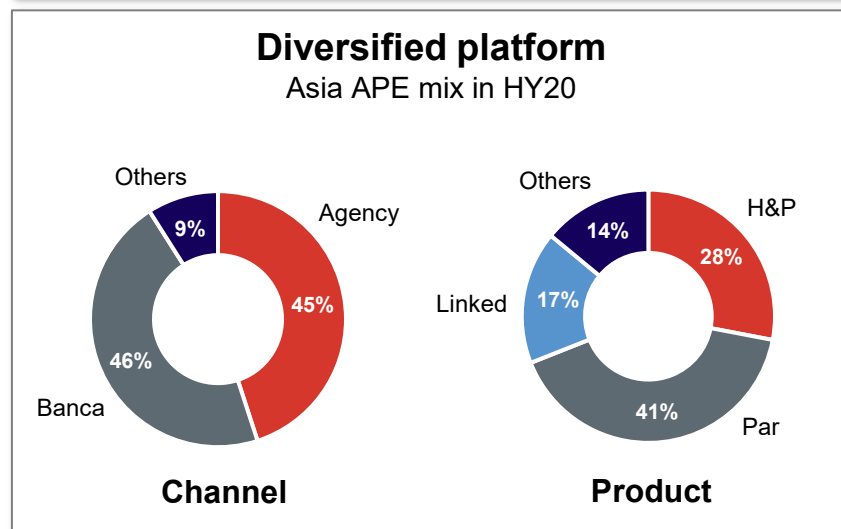
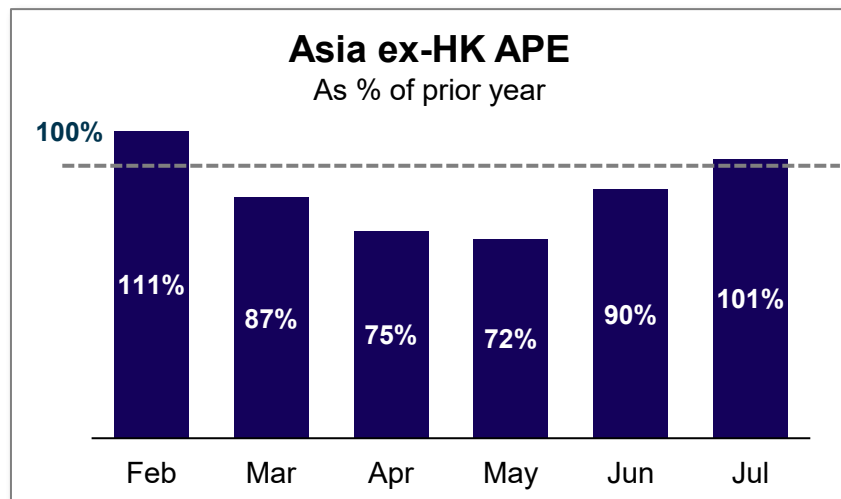
HY20

Robust growth in insurance margin², \$m





1. Excluding India, Laos and Myanmar
 2. Constant exchange rate basis
 3. Actual exchange rate basis
 4. Includes Cambodia growing IFRS operating profit at double digits
 5. Includes Eastspring



Performance highlights¹

1Q20

- Five markets with increased sales
- Double-digit APE growth in Indonesia (+**42%**), Thailand (+**33%**), and Singapore (+**10%**)
- Asia ex-HK NBP up +**17%** underpinned by double-digit growth in protection APE sales

2Q20

- Double-digit APE growth in Thailand, China, Vietnam and Taiwan
- **China:** APE +**20%** with all channels growing, empowered by nationwide footprint & multi-product and multi-channel business model
- **Thailand:** APE +**56%** underpinned by renewed focus on banca

HY20

- All life markets with higher June sales levels than in May (**1.5x**) and April (**1.7x**)
- Asia ex-HK APE down **-12%** with NBP more resilient at **-6%**, from shift to H&P
- Robust banca APE at **-13%**, reflecting essential service nature of channel
- Structural Eastspring strengths with internal AUM up +**15%**² to **\$122bn**
- July APE (ex-HK) above prior year level, driven by new capabilities, strength of platform and easing of restrictions

1. Percentages represent year-on-year change on a constant exchange rate basis, unless stated otherwise

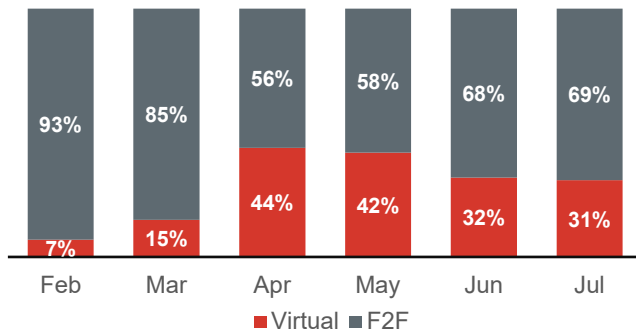
2. Year-on-year change on an actual exchange rate basis. Growth rate based on re-presenting the half year 2019 comparatives to show the \$24.9 billion of funds managed on behalf of M&G plc as external rather than internal funds under management to align to the presentation since the demerger in October 2019



New virtual onboarding

- Virtual sales introduced in all markets¹ **~90%**² of products (based on APE) capable of being sold virtually
- 38%** of agency cases sold virtually in 2Q20

Agency – Virtual & F2F case mix



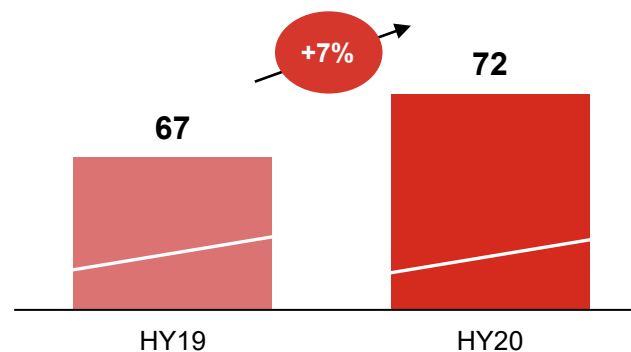
No. of markets with virtual sales capability by month in 2020:



Agent capacity and quality

- Virtual end-to-end agency management in all markets
- Increased sales capacity supported by **7%** growth in **new recruits**^{3,4} to **72k** and **7%** expansion in **agent count**^{3,4}
- Strong growth in **MDRT**⁵ members in Asia ex-HK (**+19%**)

Agency new recruits³, thousands



Strengthening core capabilities

- 15-year strategic partnership with **TMB** (Thailand); new partnerships with SeABank (Vietnam), BFL (Laos) and Yoma (Myanmar)
- Access to **bank branches** increased to **>19,000** in the region
- Increasing consumer access through **new wave partners** – UOB Mighty, OVO, Central
- Expanding **China** footprint – presence in **20** branches, **97** cities (+3) and **234** outlets (+5)
- PRUworks**, our SME proposition, driving group sales up **+20%**

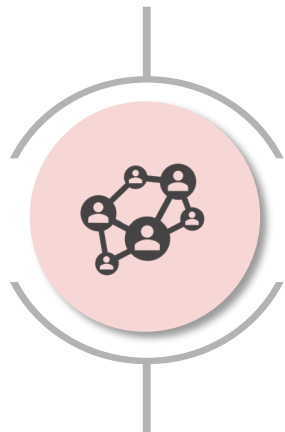


1. Through the agency distribution channel
 2. Based on the APE sales mix achieved in Asia within the first half of 2020
 3. Excluding India

4. Compared to half year 2019
 5. Per MDRT results as of 1 July 2020. Changes are year-on-year



Engage



- **Pulse by Prudential** live in **11** markets; **10** languages
- **21** new digital partnerships secured; **>730k** cumulative usage¹ of Babylon services and Telemedicine
- **8.1 million** downloads² with **70%** new to Prudential customers

Onboard



- Launched **8 digital products** including Dengue fever, Credit Shield, Personal Accident, Coronavirus cover
- Issued **c.1.7 million** policies, sold direct through Pulse and partners; **c.1 million** new customers acquired through the digital channels
- Agency virtual sales model (**OnePulse**) in 2 markets (the Philippines & Malaysia)

Purchase



- **PRULeads**: converting downloads into leads
- **c.640k** leads generated for agents from April, converting into **28k** online to offline sales
- Generated APE of **\$60 million**

Data as of June 2020.
1. As of 30 July 2020
2. As of 05 August 2020



Context and HY20 performance



Strategic priorities and progress



Market updates



Supporting our staff, customers and community

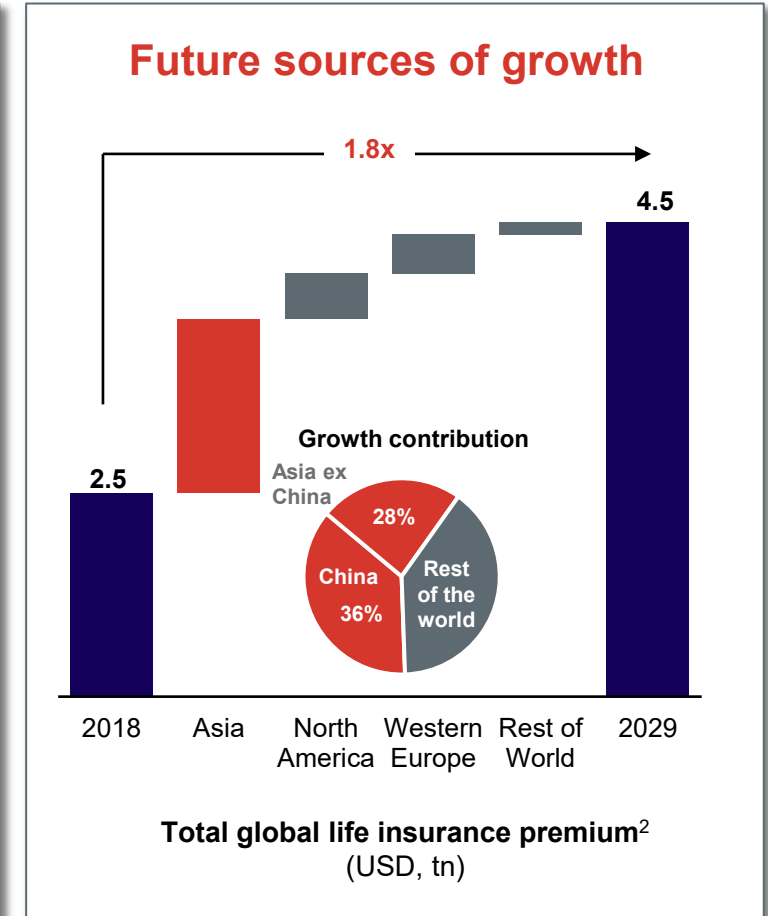
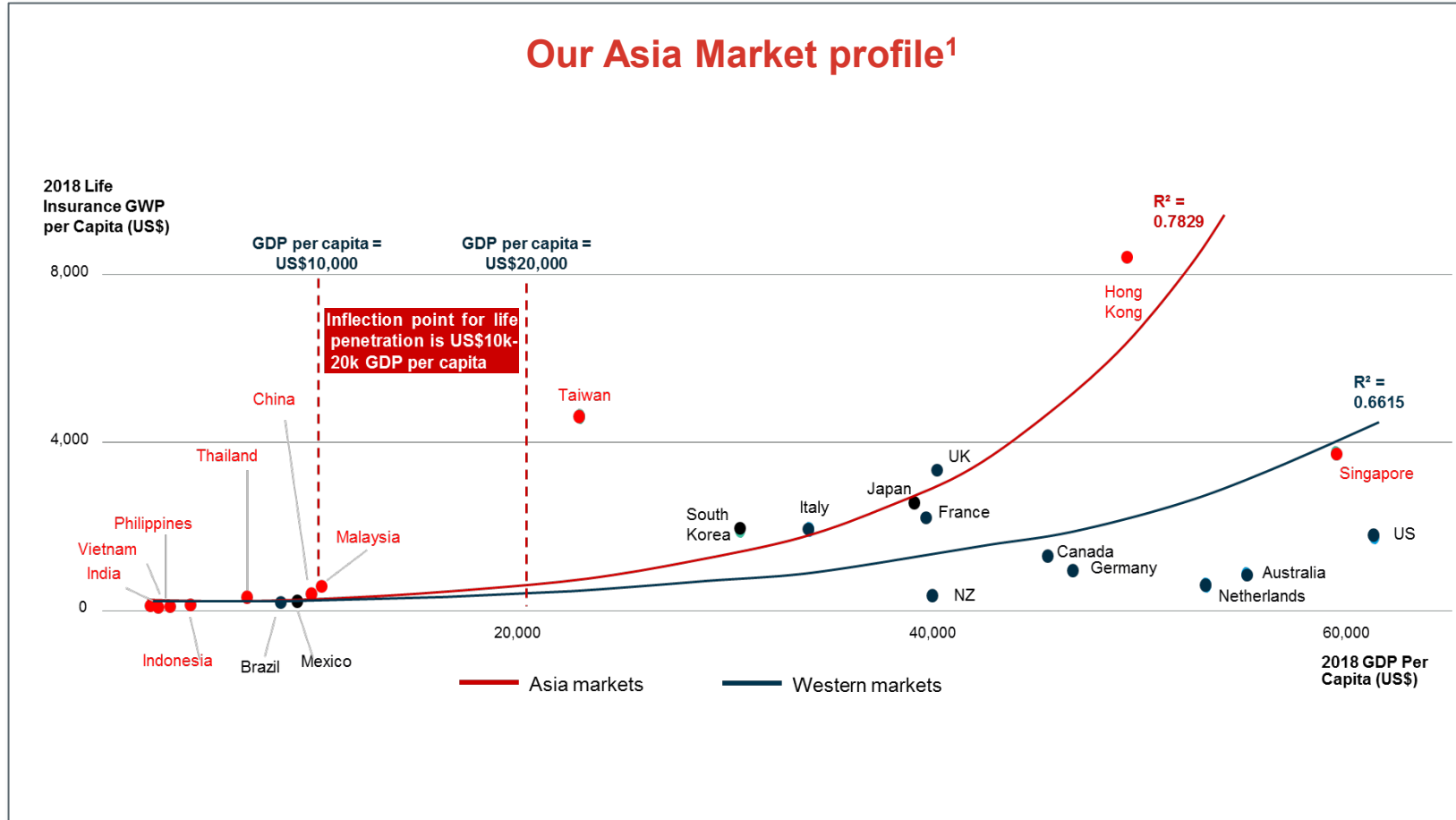


Capital, balance sheet and earnings

Asia

Significant long-term growth opportunity- \$1.3tn of expected premiums²

Majority of Asian markets remain below the inflection point, US\$10k to US\$20k GDP per capita, for life insurance penetration



Asia

Leading pan-regional franchise

>600k
Agents

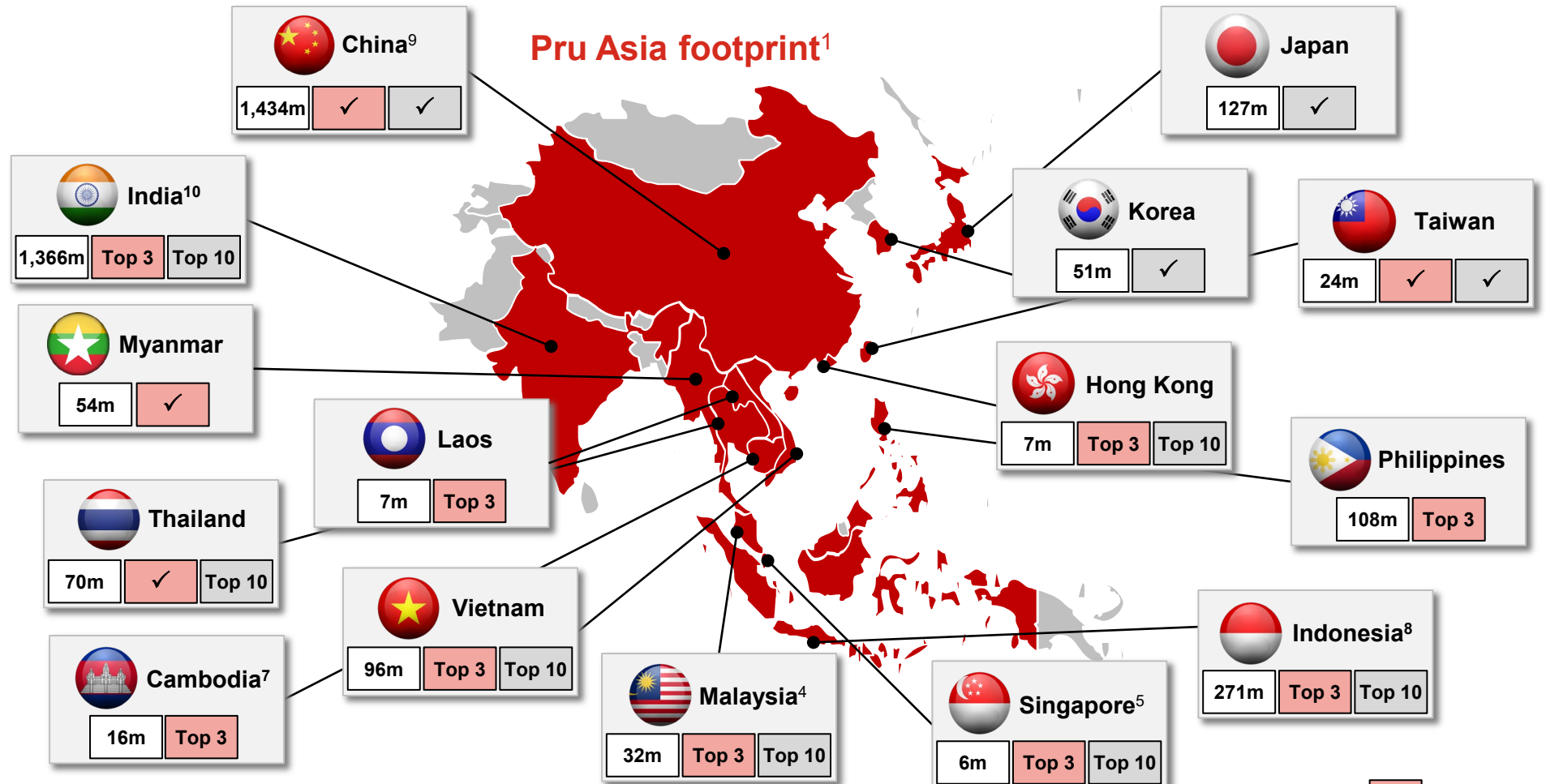
>300
Life & asset management
distribution partnerships

1.4m
New Pru life
customers¹¹

Top 3
Position in 9 of 13
life markets^{1,2}

Market leading pan
regional Asian Retail Fund
Manager⁶

Access to:
3.7bn
Population³



Life
Eastspring

Based on full year 2019 (fiscal year 2020 for India). Sources include formal (eg 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.

- Markets determined by regulatory and business requirements
- Top 3 in 9 of 13 markets. Source: Based on formal (Competitors' results release, local regulators and insurance associations) and informal (industry exchange) market share data. Ranking based on new business (APE or weighted FYP depending on the availability of data)
- United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects 2019 Revision
- Includes Takaful, excludes Group business

- Includes onshore only, excluding Eldershiel and DPS
- 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
- First year gross premiums
- Excluding Jiwasraya
- Total joint venture/foreign players only
- Private players only
- In FY19. Excludes India

Strategic priorities

Enhance the core

- Broaden flagship product range
- Expand distribution and drive efficiency
- Collaborate with non-traditional partners
- Increase automation and embed digital capability

Create 'best-in-class' health capability

- Narrow mortality protection gap
- Grow participation in health and medical segments
- Build-out presence in SME segment
- Expand value added services

Accelerate Eastspring

- Strengthen and expand investment offering
- Diversify investment styles
- Enhance distribution capabilities
- Build digital enablers

Expand presence in China

- Grow into footprint
- Preserve leading edge operational capabilities
- Deepen asset management presence
- Pursue optionality to increase participation

Clear strategic priorities and quality execution

Strategic priorities

Enhance the core

- Leader in banca¹ – enhanced with TMB banca agreement; access to **>19,000** bank branches
- **90%** of products capable of virtual sales; **38%** of agency cases sold virtually in 2Q
- Agent management moving online, supporting **+7%** increase in agent recruits²

Create best-in-class health capability

- **Pulse by Prudential: 8.1m** downloads³ vs 0.5m at the start of the year
- **1.7m** digital policies³ sold through Pulse and partners
- **7** markets with higher H&P mix led by India, Singapore and Thailand
- **PRUworks** (SME insurance proposition) driving group sales **+20%**⁴

Accelerate Eastspring

- Resilient Asia life flows driving internal FUM **+15%** to **\$122bn**⁷
- China WFOE's total sourced/sub-advised FUM of **RMB2.8bn**
- Operating profit **+10%**⁴ supported by stringent cost management

Expand presence in China

- **20** branches with presence in **97** cities (+3) and **234** sales outlets (+5)⁵
- APE **+20%** in 2Q with all channels growing; GWP⁶ **+33%** in 2Q outgrowing sector **>2x**
- Total (life) assets grew⁴ **35%** to **\$17bn**; no. of customers⁴ **+12%** to **1.6m**

As of HY2020 unless stated otherwise.

1. By access to bank branches

2. Excluding India, vs HY19

3. As of 05 August 2020

4. Year-on-year growth on a constant exchange rate basis

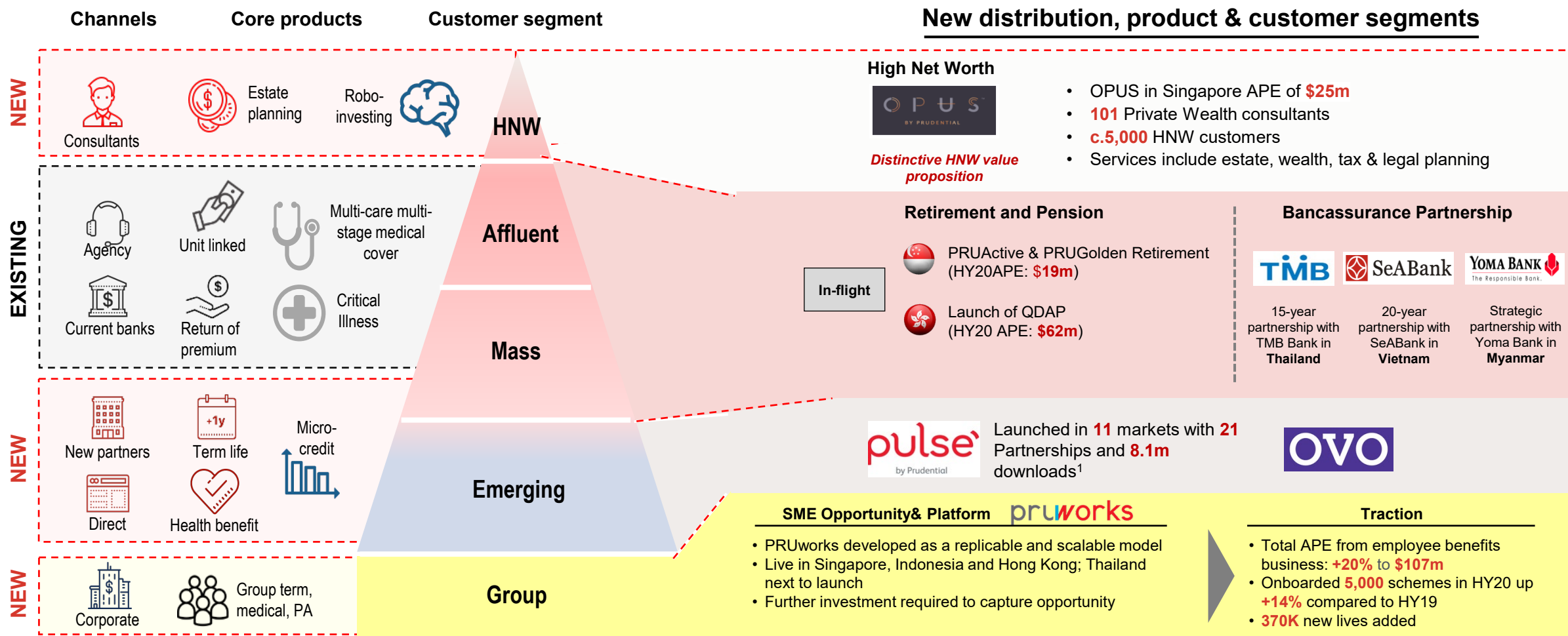
5. Increase compared to yearend 2019

6. GWP = Gross written premium. Source: CBIRC

7. Growth rate based on re-presenting the half year 2019 comparatives to show the \$24.9 billion of funds managed on behalf of M&G plc as external rather than internal funds under management to align to the presentation since the demerger in October 2019

Enhance the Core

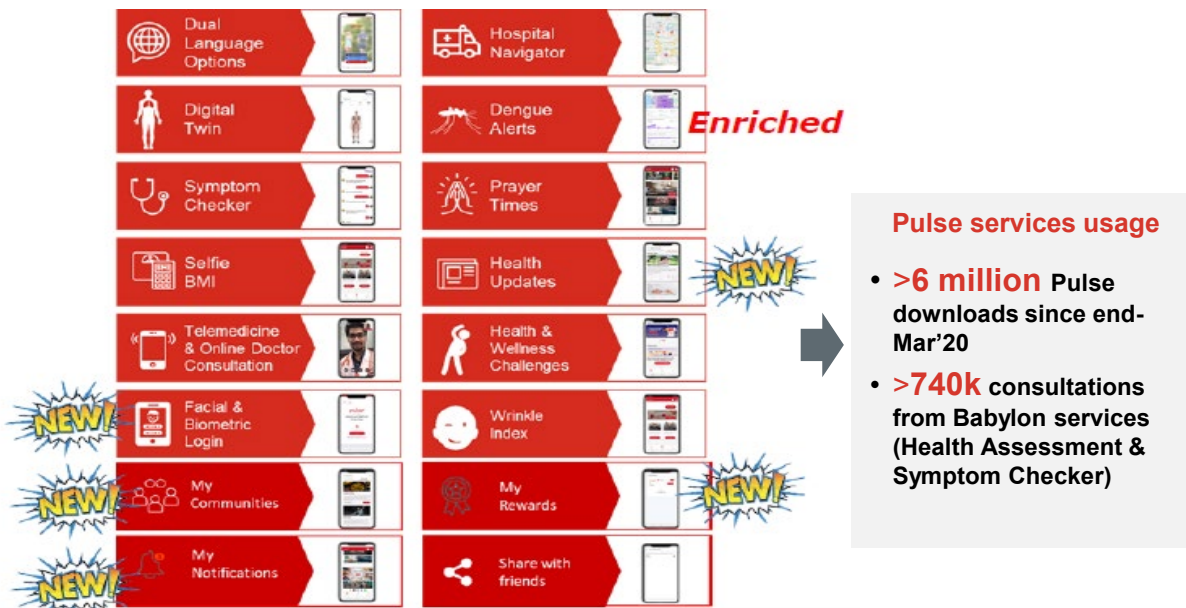
Diversifying into new distribution partners, customer segments and products



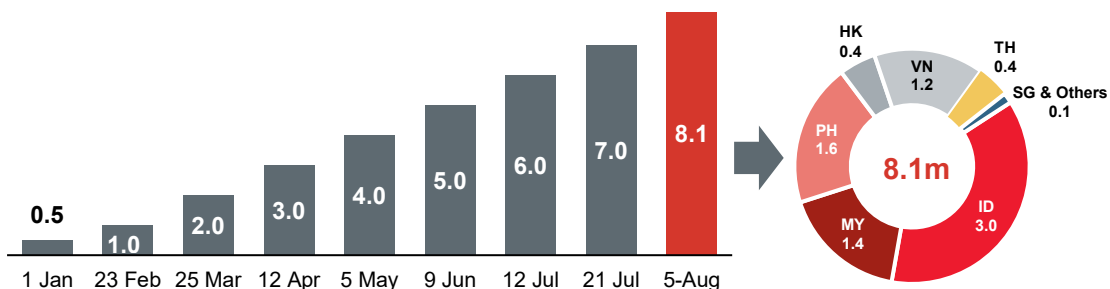
Accelerate Pulse Buildout

Pulse is broadening our customer base, gathering new data and converting into sales

Pulse: First-of-its-kind, all-in-one and AI-powered app

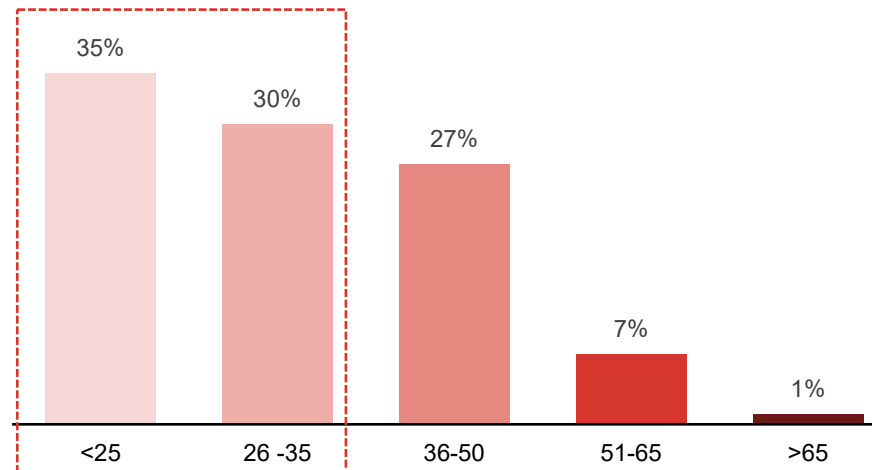


Pulse downloads in 2020 (m)



Broadening customer base

Majority of Pulse users are in 18-35 age group



Existing PCA Customer Profile

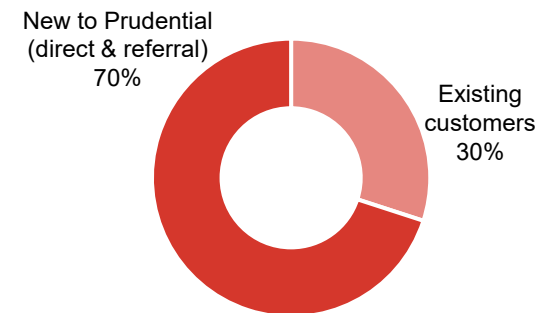
- Mass affluent
- Average age: 40

VS

Pulse User Profile

- Digitally savvy
- Average age: 30

70% of users are new to Prudential customers¹



Accelerate Eastspring

Eastspring is a unique, structurally advantaged platform

Overview

Unique platform

- **Top 10** in **7** out of **11** markets
- **Asia's largest** retail asset manager (ex Japan)
- Structurally advantaged due to **reliable and predictable annual flows** from life operations
- Multiple-times winner of "**Asia Fund House of the Year**"¹ and of "**Asia Bond House of the Year**"² awards
- **55%** of external net flows in 2019 came from new initiatives

Completed portfolio gap-fills

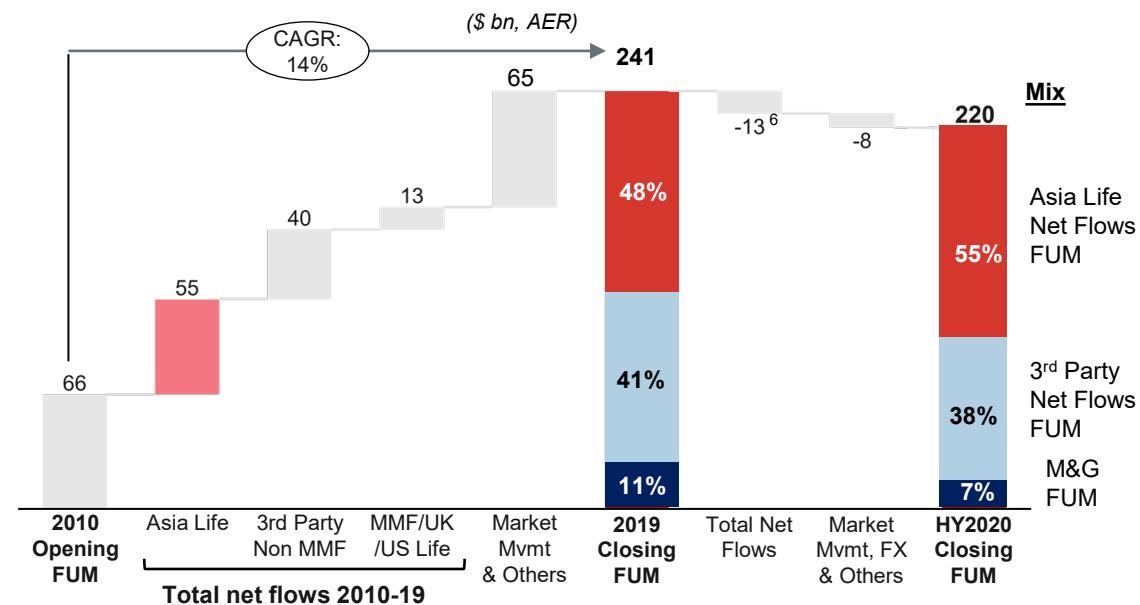
- Completed **TMBAM and TFund acquisitions** in Thailand, **gaining a foothold** in the second largest economy and **leading mutual fund market** in ASEAN
- **Launched China WFOE; RMB 2.8bn** AUM (incl. advisory) with significant equity investment outperformance

Leveraging technology

- Launched **eTrading** platform in Malaysia
- Implemented **Blackrock's** Aladdin system

1. Awarded by Asian Investor's Asset Management Awards (2015, 2017, 2018);
 2. Awarded by Asia Asset Management Fund Manager Surveys (2019, 2020)
 3. Cost/income ratio represents cost as a percentage of operating income before performance related fees
 4. Year on year growth; on a constant exchange rate
 5. Totals may not cast as a result of rounding
 6. \$13bn total net outflows include Asia Life (+\$3bn), M&G (-\$7bn) and Third party net flows (-\$8bn)

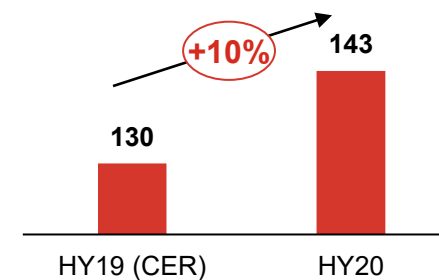
Cyclical business but structurally advantaged due to reliable and consistent life business flows⁵



Operating leverage, \$m

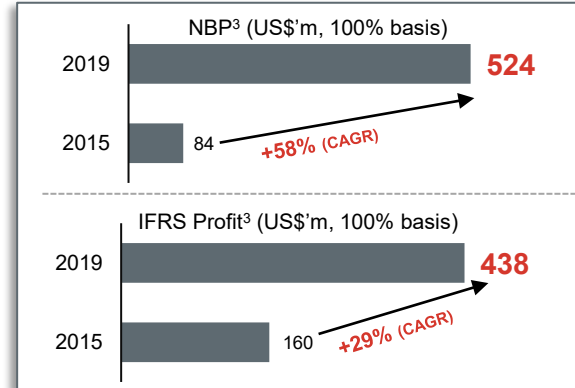
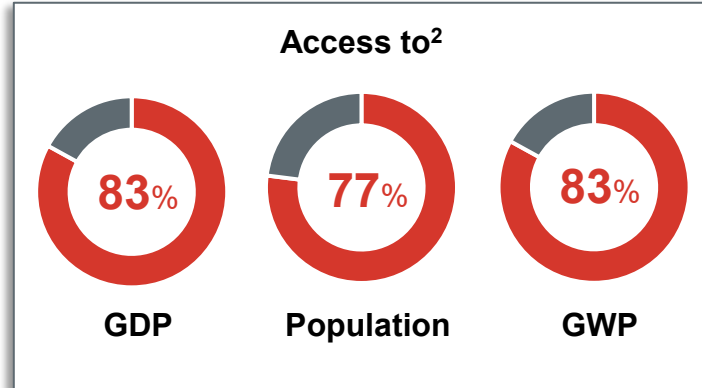
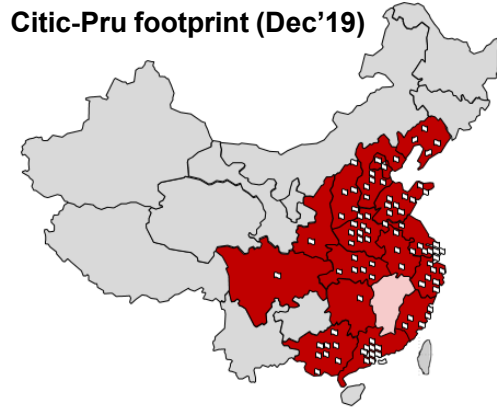


IFRS Operating Profit⁴, \$m



Expand Presence in China

Significant growth potential from higher penetration

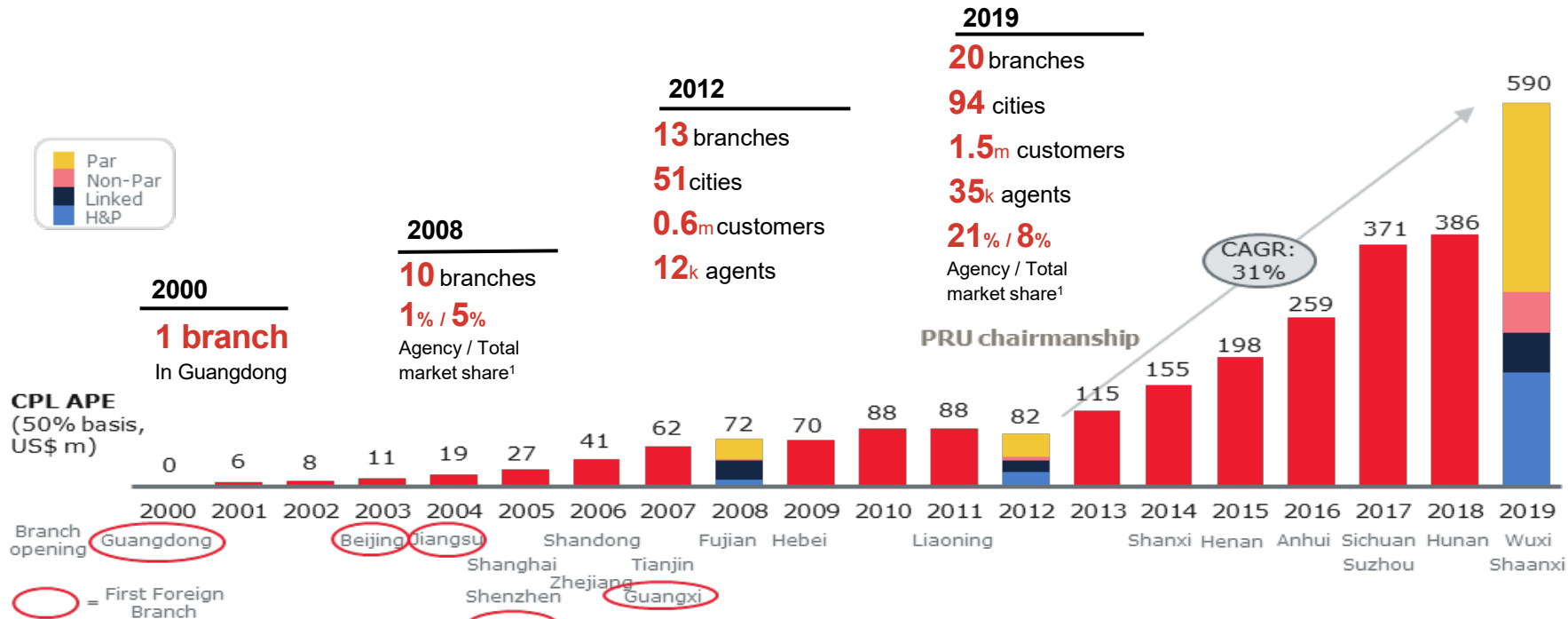


17 Straight 'A' score for CBIRC Integrated Risk Rating since 2016 (only JV)

Top 10 ranked Chinese Life Insurers by California State University since 2016 (only JV)

1st FIE to deliver local GAAP profits in under 10 years

Note: FIE = Foreign invested entities



Multi-dimensional delivery





Context and HY20 performance



Strategic priorities and progress



Market updates



Supporting our staff, customers and community



Capital, balance sheet and earnings

Asia

Market highlights – China

Intact structural demand drivers

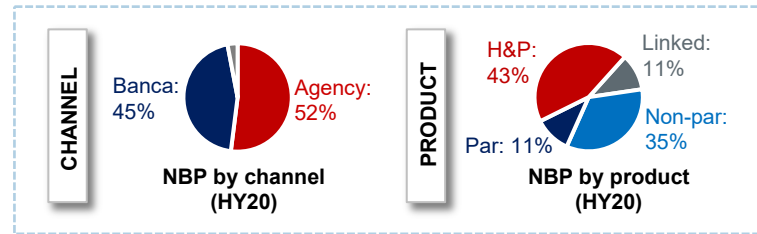
- Faster growth in GDP than advanced economies¹
- Rapid expansion of the middle class; significant protection gap²
- **4 out of 5** consumers intend to purchase more insurance post-Covid³
- **2/3** of consumers feel they need more health insurance, but only half have taken actions so far⁴

Digitalisation of business model

- Digital products launched in Feb; **Virtual Reality** meeting room launched in May
- **67%** of new agency cases sold virtually in 1H20
- **Agency** profiling / assessment / recruitment / training all moved **online**
- Agency productivity⁶ **+56%**; active agents **+7%**

Expansion of our platform

- Operationalised Shaanxi province
- Presence in **20** branches, **97** cities (+3) and **234** sales outlets (+5)⁵

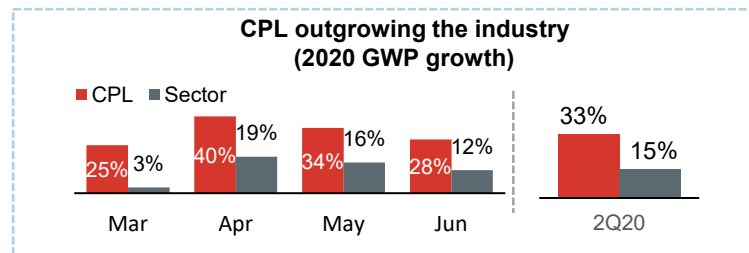


Quality execution and outperformance

+30% Renewal premium growth

+12% Customer growth to **1.6m**

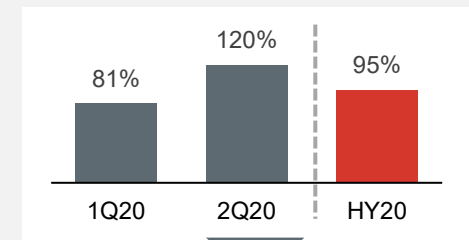
+17% IFRS earnings to **\$101m**



Execution⁷

APE

(XX% indicates 2020 sales as a proportion of 2019 levels)

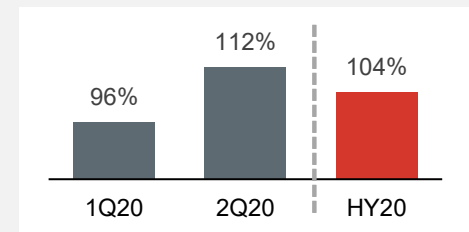


2Q20 (vs PY)

Agency **+15%**
Banca **+25%**

NBP

(XX% indicates 2020 NBP as a proportion of 2019 levels)



As of HY20 unless stated otherwise.

1. IMF, World Economic Outlook (June 2020), Real GDP growth

2. Swiss Re Asia's health protection gap: insights for building greater resilience. October 2018 Represents China, India, Japan, Korea, Indonesia, Malaysia, Taiwan, Vietnam, the Philippines, Singapore, Hong Kong and Thailand

3. McKinsey report, titled: "How Covid-19 is accelerating 5 key trends shaping the Chinese economy"

4. Morgan Stanley report: "Key trends shaping the Chinese economy."

5. Increase compared to year-end 2019; SSO = Sales Service Offices

6. Cases per active agent

7. On a constant exchange rate basis

Intact structural demand drivers

Domestic

- Ageing population
- Significant protection gap
- Government initiatives: QDAP¹ and VHIS²



Mainland

- 69% of MCH customers intend to buy HK life insurance in 12 months; rise in demand for H&P products³
- Government initiatives: Greater Bay Area



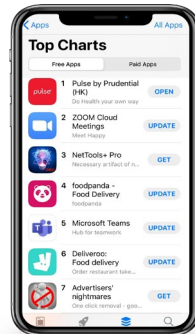
Product innovation & focus on quality

0.4m Pulse downloads⁴

PRUworks launched in April

QDAP 22% of domestic APE in HY20

1.3m ↑ Customers
98% ↑ Regular premium mix
98% ↑ Customer retention ratio



1. Qualifying Deferred Annuity Policy (QDAP)
 2. Voluntary Health Insurance Scheme (VHIS)
 3. Based on our 2Q20 MCH Sentiment Tracker
 4. As of 5 August 2020
 5. On a constant exchange rate basis

Enhancing our distribution capabilities

- Virtual sales** of all products enabled in agency and bank channels (approval in late 2Q for flagship product). All agency recruitment and training moved online
- #1** agency force, increased by **7%** to **24.7k**
- Leading** regional partnership with Standard Chartered Bank

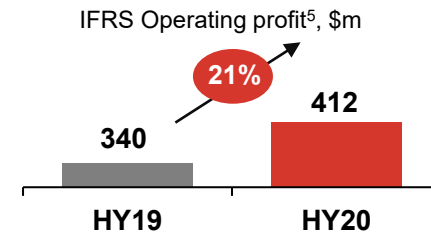


Resilient in-force driving profit growth

Resilient in-force

Total renewal premium up⁵ **+8%**
 H&P Renewal premium up⁵ **+17%**

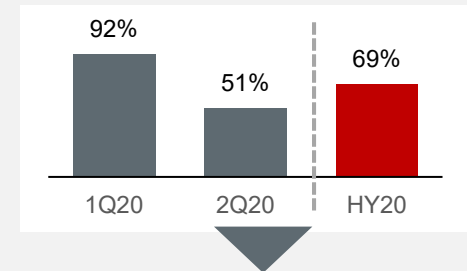
Driving robust IFRS profit



Execution⁵

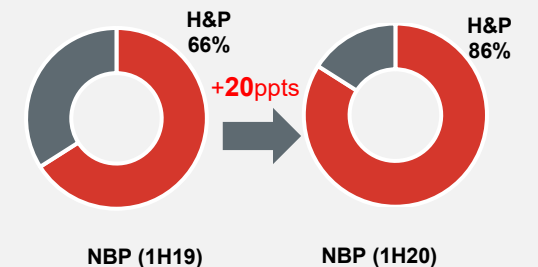
(XX% indicates 2020 sales as a proportion of 2019 levels)

APE - Domestic



- Strong sequential recovery with June APE **2.1x** April's level

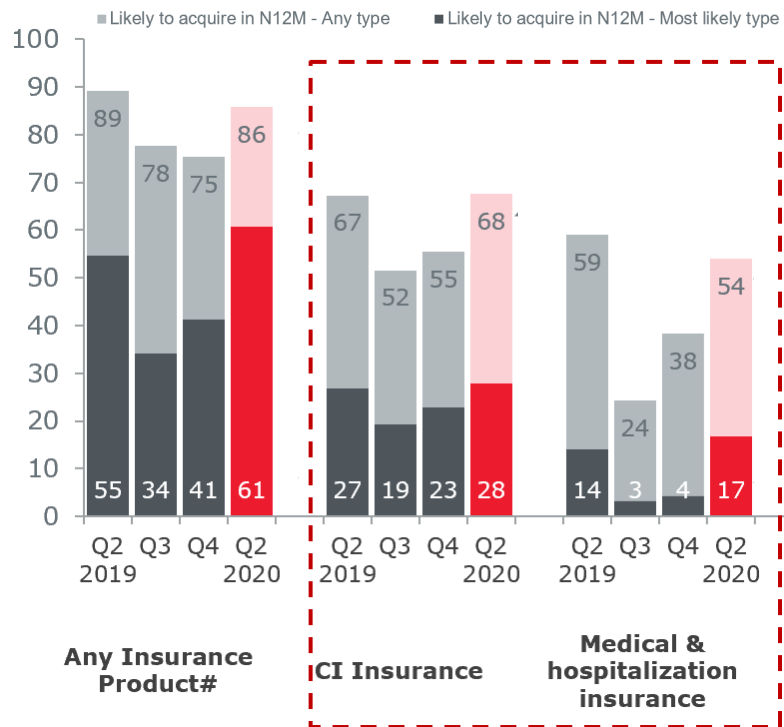
H&P NBP – Domestic⁵



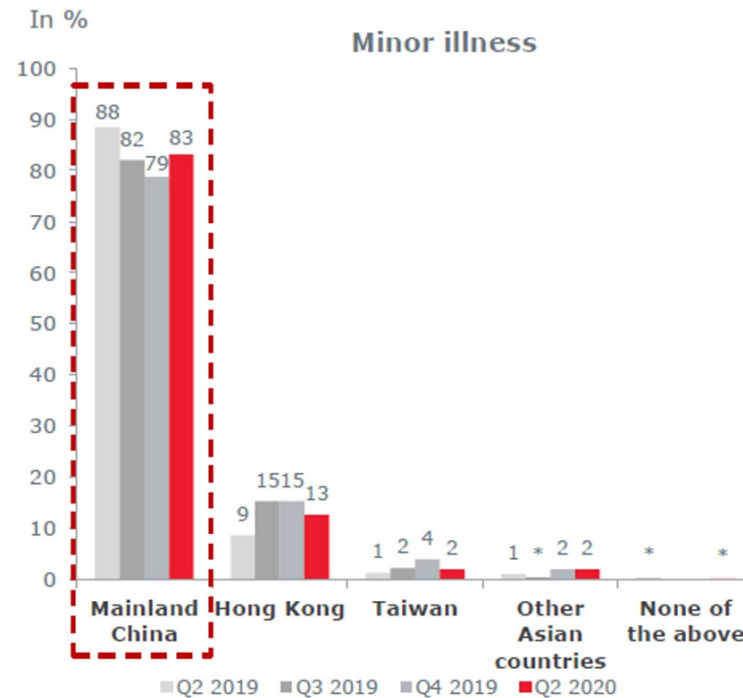
Asia

Hong Kong: Intact demand drivers for mainland Chinese customers

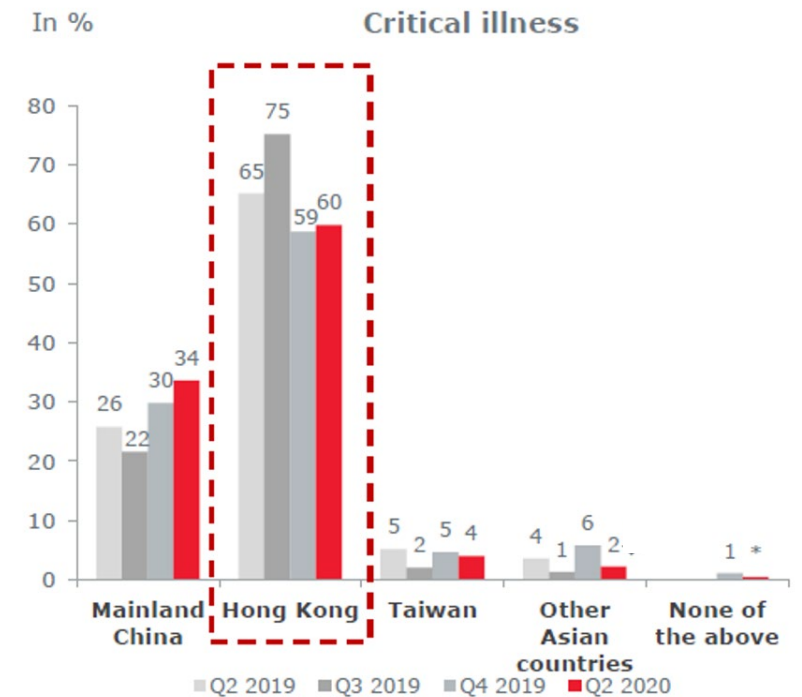
MCH visitors' intention for financial products



MCH visitors' preference for medical treatment



MCH visitors' preference for medical treatment

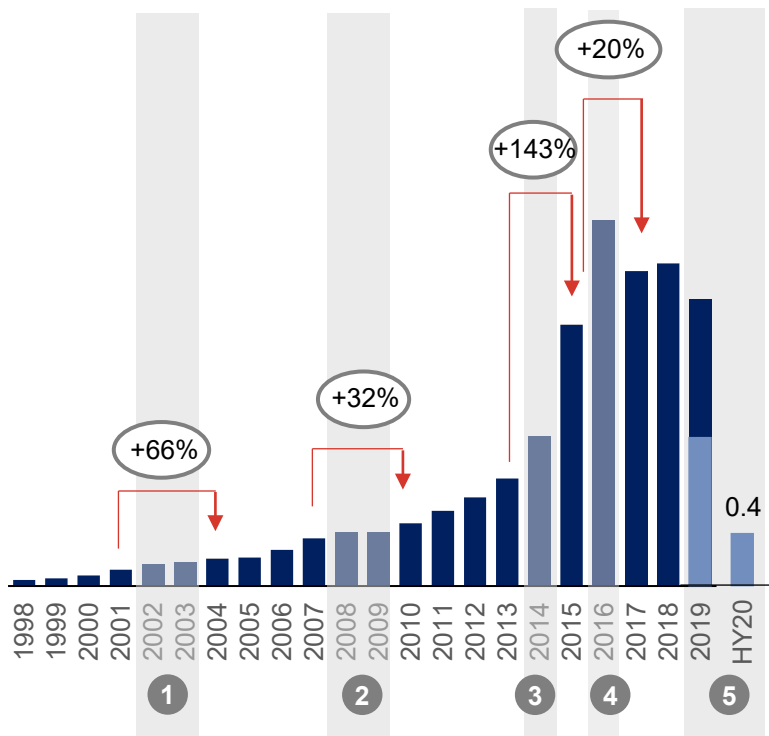


Note: Based on our Q2 2020 MCH Sentiment Tracker conducted through online survey using Nielsen online panel on behalf of Prudential Hong Kong. Survey results are based on sample size of 450.
 # Any insurance products refers to insurance with coverage in the event of death, CI, Medical & hospitalization insurance and savings insurance.

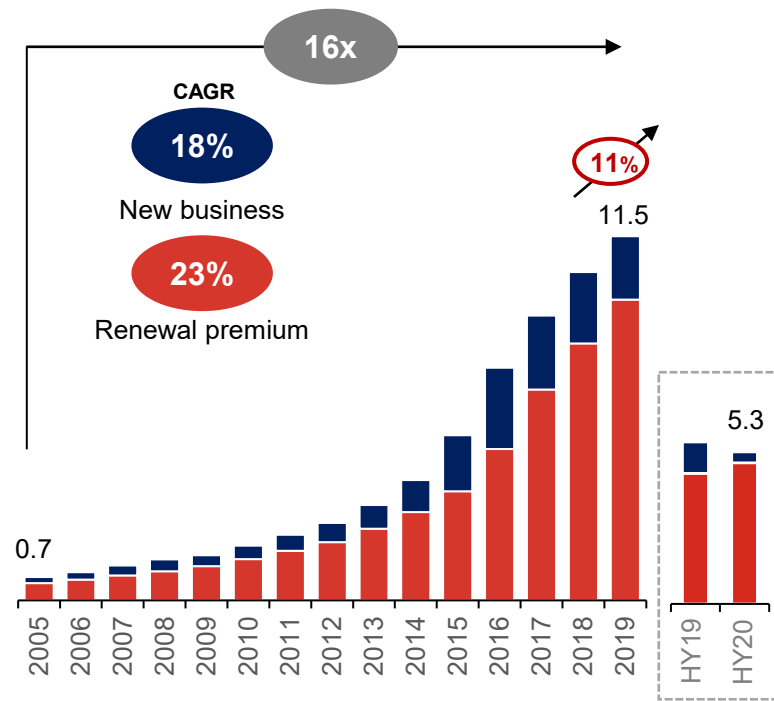
Asia

Hong Kong: Resilient earnings

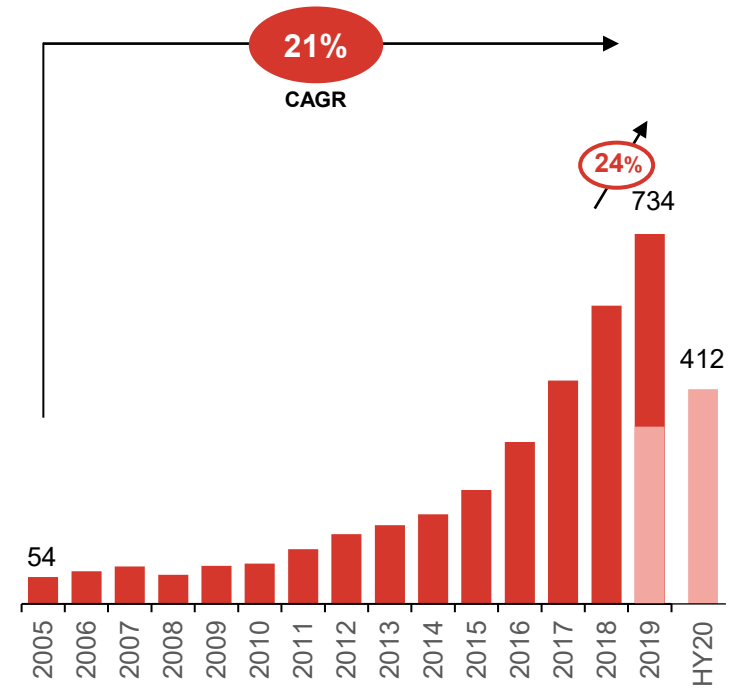
APE¹, \$bn



Life weighted premium income¹, \$bn



Life IFRS operating profit¹, \$m



X 1. SARS between 2002-2003; 2. GFC between 2008-2009; 3. 2014 Occupy Central event in Hong Kong; 4. Tighter control of yuan in 2016. 5. Social unrest and Covid-19 pandemic.

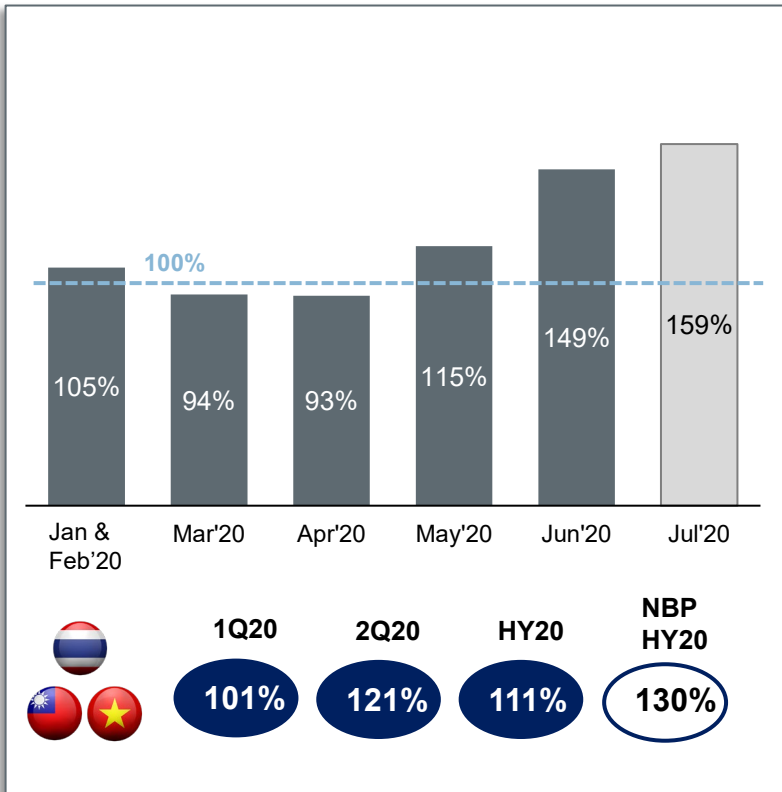
1. On actual exchange rate basis

Asia

Market APE sales trends

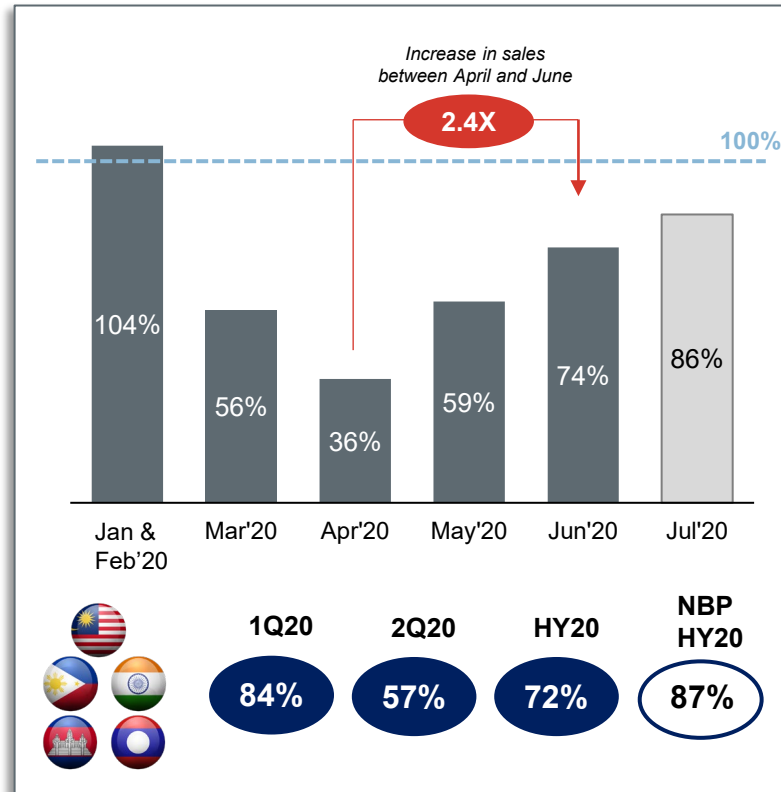
Markets returned to YoY growth in 2Q

Markets (Thailand, Taiwan and Vietnam) where lockdown measures were introduced early (and less severe) and consequently eased early, allowing sales to recover in 2Q



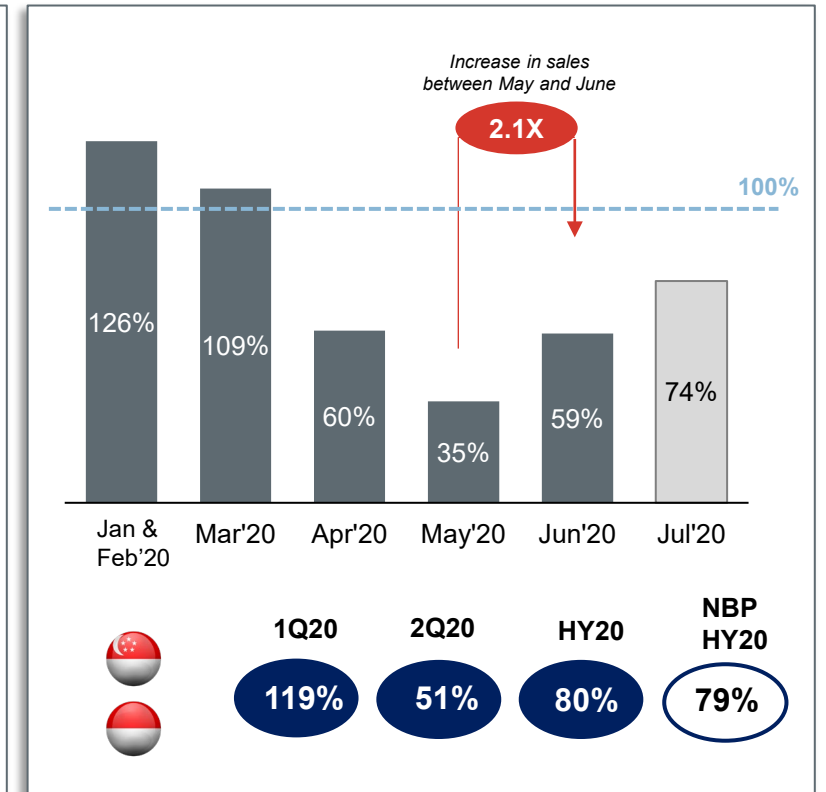
Markets with “April low”

Markets (Malaysia, India, the Philippines, Cambodia and Laos) where lockdown measures were introduced in late March and easing started in May, allowing sales to rebound since May



Markets with “May low”

Markets (Indonesia and Singapore) where lockdown measures were introduced in April and were not lifted until June, with sales only recovering from June



x% represents 2020 APE sales vs. 2019

x% represents 2020 NBP vs. 2019

Note: Growth rates are on a constant exchange rate basis.

Asia

Markets returned to year-on-year growth

Thailand



Partnership momentum

- **15-year exclusive** partnership with **TMB** (APE up **+81%**)
- Digital lifestyle & health collaboration signed with **The 1 Central**

Focus on quality

- H&P APE growth **+67%**
- H&P renewal premium up **+13%**
- **94%** customer retention ratio

Leveraging technology

- **Virtual sales** process launched at UOB, TBank
- E-Payment rate **83%** (vs. 71% in FY19)

APE

+45% to **\$90m**

1Q20	2Q20
+33%	+56%

Earnings¹

+19% to
\$75m

Vietnam



Enhancing distribution capabilities

- **SeABank** partnership launched in April
- **22%** increase in agent recruits²

Pivot to more balanced mix

- Banca APE **+55%**

Focus on quality

- Total renewal premium up **+13%**
- **+15%** increase in H&P APE
- **99%** regular premium
- **95%** customer retention ratio

APE

+8% to **\$95m**

1Q20	2Q20
0%	+14%

Earnings¹

+16%
\$125m

Taiwan



Profitable growth

- Shift to higher-margin Par products
- NBP up **+19%**, double-digit growth in 1Q and 2Q

Diversification of distribution

- Strong broker sales, APE **4X** of last year levels
- **17** bank partners and **15** broker relationships

Focus on quality

- **98%** customer retention ratio

APE Flat

1Q20	2Q20
-10%	+11%

Regular premium
+15%
to
\$144m

Earnings¹

+16%
\$37m

On a constant exchange rate basis unless stated otherwise.

1. IFRS pre-tax operating profit
2. Year on year growth vs HY19

Asia

Markets with “April low”

India



Focus on quality

- H&P APE **+29%**, sales mix **+14ppts** to **27%**
- Persistency at **83%**, one of the best in industry^{4,5}
- No. of agents **+3%**⁸

Leveraging technology

- All products can be sold **virtually**
- **97%** of new business logged online

Asset management

- ICICIPRU⁸ AMC FUM **+2%** to **\$47bn** (at 100%)
- Life FUM⁶ **+11%** to **\$23bn** (at 100%)

Sales recovery

- June sales **1.9X** of April levels

Malaysia



Continued to focus on quality

- **96%** of APE from regular premiums
- H&P APE mix up **2ppts** to **46%**
- MDRT members **+116%**³
- Strong customer retention of **96%**

Building digital capabilities

- **1.4m Pulse**⁷ users
- **100%** of products capable of being sold online
- Agents adapted to new technology, **30%** of sales virtual in 2Q (58% in April)

Sales recovery

- June sales **2.6X** of April levels

Philippines



Enhancing distribution capabilities

- Agent count up **7%**³ to **34k**

Focus on quality

- **97%** regular premium
- **93%** customer retention ratio
- H&P mix improved to **+29%**, up **+3ppts**
- Total renewal premium² **+12%**

Building digital capabilities

- **1.6m⁷ Pulse** downloads
- Virtual sales accounted **95%** in 2Q

Sales recovery

- June sales **2.6X** of April levels

APE²

-36% to
\$83m

Protection APE²

+29% to
\$23m

APE²

-20% to
\$123m

Earnings^{1,2}

+16%
\$158m

APE²

-23% to
\$56m

Earnings^{1,2}

+18%
\$40m

1. IFRS pre-tax operating profit
2. On a constant exchange rate basis
3. Year on year change vs HY19
4. Source: ICICI Prudential June 2020 update

5. Retail 13th month persistency (excluding single premium) as of 11M FY2020
6. As of 3M-FY2021; growth rate is relative to FY2020 position and AUM is at 100%
7. As at 05 August 2020
8. ICICIPRU Asset Management Company

Markets with “May low”

Indonesia

Enhancing & diversifying distribution

- Agent recruits² **+50%**; agent count **+13%** to **285k**
- # of MDRT **+48%** to **>1,000**; largest in Indonesia

Broadening product range

- **17** product launches in last 12 months
- **PRUTop** (CI rider) & **PRUCinta** (traditional Sharia) contributed **22%** of agency APE
- PRUworks APE **\$7.5m**, lives assured **c.180k** (launched in Jul'19)

Future-proof – Modernise platform

- **100%** of product capable of being sold online (approval to sell ILP in Jun)
- **3m Pulse** downloads⁶ (up from 0.5m in early March)
- Digital products launched: **PayLater Protect (OVO)**, **PRUTect Care (Pulse)**

#1
Overall & agency^{3,4}

Singapore

Continued focus on quality

- H&P APE **+6%**, sales mix **+8ppts** to **29%**
- Strong customer retention of **99%**
- Renewal premiums **+10%**
- MDRT members **+37%**

Broadening capabilities

- **100%** of products capable of being sold online; all processes virtualised across agency & bank
- **77%** of agency cases sold virtually in 2Q
- **PRUworks** growing strongly, APE **+30%**, no. of schemes **+10%** to 2.1k and lives assured **+51%** to 150k

#1
Overall regular premium sales^{3,5}

#1
Agency RP sales^{3,5}

#4
Group NB sales^{3,5}

APE

-19% to
\$123m

Sequential rebound

June/May growth **2.0X**

Shariah NBP

+39%

Earnings¹

-1%
\$249m

APE

-21% to
\$229m

Sequential rebound

June/May growth **2.2X**

Protection APE

+6%

Earnings¹

+20%
\$262m

On a constant exchange rate basis unless stated otherwise.

1. IFRS pre-tax operating profit
2. Year on year change vs HY19

3. As of 1Q20 market statistics

4. Source: AAJ

5. Source: LIA

6. As at 05 August 2020

Asia

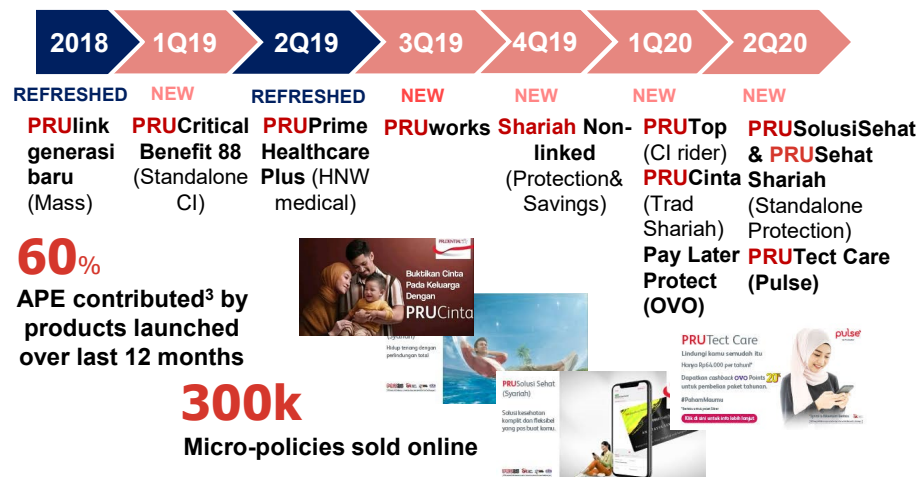
Indonesia: Broadening our capabilities

Intact structural drivers & premium franchise

- Rapid expansion of the middle class; significant protection gap
- 3rd most populous country in Asia after China & India with low insurance penetration

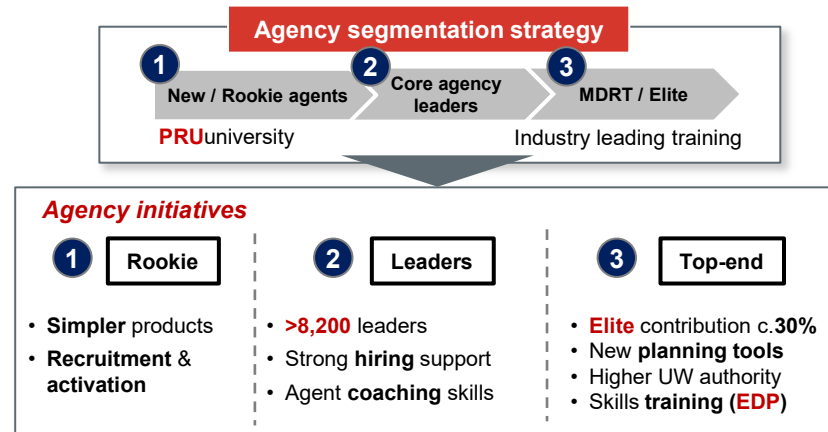


Broadening product range



Data as of HY20 unless stated otherwise.
 1. Data as of FY2019
 2. Source: AAJI
 3. APE contribution for June YTD 2020

Enhancing our distribution capabilities

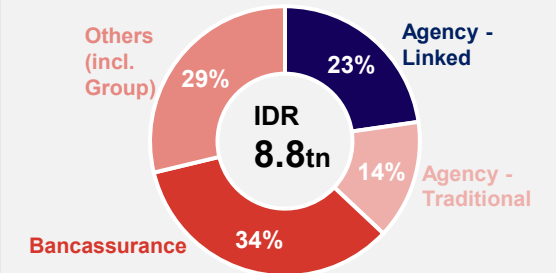


Digitalisation of business & future-proof

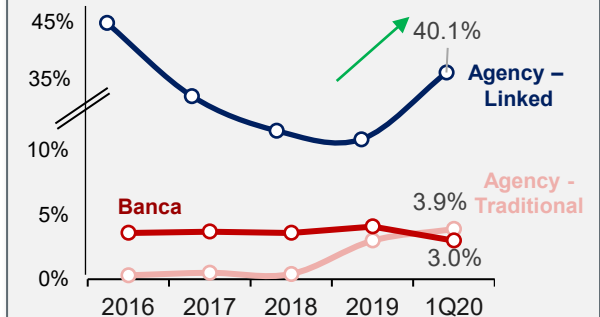
- **Pulse + PRUCEKATAN + PRUServices**
Virtual F2F platform
- **Bite-size digital products:**
 - PRUTect Care (Pulse)** + Health Symptom Checker
 - Automation:**
 - ✓ 99% e-Submission
 - ✓ 89% e-Policy
 - ✓ **PRUforce** (online & digital training deployment capabilities)
- **PRUMedical network**
 - ✓ 1,557 hospital partners
 - ✓ 73 preferred hospitals in 34 cities
 - ✓ 4 overseas hospital
 - ✓ E-medical card for digital hospital admission

Execution

Market - Total weighted new business premiums² (1Q20)



PCA - Market share (1Q20)





Context and HY20 performance



Strategic priorities and progress



Market updates






Supporting our staff, customers and community



Capital, balance sheet and earnings

Stakeholder delivery during the COVID-19 affected period

 <p>Customers</p>	<ul style="list-style-type: none">• COVID-19 protection• Acceleration of claims payment• Flexible premium payment options
 <p>Staff & agents</p>	<ul style="list-style-type: none">• Flexible “work at home” support• Digital tool roll out• Online training & education programme
 <p>Society</p>	<ul style="list-style-type: none">• Launched COVID-19 Relief Fund of \$2.5m• Launched Cha-Ching Kid\$ at Home• Safe Steps COVID-19 Pandemic Programme

Continuous investment in our community

Launched Prudential Covid-19 Relief Fund of \$2.5 million



Safe Steps Covid-19 Pandemic Programme

Joint force with the International Red Cross; launched across FOX Network on 9 April

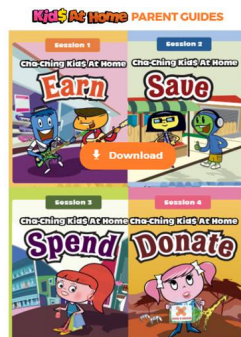
250m reach/day in Asia
80m reach/month in Africa



Launched Cha-Ching Kid\$ At Home

Providing parents with online resources to teach financial literacy at home

>15,000 views since launch on 1 June 2020



China

- **RMB15m** donation from Life and Asset Management businesses
- **RMB43k** donation to China Development Research Foundation for 1,000 facemasks to be distributed to rural China

Hong Kong

- **Free Covid-19 coverage to HK residences:** available to the first 500,000 people through Pulse sign-up
- **Project Screen – HK\$9m donation:** PHKL joint force with CSR consortium, incl. Prenetics and Chinese University of HK to provide subsidized Covid-19 test to healthcare workers and their families as well as registered Pulse users



Project Screen by Circle



Indonesia

- **Free Covid-19 hospital cash & personal accident** through Pulse registration
- **Provide accident & Covid-19 protection** in collaboration with Tokopedia (19m users/month)
- **Free Covid-19 rapid tests** to 100,000 registered users of Pulse in Jakarta & Surabaya & **free online doctor consultation** with Halodoc
- **Staff & agent fundraising** for Jakarta hospitals



Singapore

- **\$S1.5m PRUcare package:** for individuals, SMEs and Fintech community
- **Provide financial relief & medical coverage** to employees of over 1,100 FinTech companies
- **Donation of \$S100k** to the Courage Fund to support healthcare works & donation of Covid-19 care kits to >1,000 seniors & taxi drivers



Malaysia






- **Free online doctor consultation** to Pulse users
- **x2 insurance coverage** for customers and Pulse users
- **Fund raising** to distribute provisions to low-income families (incl. 3 PRUKasih communities \$2.2k)
- **Free life insurance with Covid-19 coverage** for all Boost users – RM5k upon diagnosis /RM1k upon death
- **\$120k donation** to Mercy Malaysia (B40 Group)



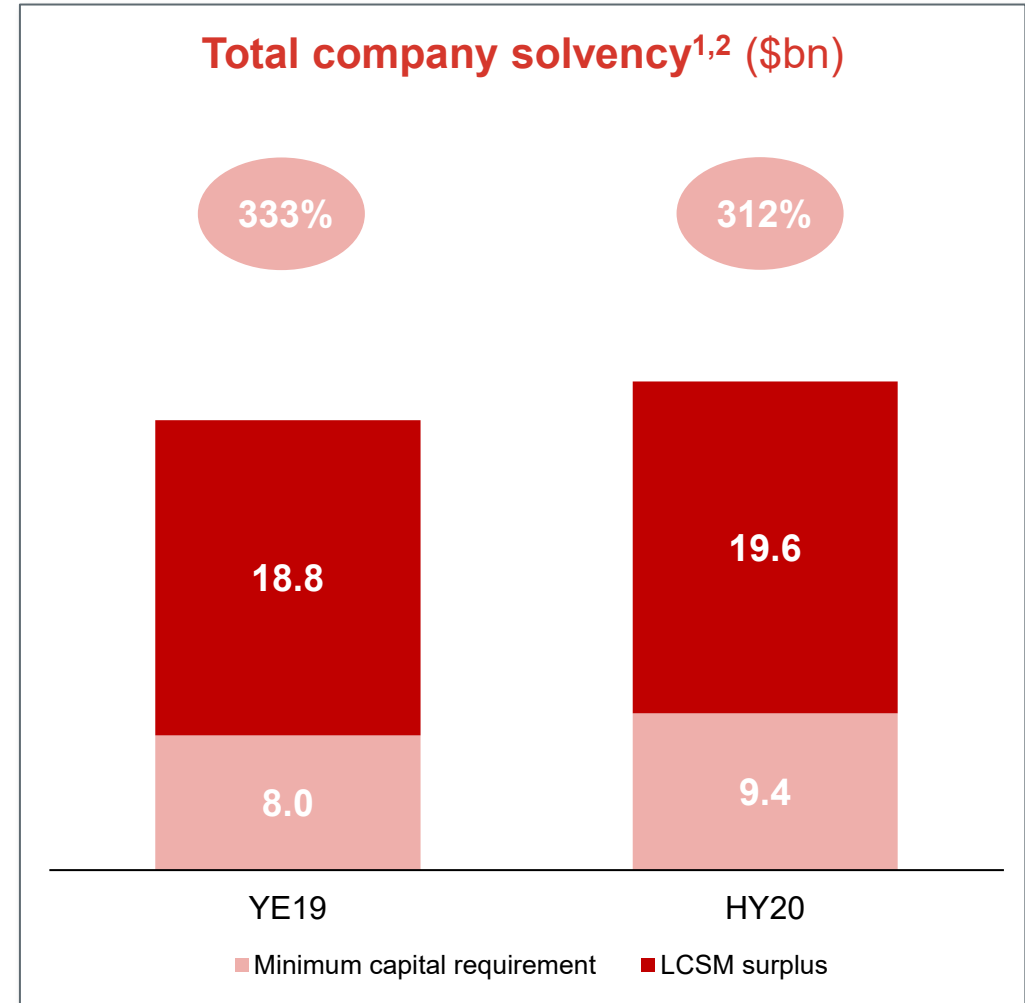
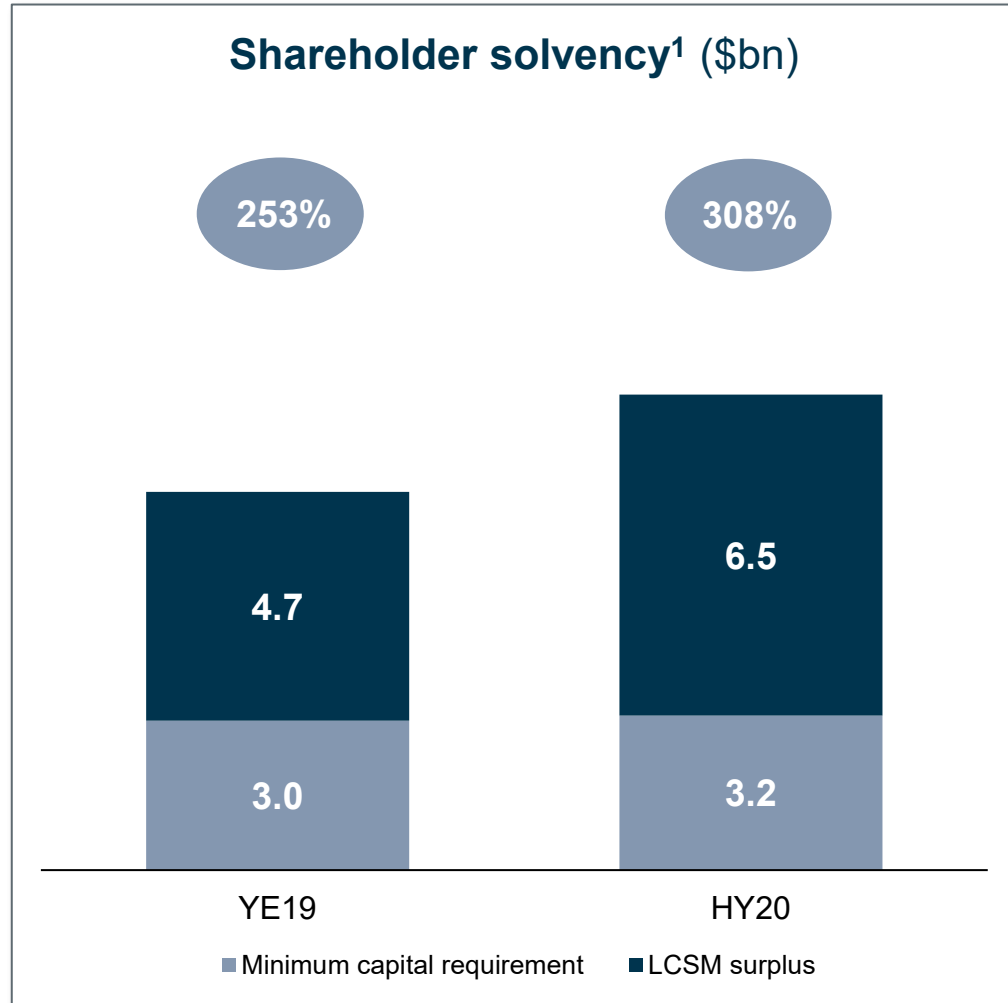
Other Markets

- **Thailand:** Teamed up with leading mobile operator AIS to offer Covid-19 coverage to AIS customers free of charge for 30 days; donation of N95 face masks to medical personnel
- **Vietnam:** Donation of **VND1bn** to VNRC; donation of 13K hand sanitizers to Prudential customers through our 256 General Agency Offices across the country
- **Philippines:** Offering via Pulse free accident and death benefit to 500,000 Filipinos
- **Myanmar:** Providing free Covid-19 insurance to existing & new customers who acquire life insurance policies before 11 Jul (coverage is valid for 90 days)
- **Africa:** Providing a range of Covid-19 insurance cover for 8 markets at no cost (policyholders will be covered for 45 days)



-  **Context and HY20 performance**
-  **Strategic priorities and progress**
-  **Market updates**
-  **Supporting our staff, customers and community**
-  **Capital, balance sheet and earnings**

Robust capital position



1. Estimated position at 30 June 2020. Based on Group Minimum Capital Requirement. Until Hong Kong's Group Wide Supervision (GWS) framework comes into force, Prudential will apply the local capital summation method (LCSM) that has been agreed with the Hong Kong IA to determine group regulatory capital requirements
 2. Estimated position at 30 June 2020. Including with-profits funds in Hong Kong, Singapore and Malaysia

Asia invested assets

Asset portfolio

Breakdown of Asia invested assets¹, HY20 \$bn

	Par funds	Unit linked	Shareholder-backed ²	Total
Debt	52.7	5.3	24.1	82.1
Equity	28.0	16.4	5.8	50.2
Mortgage	0.0	0.0	0.2	0.2
Other Loans	1.6	0.0	0.3	1.9
Other ³	1.0	0.6	1.9	3.5
Total	83.3	22.3	32.3	137.9

Shareholder debt portfolio, HY20 \$bn

	Portfolio \$bn	No. Issuers ⁴	Holding by issuer		
			Av. \$m	Max \$m	<BBB ⁵
Sovereign debt	11.4	78	146.2	2,788.7	11.8%
Other debt	12.7	1,153	11.0	195.2	5.4%
	24.1				17.2%
Investment grade	11.4	1,042	10.9	166.7	n/a
High Yield	1.3	275	4.7	167.2	5.4%
	12.7				5.4%

1. Totals may not cast as a result of rounding

2. Includes asset management

3. Other financial investments comprise derivative assets, other investments and deposits

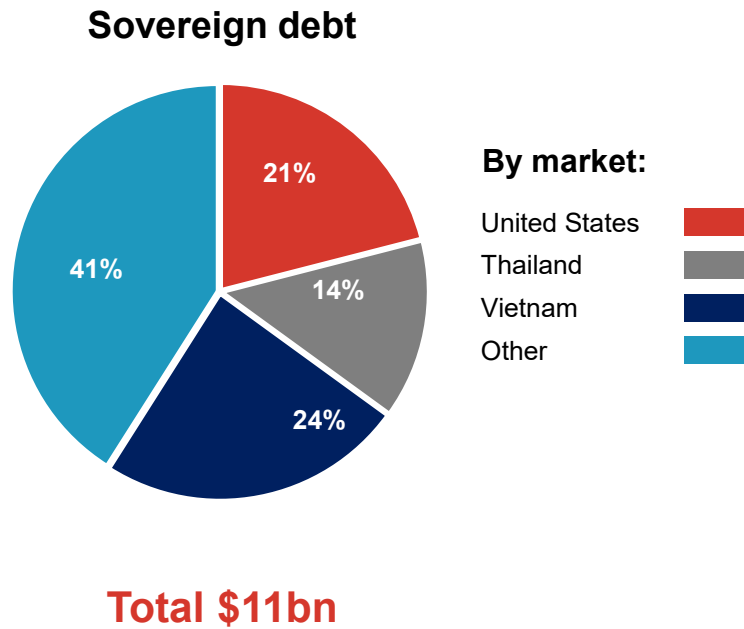
4. Presented on issuer group basis

5. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, local external rating agencies ratings and then internal ratings have been used

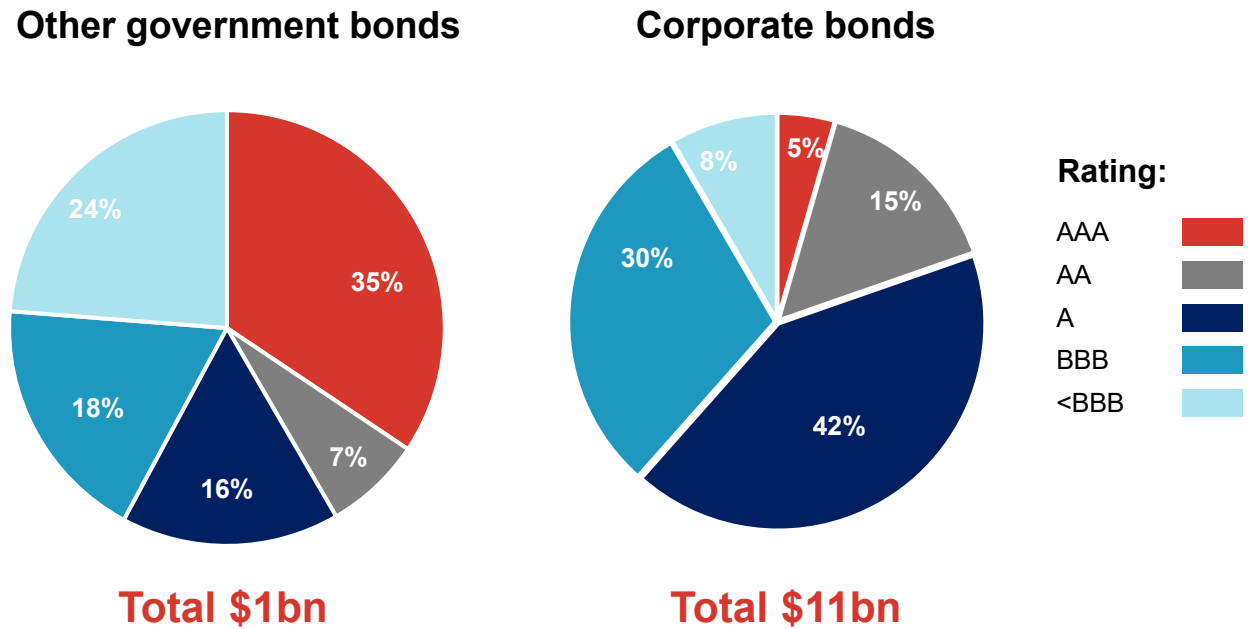
Asia invested assets

Shareholder-backed debt exposures

By geography¹, at 30 June 2020 \$bn



By credit rating^{1,2}, at 30 June 2020 \$bn

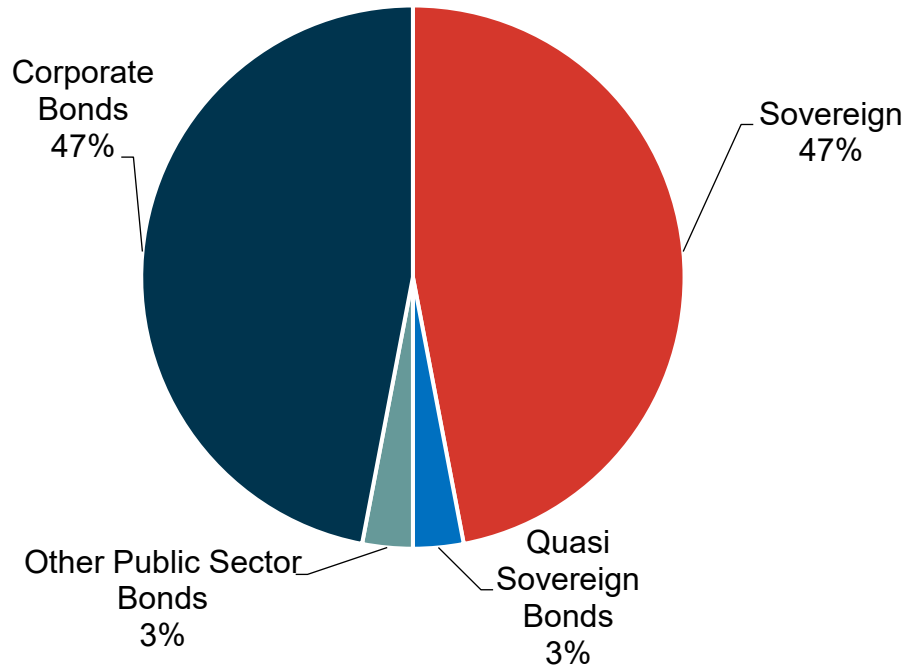


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Asia invested assets

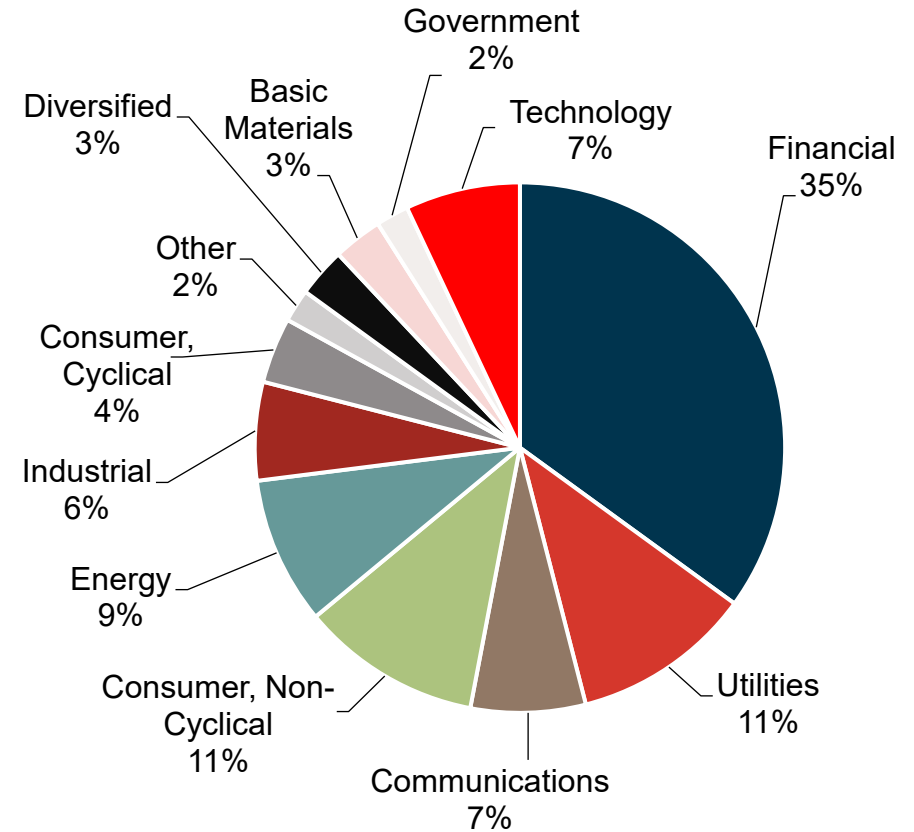
Shareholder-backed debt exposures

By asset type¹, 30 June 2020



Total \$24bn

By sector^{1,2}, 30 June 2020
Corporate debt exposures



Total \$11bn

1. Totals may not cast as a result of rounding
2. Source of segmentation Bloomberg Sector, Bloomberg Group and Merrill Lynch. Anything that cannot be identified from the three sources noted is classified as other

Asia

PCA value in Prudential joint ventures

Partner		
Prudential Share	22%	
Market Value	\$ 7.1 bn	₹ 662.9bn ^{1,6}
EV	\$ 3.1 bn	₹ 230.30bn ^{2,6}
IFRS NAV	\$ 1.0 bn	₹ 72.12bn ^{2,6}
GWP	\$ 4.5 bn	₹ 334.31bn ^{4,6}
Pre-tax operating profit	\$ 0.1 bn	₹ 10.69 bn ^{4,6}
Prudential Board Representative	Raghu Hariharan	
Key products	Life insurance	HY20 % APE sales⁵
	o/w	
	Linked	51%
	Non-Par	7%
	Par	15%
	H&P	27%
	Asset Management	
	AMC FUM ⁷	\$47bn (at 100%)

	
50%	
N/A	
Not disclosed	
Not disclosed	
\$ 1.8 bn	RMB 12.7 bn ^{3,6}
\$101 m ⁵	
Nic Nicandrou, Lilian Ng, Ying Teoh, Charles Chan & Jin Wen Hung	
Life insurance	HY20 % APE sales⁵
o/w	
Linked	15%
Non-Par	24%
Par	32%
H&P	29%
Asset Management	\$15bn (at 100%)
FMC FUM ^{3,6,8}	

Note: As per FY20 disclosures unless stated otherwise

1. Bloomberg, as at 30 June 2020. Translated at June 2020 spot rate

2. Per latest data available, as at March 2020. Translate using June 2020 spot rate

3. Figures representative of HY 2020.

4. Per latest full year data, 12 months to March 2020 Translated using June 2020 YTD average rate

5. Figures representative of Prudential Plc share in joint ventures

6. Figures representative of the whole company, not just Pru shareholding

7. As of 3M-FY2021; growth rate is relative to FY2020 position and FUM is at 100%

8. CITIC Prudential Fund Management Company

Asia

Quality execution: Consistent and resilient growth across cycles

IFRS operating profit¹, \$m

24% CAGR

- Asian Financial Crisis (1997-1998)
- Bursting of Dot.com (2000)
- 9-11 Terrorist Attack (2001)
- Stock market slide (2002)
- HK SARS outbreak (2002-03)
- China & India grow as world Financial powers (2005)
- Bull market in Asia – growing middle class (2006)
- Global Financial Crisis (2007-09)
- Sub-Prime Housing Crisis (2007-08)
- Eurozone slowdown and debt crisis (2010-2011)
- Interest rate & Equity Mkt Volatility (2011)
- US sovereign downgrade (2011)
- Further US recovery (2013)
- Lower for longer interest rates (2014)
- Oil price fall (2014)
- Asian currency depreciation (2015)
- Brexit (2016)
- US election (2016)
- Trade tariffs (2018-19)
- Lower interest rates (2019)
- HK protests (2019)
- Covid-19 (2020)



68%

Insurance margin³

79%

1. Numbers on Actual Exchange Rate (AER) basis as reported, excludes Korea, Japan and sales of China Life Insurance Company in Taiwan in 2012
 2. Source: Bloomberg
 3. Excludes margin on revenue, return on shareholders' assets and gain on China life share (for 2012)

Africa Section

Africa

Regional footprint

Africa opportunity

Rapid population growth¹

1.3 bn → **2.3 bn**
2019 → 2045

Moving from **17%** of world pop to **24%**

Emerging middle classes²

120m → **1.1bn**
2020 → 2060
6% CAGR

Africa has **6** of world's **10** fastest growing economies

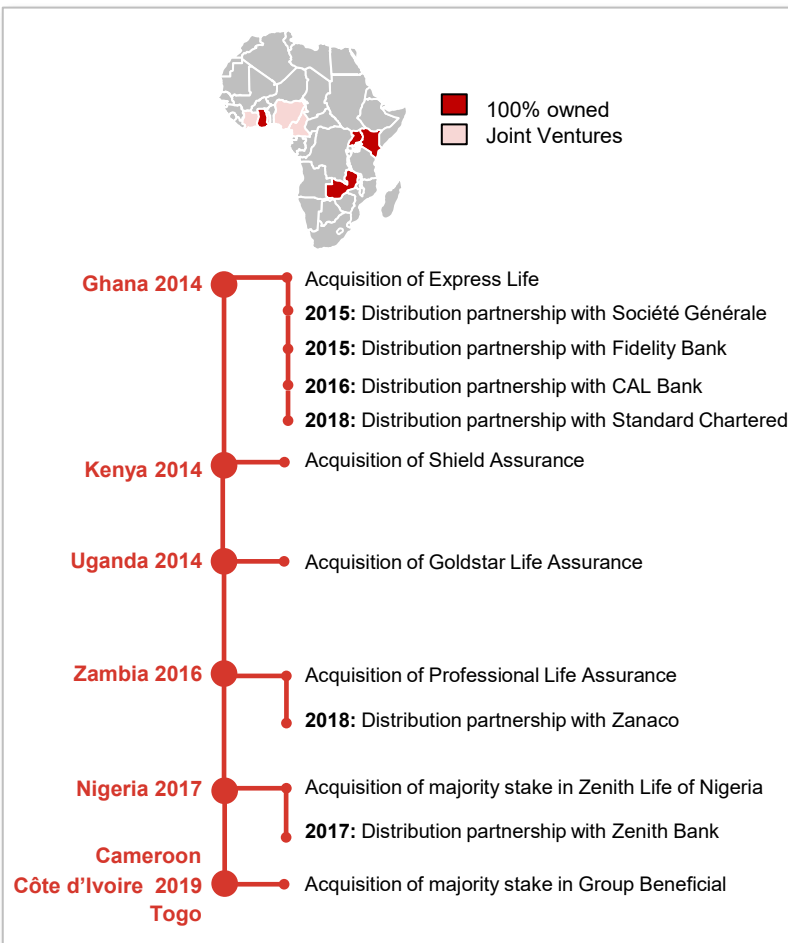
Savings and protection gap

2.7% insurance penetration rate³

Less than half of Asia's **5.8%**⁴

37% of Africa's **health spending** comes from out-of-pocket payments⁶

Our timeline



Accomplishments

1,000,000+ customers⁵

~**10,000** agents

Access to **600+** branches

4 MDRT countries

2 mobile telecommunications partners

Every business outperforming its market

Note: Data as at 31 December 2019, unless stated otherwise. All facts include the impact from the acquisition of Group Beneficial which completed on 9 July 2019.

1. United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects: The 2019 revision

2. Africa Economic Outlook 2020 ADB

3. Deloitte- Emerging Markets, Growing insurance & challenges with a focus on Africa. 2019

4. Swiss RE Institute Sigma no3/2017

5. Excludes micro insurance customers, includes members in Group schemes

6. Brookings. Future Development- Closing Africa's Health Financing Gap, 2019

Africa

HY20 Business highlights

Distribution

\$54 million of APE sales

+59%
APE growth¹

Agency

+102%
APE sales
growth



~10,000 agents
4 countries with
MDRT agents

Bancassurance

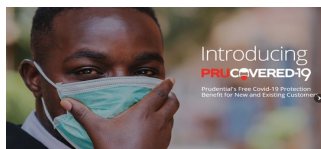
+73% APE sales growth

Optimising
strategic
partnerships



Products

COVID-19 cover for all customers



Digital onboarding for basic COVID-19 cover

Mobile policies in Nigeria



Community



Africa SafeSteps COVID-19 prevention

COVID-19 community relief fund for all markets



Exercise videos to stay fit in lockdown



Technology

Virtual recruiting & training
for agents and employees



100% digital sales
submission process



Seamless WFH capabilities
for all employees



Electronic policy issuance, servicing
& claim payments for customers

Digital capabilities allowed us to deliver on our promises to **customers, partners** and **employees** throughout the pandemic.



US Section

US

Key features



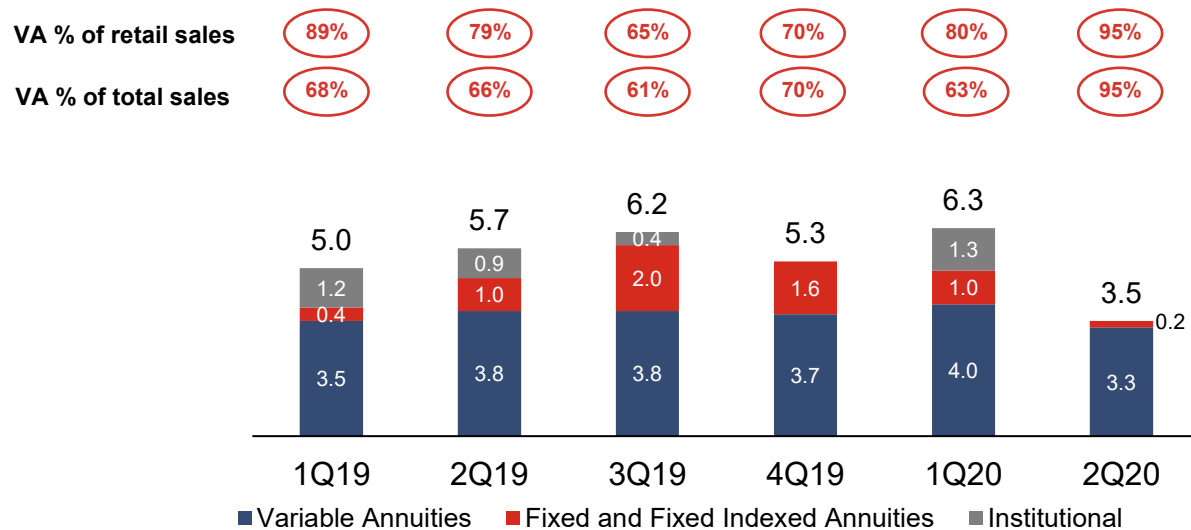
- ✓ Leading position in the annuity industry¹
- ✓ Best in class cost base³ & industry leading platform⁴
- ✓ Successful track record of risk management
- ✓ Continued focus on diversifying distribution
- ✓ Proven capability in product innovation

US financial performance, \$m				
	HY20	HY19	%	FY19
APE	979	1,075	(9)%	2,223
NBP	248	450	(45)%	883
IFRS operating profit	1,266	1,572	(19)%	3,070
RBC ratio⁵ (%)	>425% ²	>400%	>25ppts	366%

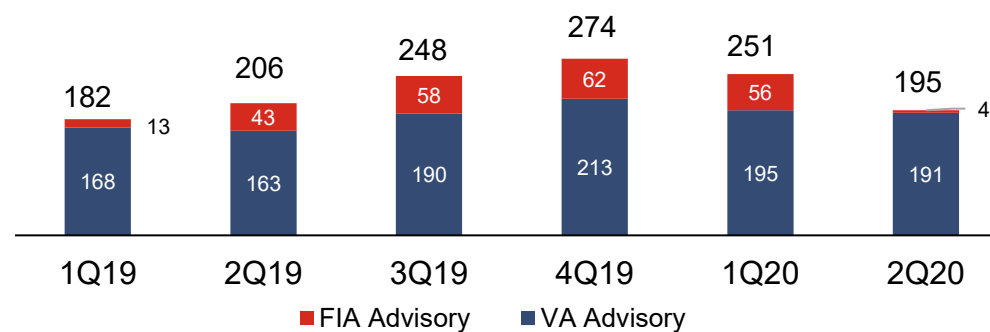
1. Morningstar Annuity Research Center, 1Q20, Top Companies for Total Annuity Sales Then and Now Market Share
 2. Estimated RBC ratio at 30 June 2020 assuming the Athene investment transaction completed at the end of June
 3. Source: SNL Financial LC and Jackson analysis
 4. In 2020, Service Quality Management awarded Jackson the 2019 Contact Center of the Year award. Also in 2020, the company received the number one overall operational ranking for 2019 from its broker-dealer partners, according to the Operations Managers' Roundtable
 5. Jackson National Life

Sales developments

Sales and deposits, \$bn



Total advisory sales, \$m

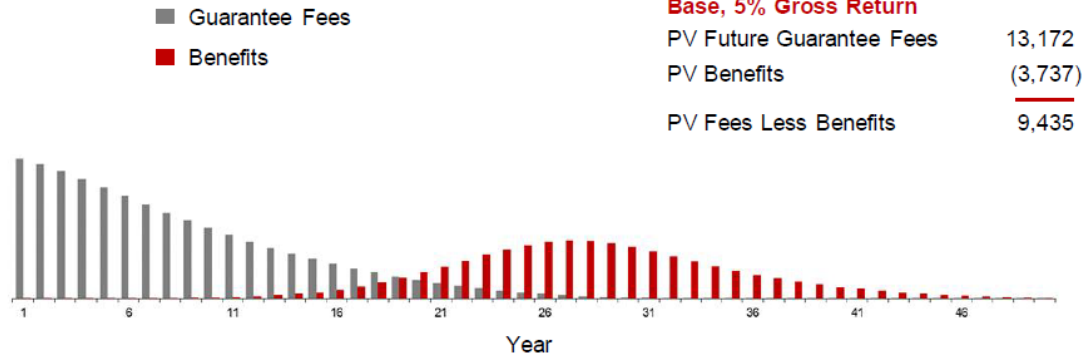


Note: Totals may not cast as a result of rounding

Unhedged economic profile of GMWB guarantees

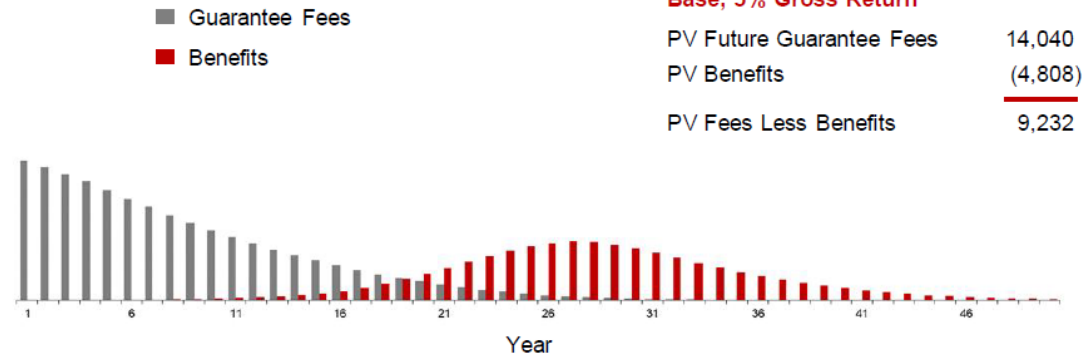
Jackson unhedged GMWB cash flow exposure, 30 June 2020

\$millions

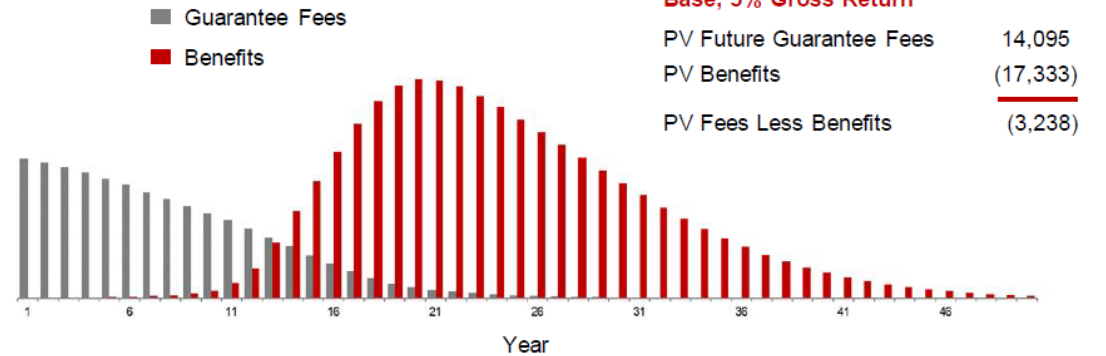


- Includes guarantee fees only
- Uses prudent best estimate assumptions (AG43/VM-21, C3P2)
- 5% gross return is well below historical average market return
- Ignores guarantee fees collected to date as well as reserves
- PV of future GMWB fees exceeds PV of benefits over a wide range of market shocks
- Negative cash flow is far into future even in bad scenarios
- No material strain on liquidity in any given year
- Down 40% S&P shock scenario ignores total VA equity hedge payoff of ~\$24b

\$millions



\$millions



Transactions with Athene

1. ~90%point increase in JNL's³ RBC ratio, increased strategic flexibility
2. Lower credit exposure

	Statutory (US)	LCSM (Group)	IFRS (Group)	EEV (Group)
Reinsurance¹	+69%p to RBC +\$0.8bn to stat. surplus	+25%p to LCSM shareholder ratio +\$0.8bn to LCSM surplus	IFRS pre tax: \$846m IFRS total equity: \$(1,135)m	EEV profit: \$(423)m
Investment^{2,3}	+24%p to RBC \$(0.2)bn to stat. surplus	+6%p to LCSM shareholder ratio \$(0.2)bn to LCSM surplus	IFRS total equity: \$(0.6)bn	EEV total equity: \$(1.1)bn
Combined³	+93%p to RBC +\$0.6bn to stat. surplus	+31%p to LCSM shareholder ratio +\$0.6bn to LCSM surplus	IFRS total equity: \$(1.7)bn	EEV total equity: \$(1.5)bn

1. Jackson reinsured substantially all of its in-force portfolio of US fixed and fixed indexed annuities with Athene. The reinsurance agreement was effective on 1 June 2020

2. In June 2020, Prudential also announced an agreement with Athene for its subsidiary Athene Life Re Ltd to invest \$500 million in Prudential's US business in return for an 11.1 per cent economic interest for which the voting interest is 9.9 per cent. This transaction subsequently completed on 17 July 2020 and so will be accounted for in the second half of 2020

3. Financial impact shown as if the equity investment transaction had completed at 30 June

US invested assets

Asset portfolio

Breakdown of US invested assets ¹, HY20 \$bn

	Shareholder-backed ²
Debt	39.0
Equity	0.3
Mortgage	8.1
Other Loans	4.7
Other ³	3.9
Total	56.0

Shareholder debt portfolio, HY20

	Portfolio \$bn	No. Issuers ⁶	Holding by issuer		
			Av. \$m	Max \$m	<BBB ⁷
Sovereign debt ⁴	5.4	8	675.0	5,354.2	0.0%
Other debt	32.4	1,132	28.6	228.2	2.8%
Consolidated funds⁵	1.2				2.9%
	39.0				5.7%
Investment grade	31.3	970	32.3	212.5	n/a
High yield	1.1	187	5.9	100.0	2.8%
	32.4				2.8%

1. Totals may not cast as a result of rounding

2. Includes asset management

3. Other financial investments comprise derivative assets, other investments and deposits

4. Of the sovereign debt exposures in the US business unit, >99% is invested with the US government

5. Assets in consolidated funds financed largely by external third-party (non-recourse) borrowings, for which the Group's exposure is limited to the investment held by Jackson

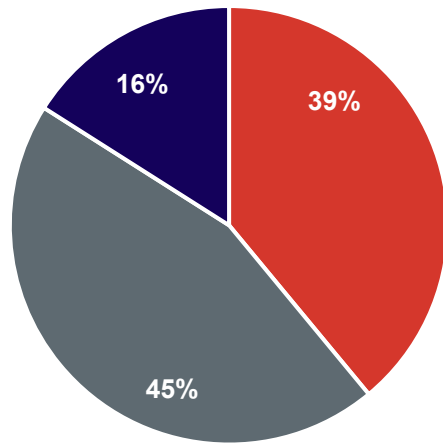
6. Presented on issuer group basis

7. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, NAIC ratings have been used

US invested assets

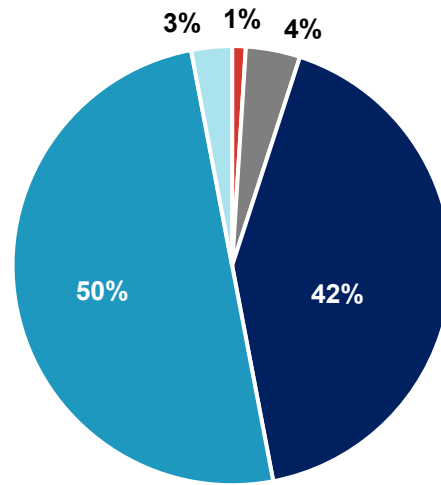
Shareholder-backed debt exposures by credit rating^{1,2}

Other government bonds



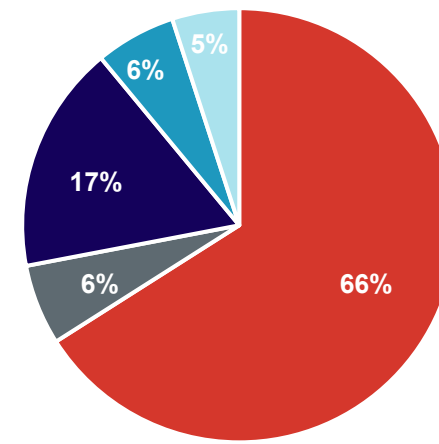
Total \$1bn

Corporate debt³



Total \$28bn

Asset backed securities



Total \$3bn

Rating:



1. Totals may not cast as a result of rounding

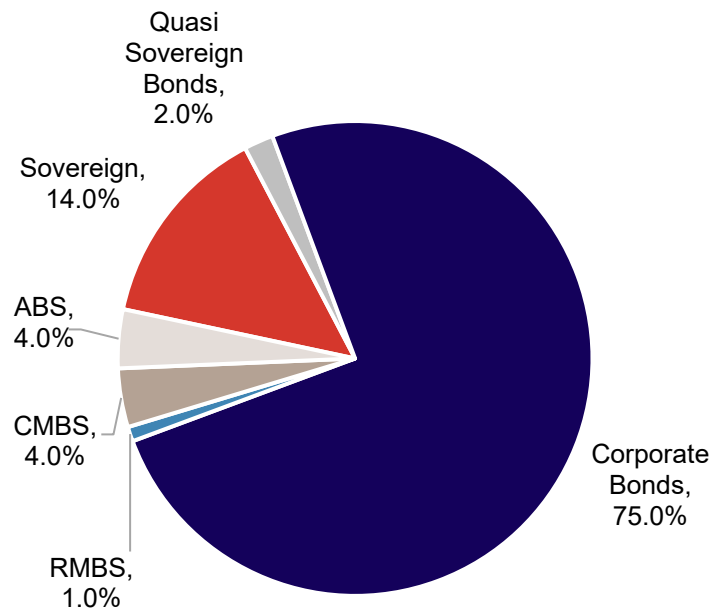
2. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, NAIC ratings have been used

3. Excluding corporate bonds in consolidated funds financed largely by external third-party (non-recourse) borrowings, for which the Group's exposure is limited to the investment held by Jackson. Including these assets, the US corporate debt portfolio is 93% investment grade

US invested assets

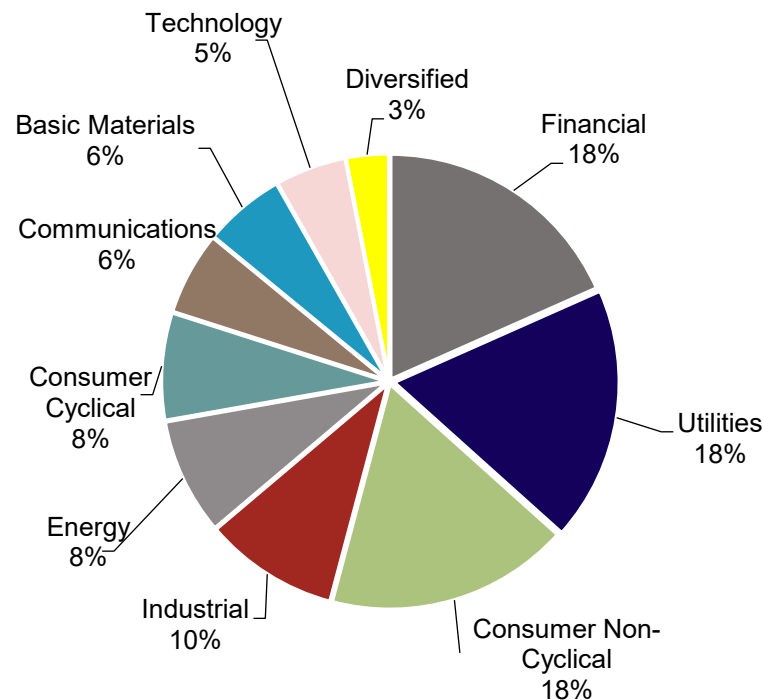
Shareholder-backed debt exposures

By asset type^{1,2}, 30 Jun 2020



Total \$39bn

By sector^{1,2,3}, 30 Jun 2020
Corporate debt exposures



Total \$29bn

Corporate debt portfolio⁴

Investment grade

- Significant weighting towards investment grade
 - Investment grade is 97% of corporate debt portfolio
 - Corporate debt investment grade is c.50% of total US investment portfolio (2007: 52%)
- BBB exposure weighted to upper bands
 - BBB+ and BBB account for 82% of BBB exposure
 - BBB- only 5% of total US investment portfolio
 - BBB- average holding of \$23m across 107 issuers (total investment grade corporate debt portfolio average: \$36m)

High yield

- High yield corporate debt equivalent to c.2% of total US investment portfolio
 - Significant reduction in exposure (2007: >5%)
 - Average holding of \$5m

1. Totals may not cast as a result of rounding

2. Includes assets in consolidated funds financed largely by external third-party (non-recourse) borrowings, for which the Group's exposure is limited to the investment held by Jackson

3. Source of segmentation Bloomberg Sector, Bloomberg Group and Merrill Lynch. Anything that cannot be identified from the three sources noted is classified as other

4. Excluding assets in consolidated funds financed largely by external third-party (non-recourse) borrowings, for which the Group's exposure is limited to the investment held by Jackson.

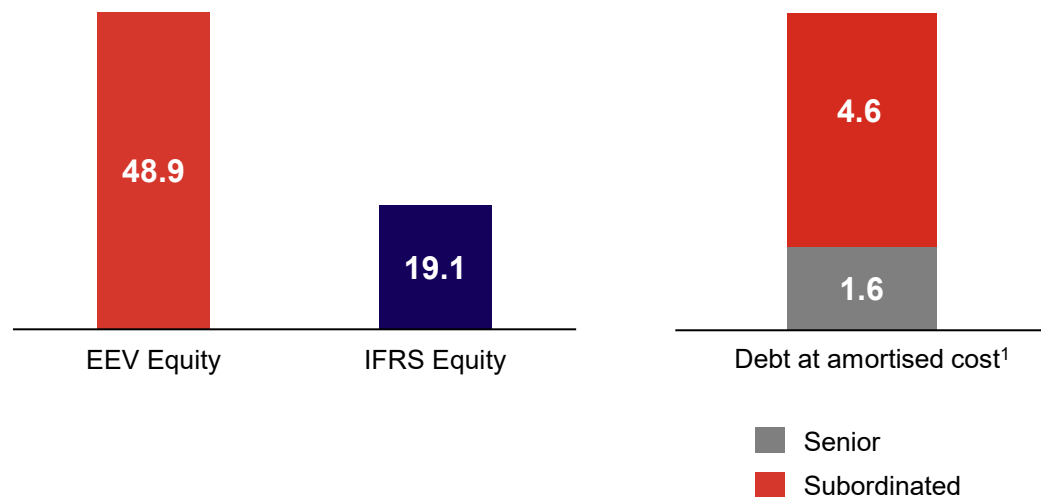
Including these assets, the US corporate debt portfolio is 93% investment grade

Group Section

Group

Medium term bond maturity profile

EEV, IFRS Equity & Debt at amortised cost, \$bn (As at 30 Jun 2020)



Balanced call date/maturity profile

Facilitates group debt management

Prudential plc: debt maturity schedule², 30 June 2020

Maturity	Next Call Date	Callable	Currency	Coupon	Amount (m)	Type	
n/a	PERP/CALL	21/08/2020	QUARTERLY	USD	6.50%	300	SUBORDINATED
n/a	PERP/CALL	23/09/2020	QUARTERLY	USD	6.75%	250	SUBORDINATED
n/a	PERP/CALL	23/09/2020	QUARTERLY	USD	5.25%	700	SUBORDINATED
n/a	PERP/CALL	20/07/2021	QUARTERLY	USD	5.25%	1,000	SUBORDINATED
n/a	PERP/CALL	20/10/2021	QUARTERLY	USD	4.38%	725	SUBORDINATED
n/a	PERP/CALL	20/01/2023	QUARTERLY	USD	4.88%	750	SUBORDINATED
3,725 USDm							
20/01/2023	AT MATURITY	n/a	n/a	GBP	6.88%	300	SENIOR
10/07/2023	AT MATURITY	n/a	n/a	EUR	0.06%	20	SUBORDINATED
11/05/2029	AT MATURITY	n/a	n/a	GBP	5.88%	250	SENIOR
14/04/2030	AT MATURITY	n/a	n/a	USD	3.13%	1,000	SENIOR
19/12/2031	AT MATURITY	n/a	n/a	GBP	6.13%	435	SUBORDINATED
2,240 USDm³							
5,965 USDm³							

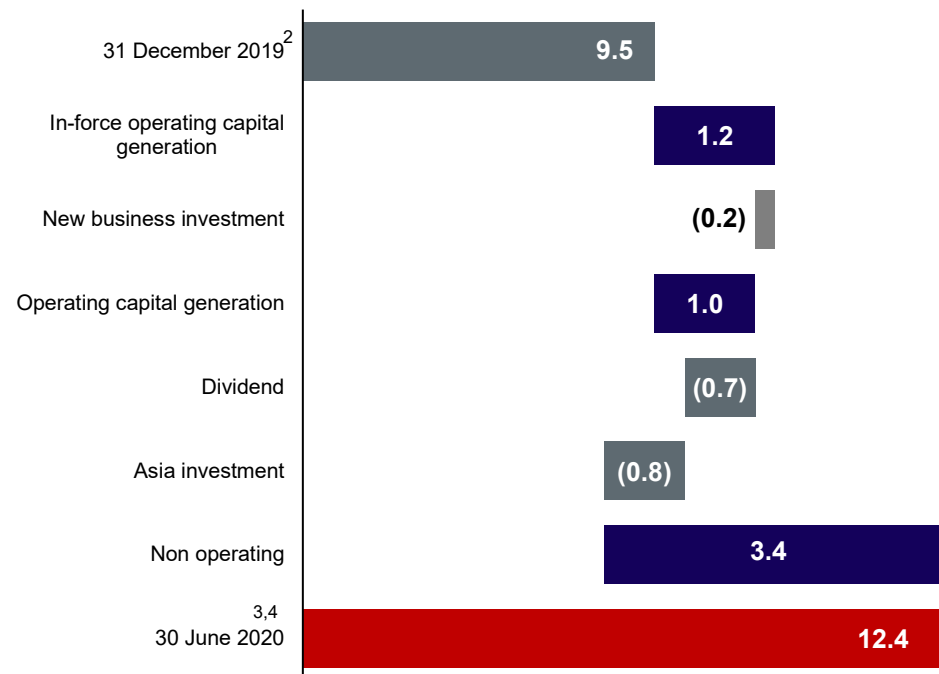
1. As per financial statements, excludes \$350m bank loan
 2. At principal value, PLC debt only, excludes \$350m bank loan
 3. Translated using the June 2020 closing FX rate

Capital generation

Comparison of Group LCSM with EEV Free Surplus generation

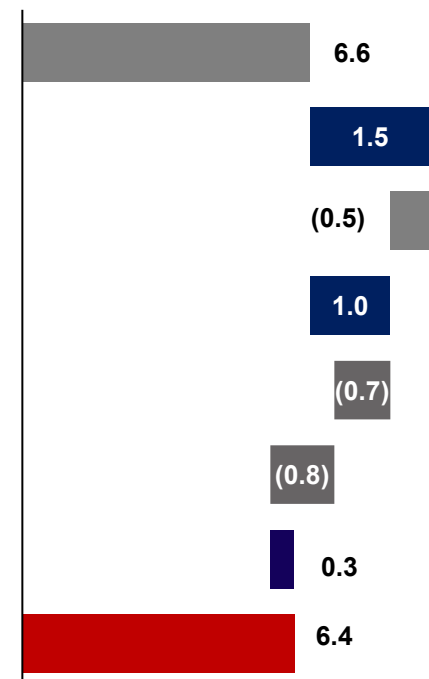
HY20 movement in estimated LCSM capital surplus¹, \$bn

Required capital = Group Minimum Capital Requirement (GMCR)



HY20 movement in EEV free surplus^{5,6}, \$bn

Required capital set to satisfy regulatory constraints



1. Based on Group Minimum Capital Requirement. Until Hong Kong's Group Wide Supervision (GWS) framework comes into force, Prudential will apply the local capital summation method (LCSM) that has been agreed with the Hong Kong IA to determine group regulatory capital requirements
2. Before allowing for the payment of the 2019 second interim ordinary dividend
3. Before allowing for the payment of the 2020 first interim ordinary dividend
4. Athene's \$500 million equity investment in Prudential's US business in return for an 11.1% economic interest completed in July 2020 and is not reflected in the 30 June 2020 results above
5. Excluding distribution rights and other intangibles
6. Required capital based on the applicable local statutory regulations, including any amounts considered to be required above the local statutory minimum requirements to satisfy regulatory constraints



Prudential plc

2020 Half Year Results

11 August 2020