



# **Prudential Corporation Asia**

Investor Presentation

November 2020

This document may contain 'forward-looking statements' with respect to certain of Prudential's plans and its goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements that are not historical facts, including statements about Prudential's beliefs and expectations and including, without limitation, statements containing the words 'may', 'will', 'should', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'plans', 'seeks' and 'anticipates', and words of similar meaning, are forward-looking statements. These statements are based on plans, estimates and projections as at the time they are made, and therefore undue reliance should not be placed on them. By their nature, all forward-looking statements involve risk and uncertainty.

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# Content

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**Key messages**

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**Appendix (from HY20 results)**

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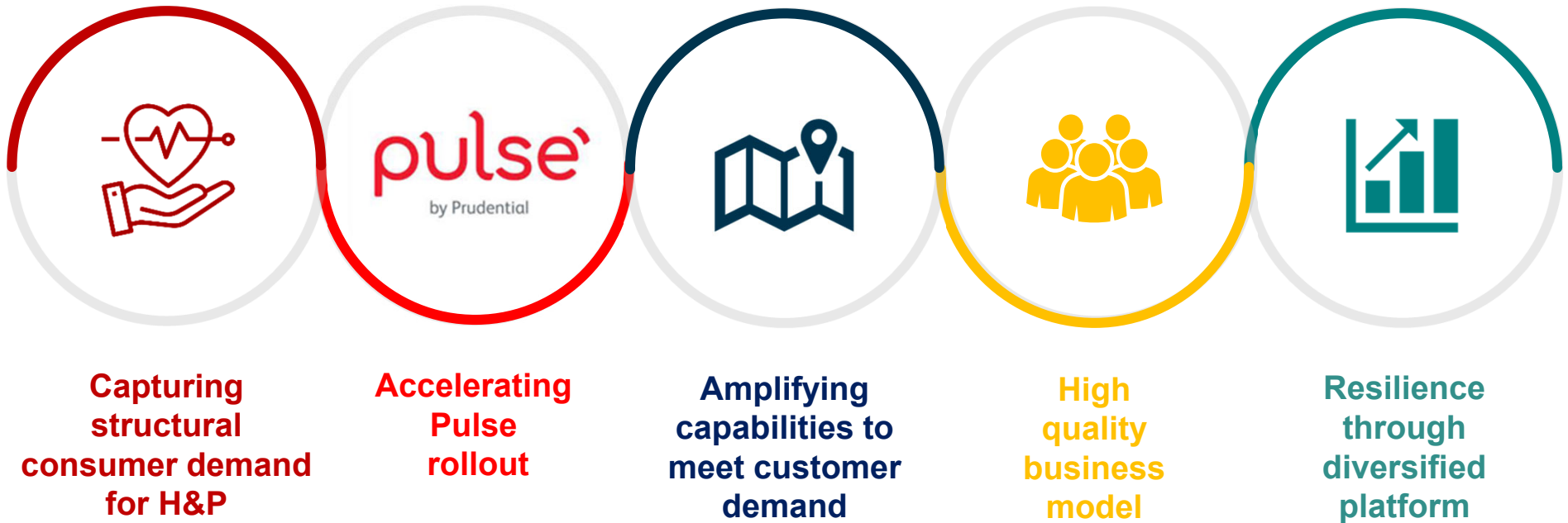
# Group

## Key take-aways



## Asia

Capturing structural opportunities with quality platform and new capabilities



### Growing awareness and demand for wellness and insurance

**91%**

Hong Kong consumers would retain life insurance even if financial position is disadvantaged by Covid-19<sup>1</sup>

**46%**

Asian consumers searched for new insurance policies<sup>1</sup>

**58%**

Asian consumers desire access to Value-Added-Services (e.g. virtual GP)<sup>1</sup>

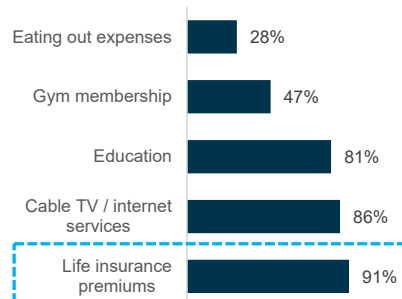
**59%**

Asian consumers look for more flexible conditions (e.g. added to cover)<sup>1</sup>

**60%**

Mainland Chinese visitors prefer to conduct CI medical treatment in HK<sup>2</sup>

#### % of HK consumers willing to retain different types of expenses



**73%**

**41%**

**31%**

**68%**

**54%**

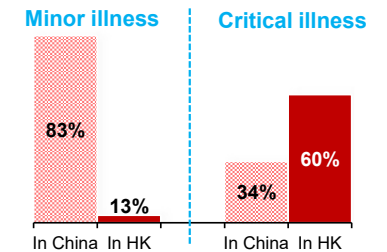
**57%**

**59%**

**66%**

**56%**

#### Mainland visitors' preference for medical treatment<sup>2</sup>



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

2. Based on 2Q20 MCH Sentiment Tracker conducted through online survey by Nielsen online panel on behalf of Prudential Hong Kong. Survey results are based on sample size of 450. CI = Critical illness

# Redefining Health

From insurer to health partner

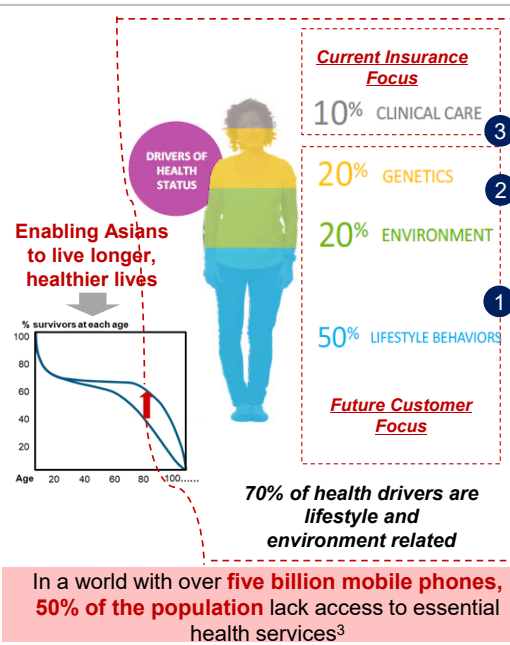


## Significant health gap

**80%** of Asians don't have insurance cover<sup>1</sup>

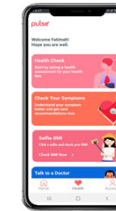
**\$400bn** is spent on healthcare alone by consumers<sup>2</sup>

## Significant wellness gap



**pulse**  
by Prudential

**All-in-one, personalised and on-demand AI-powered app**



- 1 Prevent**
  - Risk Factor Identification
  - Health Assessment
  - Health & wellness coaching.
- 2 Postpone**
  - Disease diagnosis, treatment & management
  - Nutrition coaching & support
  - Improving medication regimes via coaching
- 3 Protect**
  - Hospital visits, Telemedicine
  - Triage & Symptom diagnosis
  - Value-added products and services

1. Prudential estimate based on number of in-force policies over total population. 2. Prudential estimate based on WHO and the World Bank data. 3. Source: The World Bank 2017.

# Pulse by Prudential

## End-to-end health and wellness platform



Engagement through Pulse drives revenue streams through tailored solutions

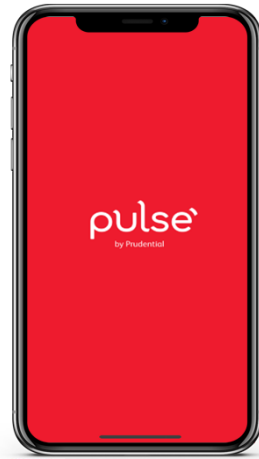
### Engage

**Trusted advisor and navigator** - helping individuals achieve their personalised health and wellness goals

- AI assessment and triage
- Lifestyle management and wellness
- Telemedicine consultations and medicine delivery
- Chronic disease management
- Health records
- Hospital navigator



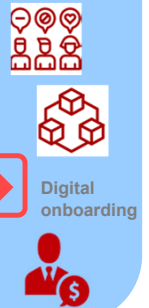
### 1 Drive revenue streams



### Onboard

**Broader customer segments, access points and offerings**

- Direct to customer offering of bite-sized cover
- Customized packages, products and 3<sup>rd</sup> party service offerings
- Modular products with subscriptions and fee for service
- Lead generation for Pru agents with virtual face-to-face fulfilment
- White-labelling on partner platforms to drive data enrichment and create network effect



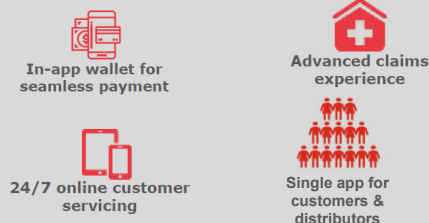
Digital onboarding

### 3 Enrich customer offering through data & AI

AI learning loops drive ability to enrich customer propositions

### Fulfilment

**End-to-end frictionless services**



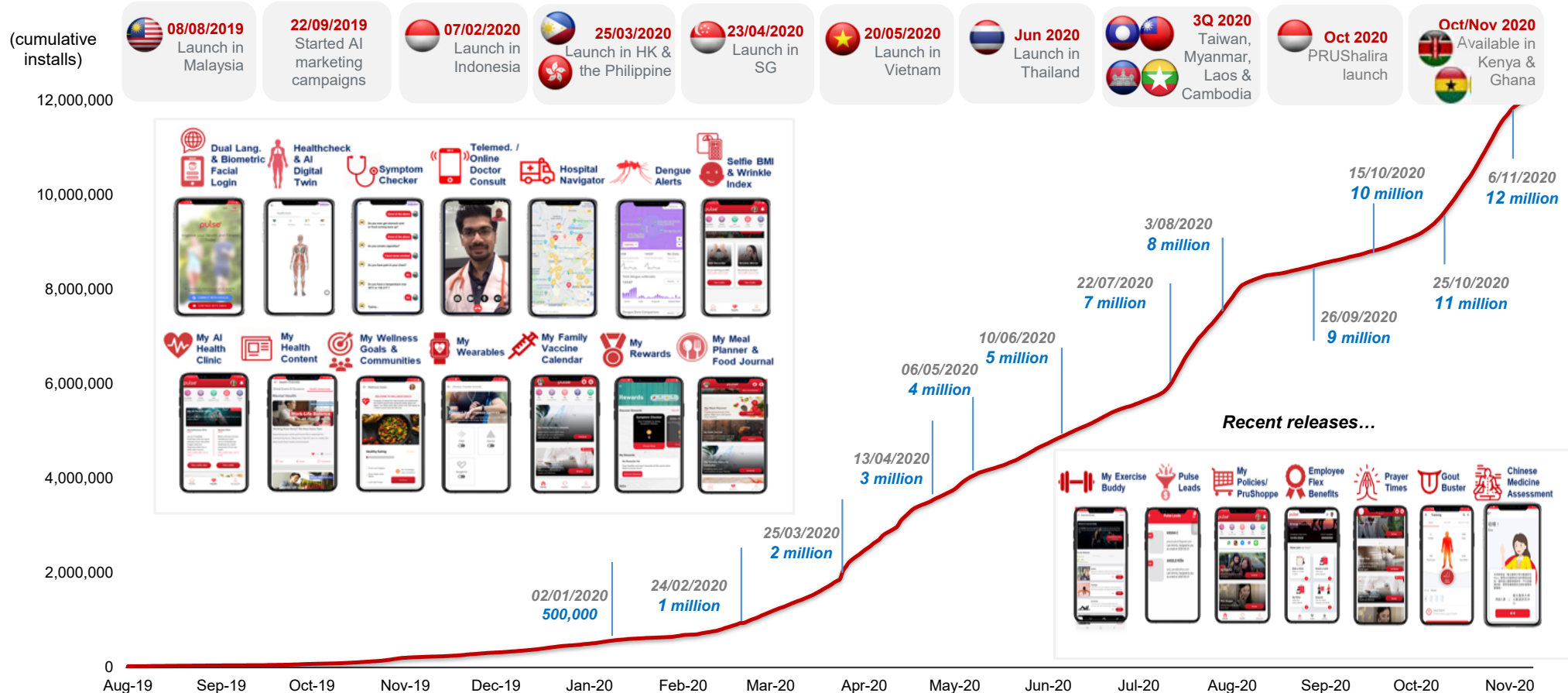
### 2 Deliver operating leverage

Integrated service platform, modernizing customer experience and driving scale efficiency



# Pulse by Prudential

## Delivery roadmap in first 15 months

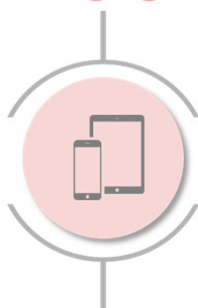


# Pulse by Prudential

## Gaining strong traction



### Engage



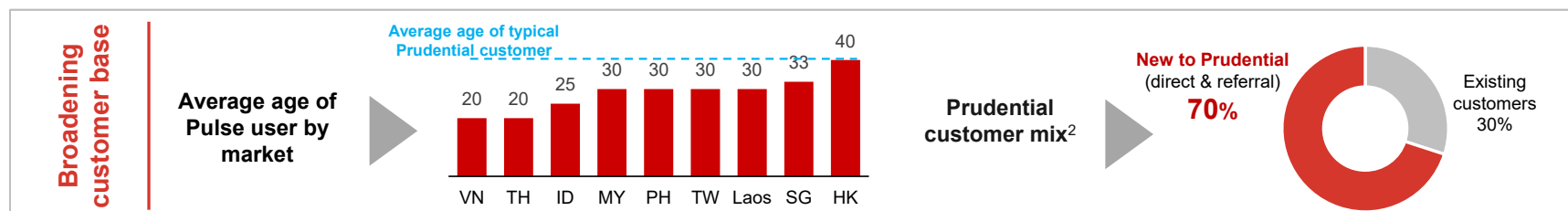
### Onboard



### Fulfilment



- **Pulse by Prudential** live in **13** markets and **10** languages<sup>1</sup>
- **25** new digital partnerships secured; **1.2m** cumulative usage<sup>1</sup> of Babylon services and Telemedicine
- **12 million** downloads<sup>1</sup>
- Launched **18 digital products** including Dengue fever, Credit Shield, Personal Accident, COVID-19 coverage<sup>2</sup>
- Issued **1.8 million** policies, sold direct through Pulse and partners; **1 million** new customers acquired through the digital channels<sup>2</sup>
- Partnerships with OVO, The 1, AIS, UOB Mighty, TMRW
- **PRULeads**: converting downloads into leads
- **c.855k** leads generated for agents from April to September, converting into **70k** online to offline sales with APE of **\$95 million**<sup>2</sup>
- Pulse as **virtual agency sales tool** in the Philippines and Malaysia



1. As of 8 November 2020.  
2. As of 3Q2030.

# Asia

## Amplifying capabilities to meet customer demand



**~90%**

Products can be sold virtually<sup>1</sup>

31% of agency cases sold virtually from Apr to Sep



**New virtual onboarding**

**110k**

Agent recruits<sup>2</sup> in 9M20, up +7% YoY



**Increasing agent capacity**

**50**

New products launched in HY20, primarily in H&P



**Broadening product offerings**

**>19k**

Bank branch access

New partnerships with TMB, SeABank, BFL, Yoma



**Strengthening bancassurance presence**

**17**

Branches out of 20 gained market shares in 3Q20 YTD<sup>3</sup>

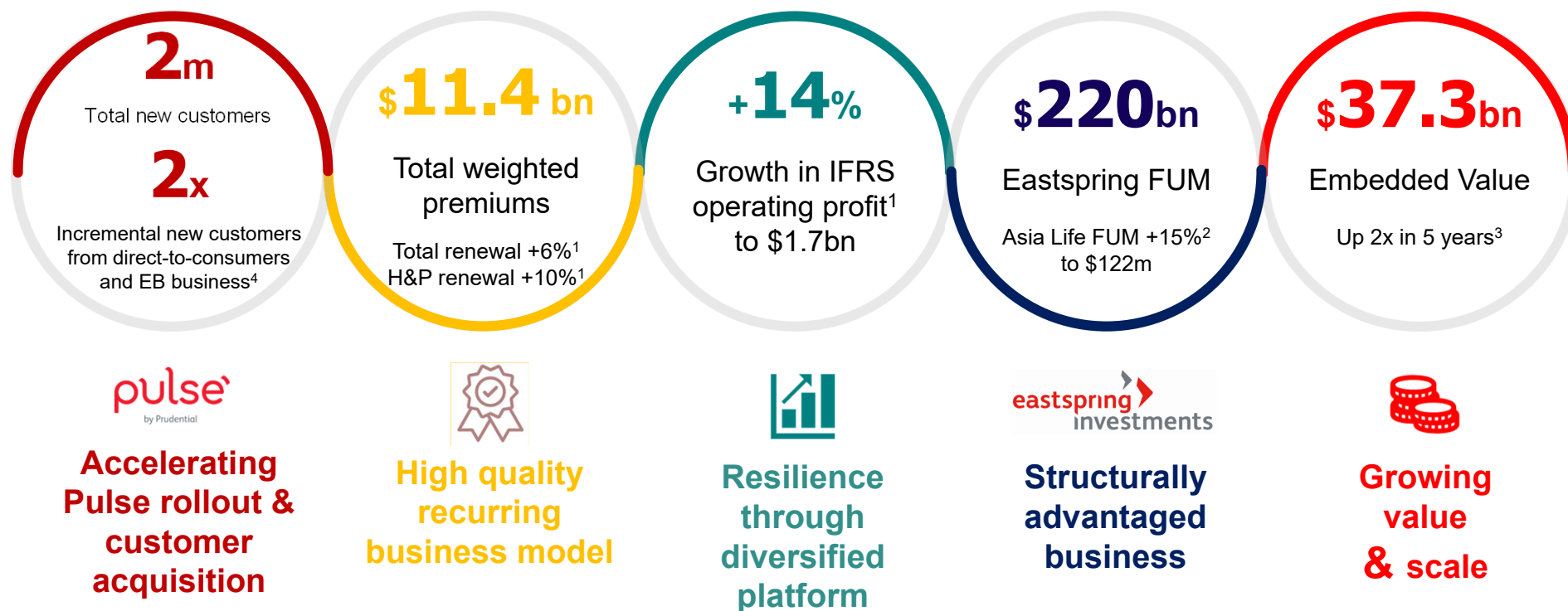


**Expanding China footprint**

1. Based on APE sales mix  
2. Excluding India  
3. Based on gross written premiums

# Asia

## High quality business model



Data as of HY20 unless otherwise stated

1. Year-on-year change on a constant exchange rate basis

2. Year-on-year change on an actual exchange rate basis

3. Between 2014 and 2019; on an actual exchange rate basis

4. Versus traditional distribution channels

# Asia



Resilient performance through a diversified platform against a volatile backdrop

**5**

Life businesses with double-digit APE growth in 2Q20<sup>1</sup>  
(CN, TH, AF, VN, TW)

**Power of franchise to rebound**

**5**

Markets where banca APE was up YoY<sup>1</sup>  
(incl. China and Thailand)

**Benefit of diversified distribution**

**7**

Markets improved H&P APE mix  
**94%**  
PCA (ex-HK) NBP as % of prior year<sup>1</sup>

**Resilient performance**

**+30%**

NBP growth for Sharia<sup>1</sup>  
(Malaysia Takaful & Indonesia Sharia)

**Leadership in Sharia**

**14**

Markets<sup>2</sup> grew in Jun/May (Up **1.5X**)  
PCA outgrew the industry in 7 markets in 2Q20

**Strong sequential recovery**

Data as of HY20 unless otherwise stated  
1. On a constant exchange rate basis  
2. Includes Africa

## Asia

Well positioned for long-term profitable growth



- Structural opportunities remain intact and have been reinforced by global pandemic



- Accelerating consumer adoption of integrated Health and Wellness products and services through Pulse



- Amplifying capabilities at pace to meet customer demand and broaden access points, customer segments and service offering



- Resilient results with relative outperformance through diverse high-quality platform



# Content

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**Key messages**

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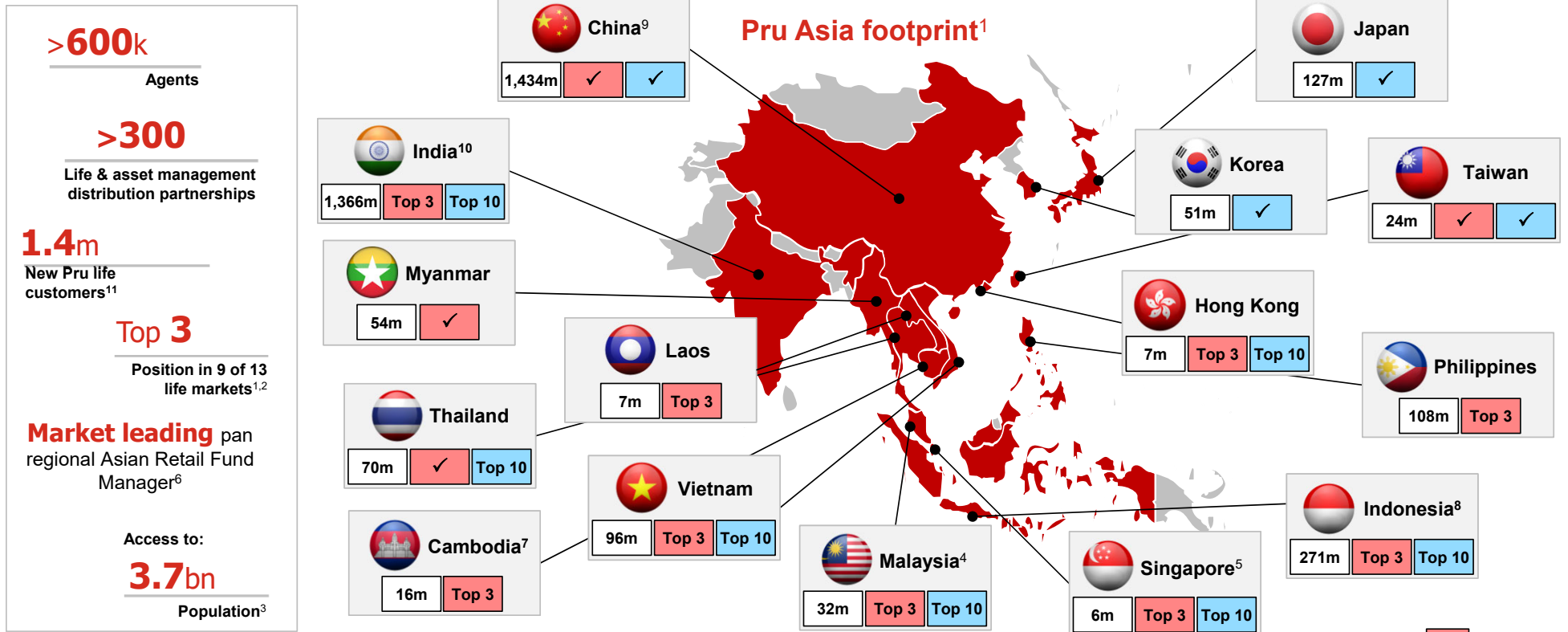


**Appendix (from HY20 results)**

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# Asia

## Leading pan-regional franchise



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.

1. Markets determined by regulatory and business requirements

2. 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)

3. United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects 2019 Revision

4. Includes Takaful, excludes Group business

5. Includes onshore only, excluding Eldersfield and DPS

6. 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

7. First year gross premiums

8. Excluding Jiwasraya

9. Total joint venture/foreign players only

10. Private players only

11. In FY19, Excludes India



# Asia

## Clear strategic priorities and quality execution in HY20

### Strategic priorities

#### Enhance the core

- Leader in banca<sup>1</sup> – 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 recruits<sup>2</sup>

#### Create best-in-class health capability

- **Pulse by Prudential: 8.1m** downloads<sup>3</sup> vs 0.5m at the start of the year
- **1.7m** digital policies<sup>3</sup> 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%**<sup>4</sup>

#### Accelerate Eastspring

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

#### Expand presence in China

- **20** branches with presence in **97** cities (+3) and **234** sales outlets (+5)<sup>5</sup>
- APE **+20%** in 2Q with all channels growing; GWP<sup>6</sup> **+33%** in 2Q outgrowing sector **>2x**
- Total (life) assets grew<sup>4</sup> **35%** to **\$17bn**; no. of customers<sup>4</sup> **+12%** to **1.6m**

Data 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

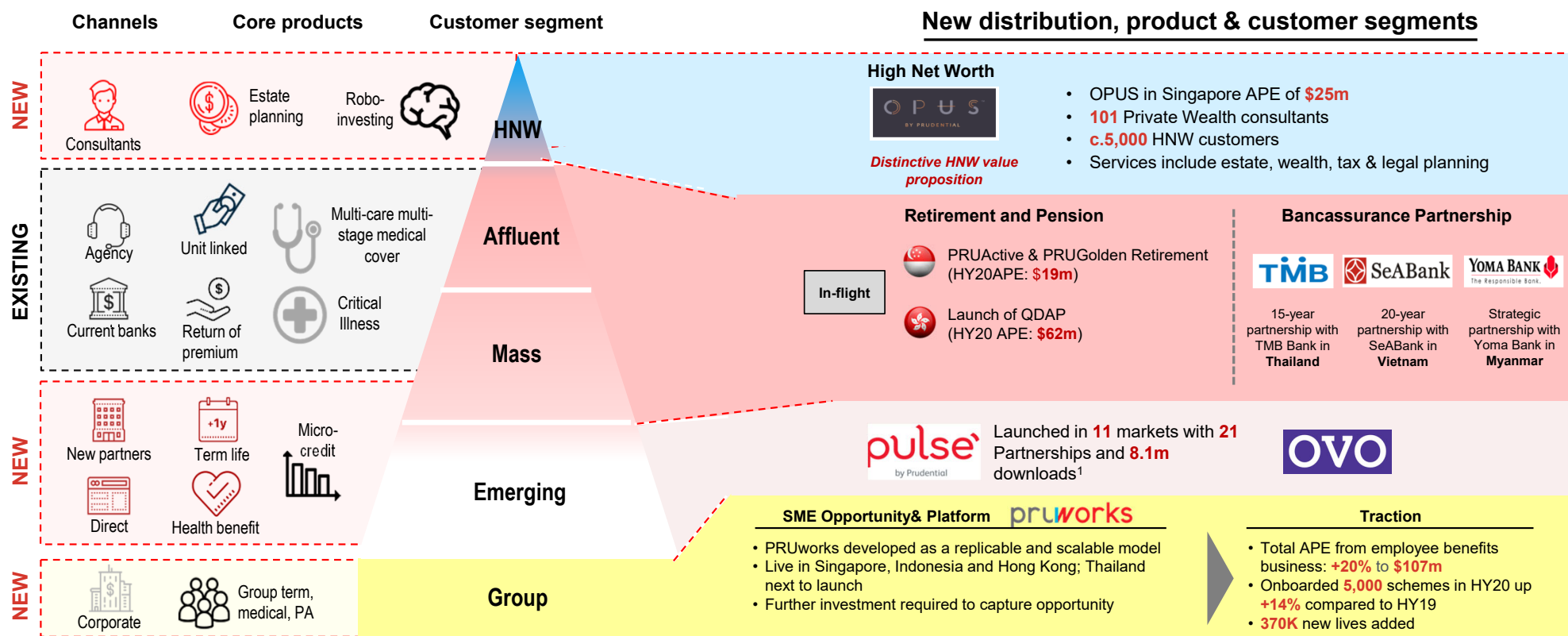
5. Increase compared to yearend 2019

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



1. As of 05 August 2020

# 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

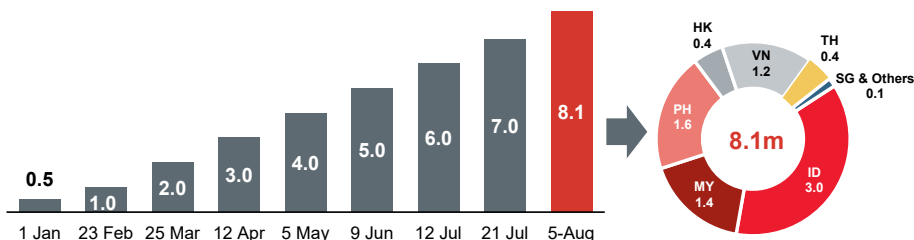


Enriched

### Pulse services usage

- **>6 million** Pulse downloads since end-Mar'20
- **>740k** consultations from Babylon services (Health Assessment & Symptom Checker)

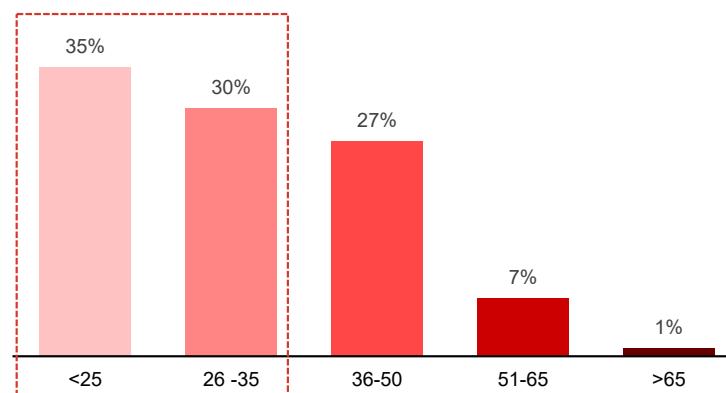
## Pulse downloads in 2020 (m)



1. Data as of 5 August 2020

## Broadening customer base

Majority of Pulse users are in 18-35 age group



### Existing PCA Customer Profile

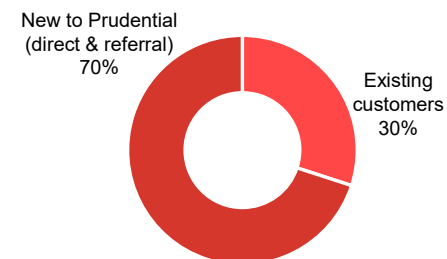
- Mass affluent
- Average age: **40**

VS

### Pulse User Profile

- Digitally savvy
- Average age: **30**

### 70% of users are new to Prudential customers<sup>1</sup>



# 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**"<sup>1</sup> and of "**Asia Bond House of the Year**"<sup>2</sup> awards
- **55%** of external net flows in 2019 came from new initiatives

### Completed portfolio gap-fills

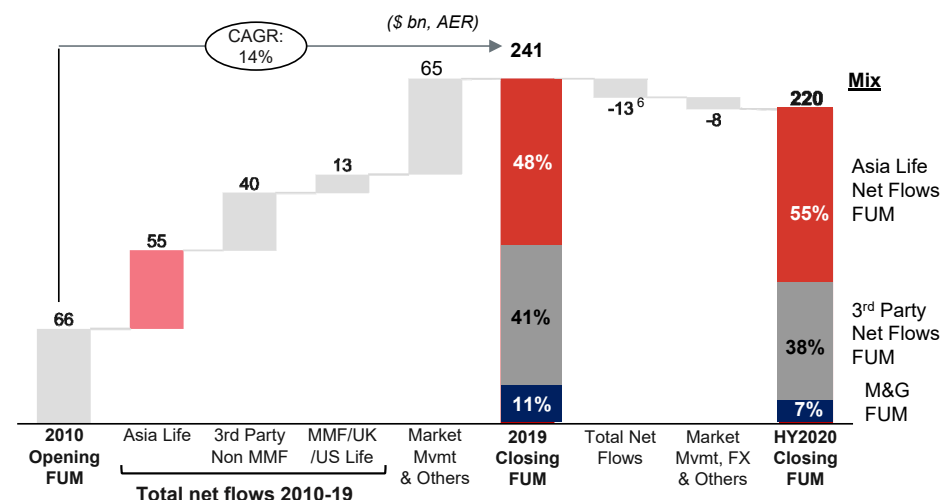
- Completed **TMBAM and TFund acquisitions** in Thailand, **gaining a foothold** in the second largest economy and **leading mutual fund market** in ASEAN
- **Launched China WFOE; RMB 2.8bn** AUM (incl. advisory) with significant equity investment outperformance

### 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)

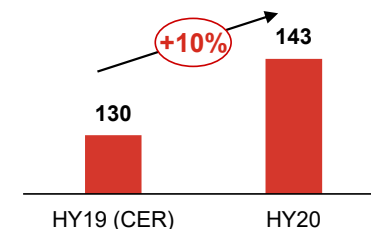
## Cyclical business but structurally advantaged due to reliable and consistent life business flows<sup>5</sup>



### Operating leverage, \$m

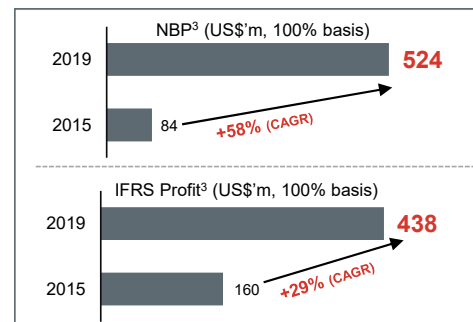
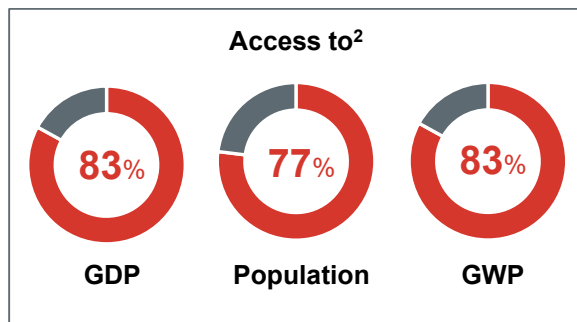
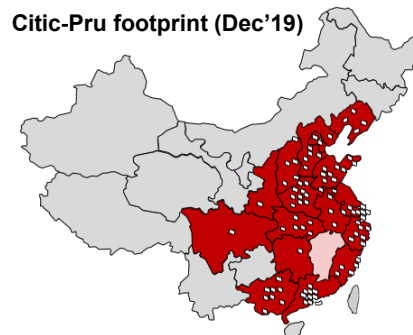


### IFRS Operating Profit<sup>4</sup>, \$m



# Expand Presence in China

Significant growth potential from higher penetration

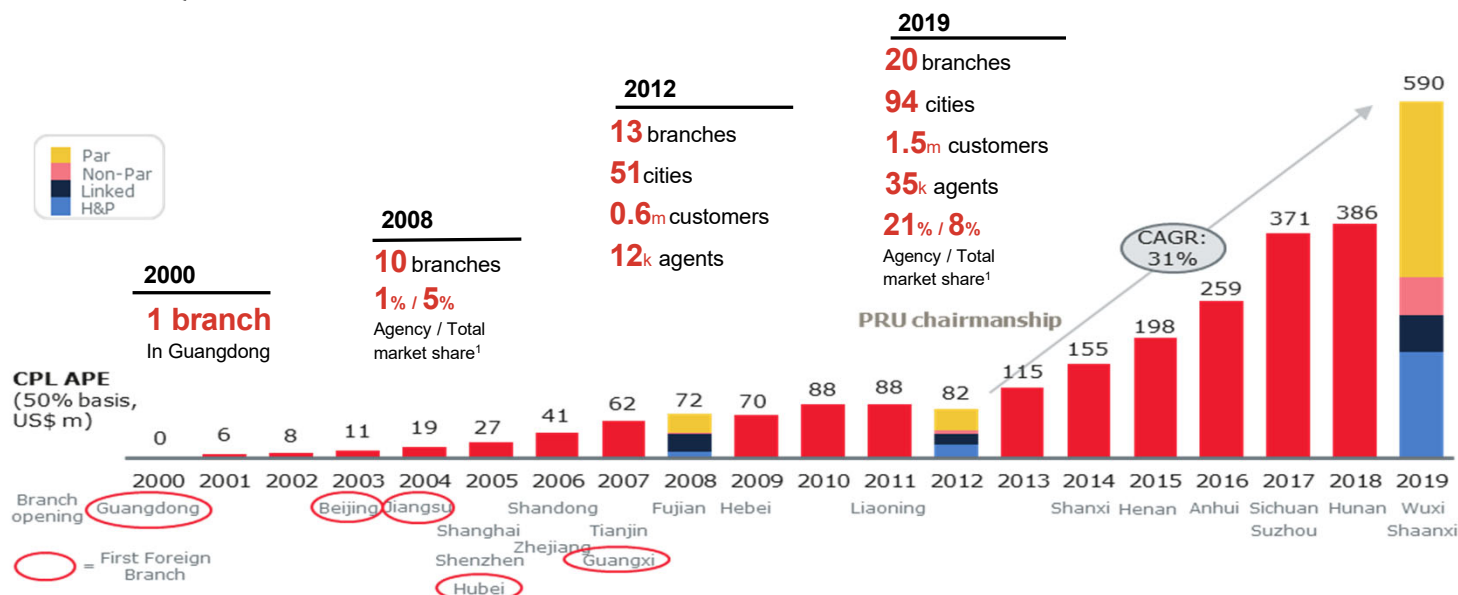


**17** Straight 'A' score for CBIRC Integrated Risk Rating since 2016 (only JV)

**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



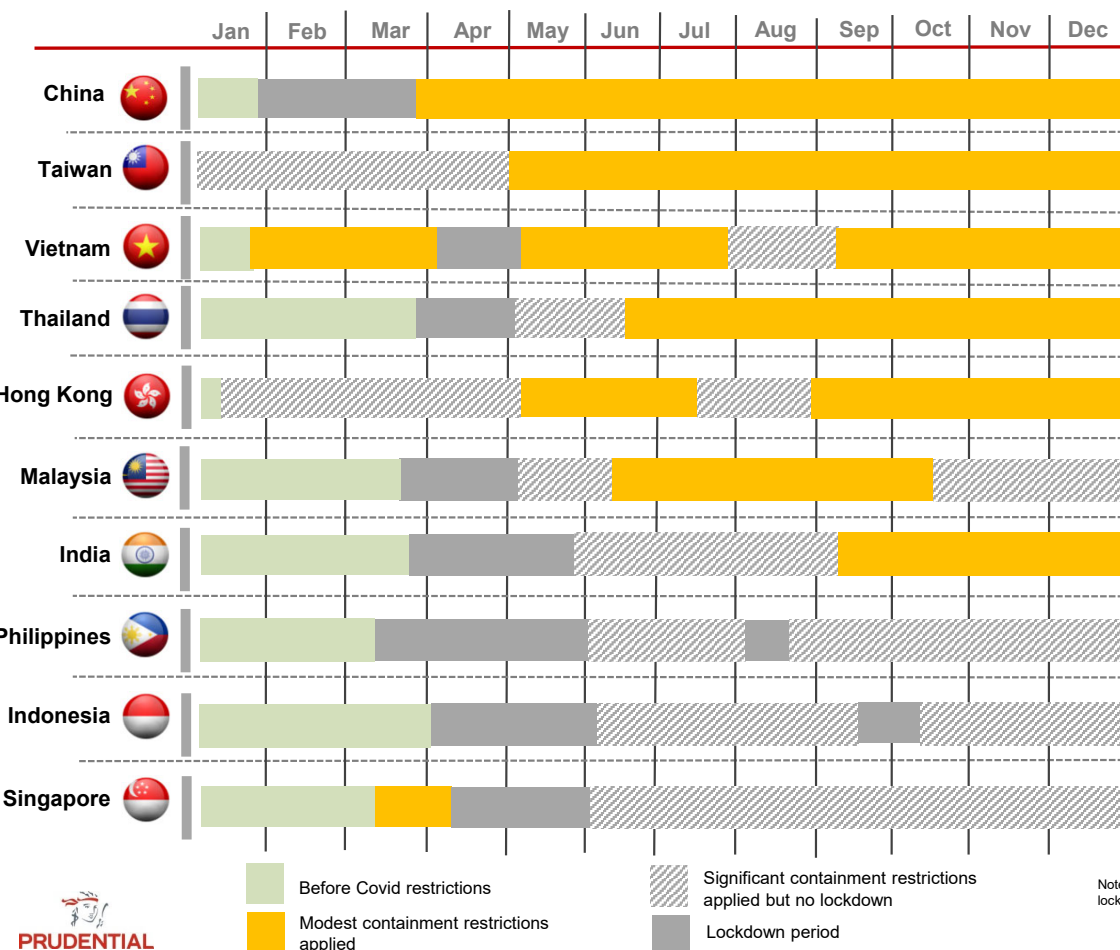
## Multi-dimensional delivery



# 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

Easing of restrictions in Ho Chi Minh City from 7 September, in Hanoi from 16 September and in Da Nang from 25 September

Phased easing of restrictions to allow movement and businesses to resume from 3 May; curfew lifted on 14 June while ongoing social distancing still applies

Easing of restrictions from 28 August. Border with Mainland China remains closed

Kuala Lumpur, Selangor and Patrajaya placed under Conditional Movement Control Order from 14 October

Domestic flights resuming on 25 May; easing of business/religious restrictions from 8 June; metro services resumed from 7 Sep; schools opened from 15 Oct

Lockdown in Manila and nearby provinces eased from 19 August. Restrictions on business, religious and social activities remain

Following a 4-week large scale social restrictions (PSBB) period, Jakarta returned to transitional PSBB from 12 Oct holding activities at 50% of capacity

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.

# Asia

## Market highlights – China

### Intact structural demand drivers

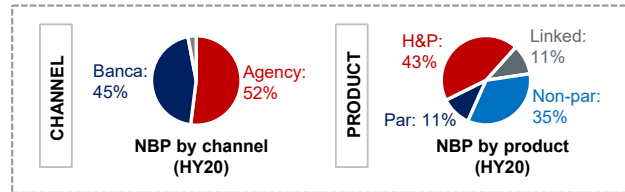
- Faster growth in GDP than advanced economies<sup>1</sup>
- Rapid expansion of the middle class; significant protection gap<sup>2</sup>
- **4 out of 5** consumers intend to purchase more insurance post-Covid<sup>3</sup>
- **2/3** of consumers feel they need more health insurance, but only half have taken actions so far<sup>4</sup>

### 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 productivity<sup>6</sup> **+56%**; active agents **+7%**

### Expansion of our platform

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

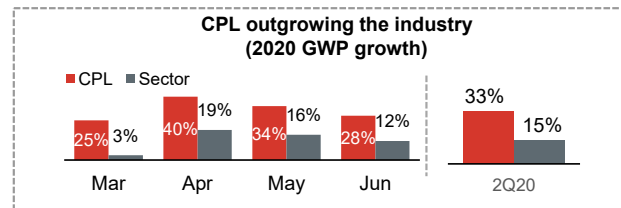


### Quality execution and outperformance

**+30%** Renewal premium growth

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

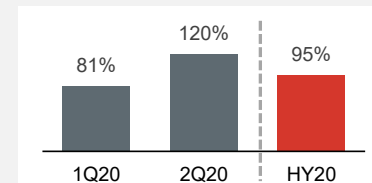
**+17%** IFRS earnings to **\$101m**



### Execution<sup>7</sup>

#### APE

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

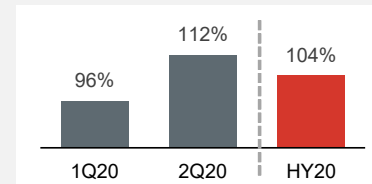


#### 2Q20 (vs PY)

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

#### NBP

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



Data 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



# Asia

## Market highlights – Hong Kong

### Intact structural demand drivers

#### Domestic

- Ageing population
- Significant protection gap
- Government initiatives: QDAP<sup>1</sup> and VHIS<sup>2</sup>



#### Mainland

- 69% of MCH customers intend to buy HK life insurance in 12 months; rise in demand for H&P products<sup>3</sup>
- Government initiatives: Greater Bay Area



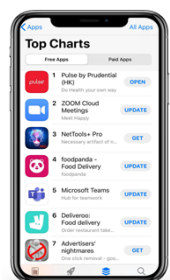
### Product innovation & focus on quality

**0.4m Pulse** downloads<sup>4</sup>

**PRUworks** launched in April

**QDAP** **22%** of domestic APE in HY20

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



Data as of HY20 unless stated otherwise

- Qualifying Deferred Annuity Policy (QDAP)
- Voluntary Health Insurance Scheme (VHIS)
- Based on our 2Q20 MCH Sentiment Tracker
- As of 5 August 2020
- 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



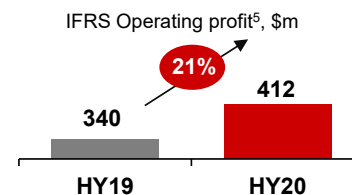
### Resilient in-force driving profit growth

**Resilient in-force**

Total renewal premium up<sup>5</sup> **+8%**

H&P Renewal premium up<sup>5</sup> **+17%**

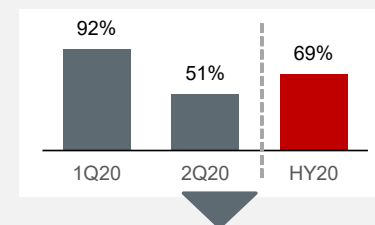
**Driving robust IFRS profit**



### Execution<sup>5</sup>

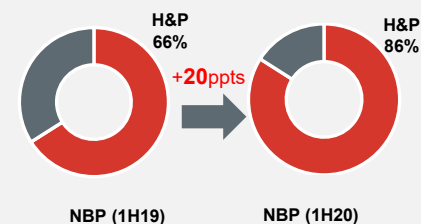
(XX% indicates 2020 sales as a proportion of 2019 levels)

#### APE - Domestic



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

#### H&P NBP – Domestic<sup>5</sup>

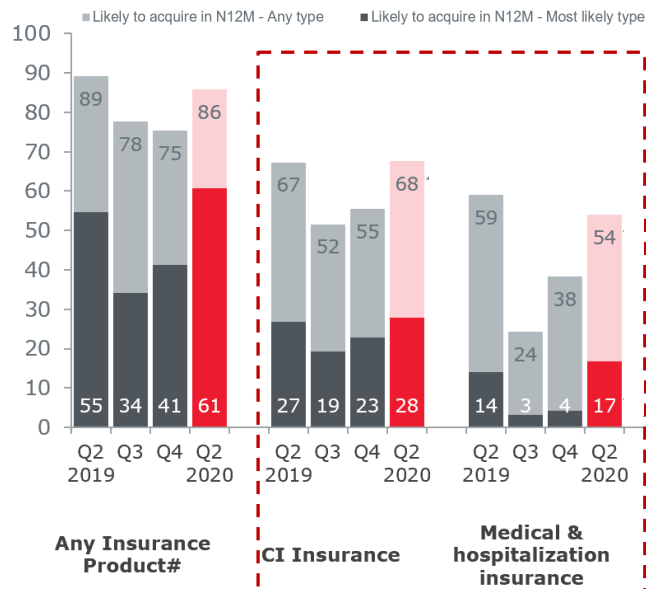




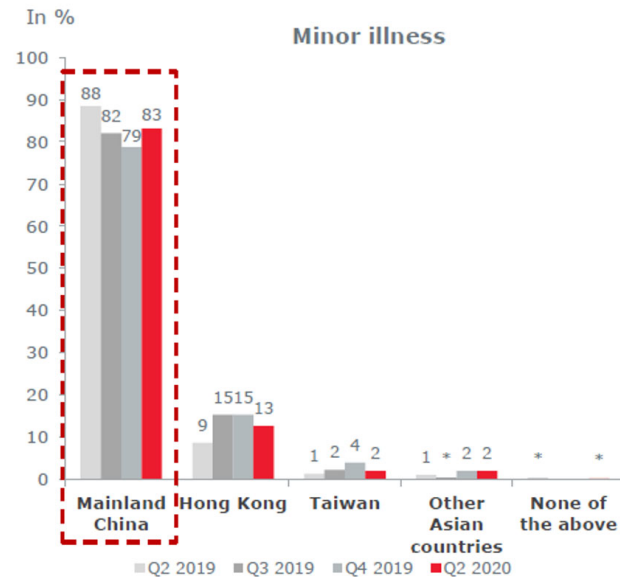
# Asia

## Hong Kong: Intact demand drivers for mainland Chinese customers

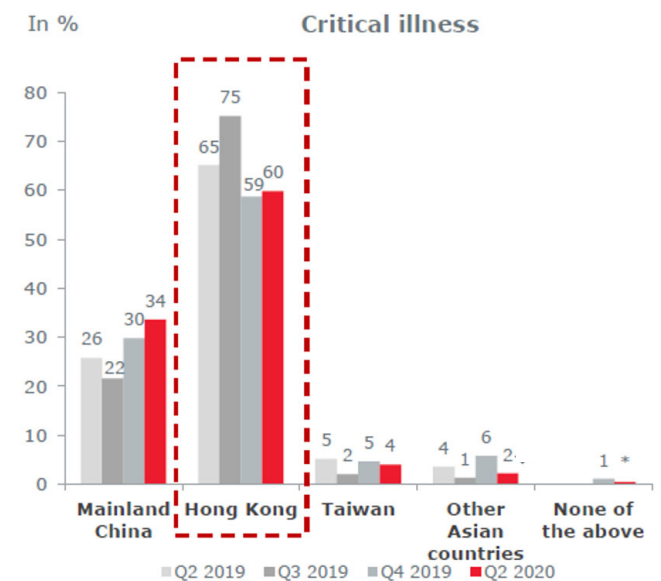
MCH visitors' intention for financial products



MCH visitors' preference for medical treatment



MCH visitors' preference for medical treatment



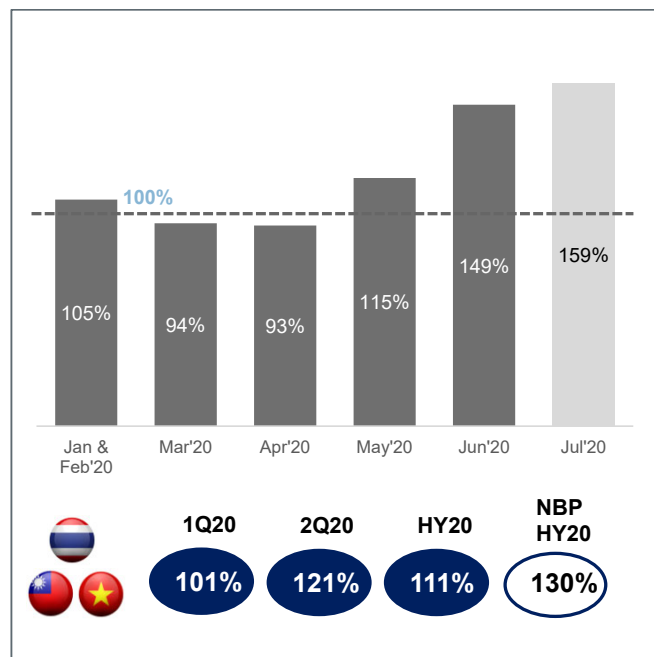
Note: Based on our 2Q20 MCH Sentiment Tracker conducted through online survey using Nielsen online panel on behalf of Prudential Hong Kong. Survey results are based on sample size of 450.  
# Any insurance products refers to insurance with coverage in the event of death, CI, Medical & hospitalization insurance and savings insurance.

# Asia

## Market APE sales trends

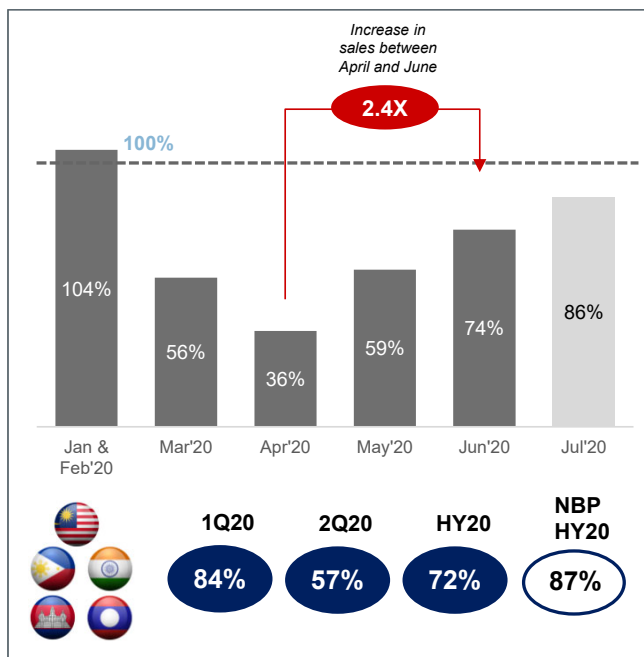
### Markets returned to YoY growth in 2Q

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



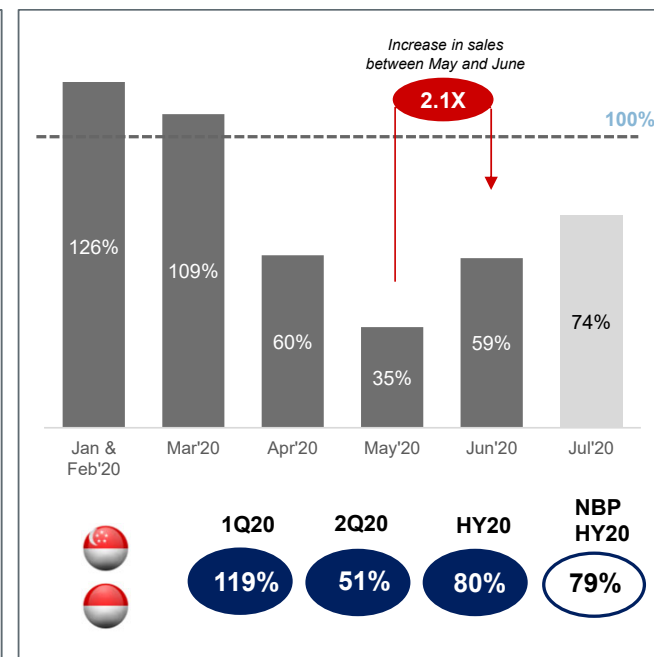
### Markets with “April low”

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 in 2Q

### 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
<b>+33%</b>	<b>+56%</b>

#### Earnings<sup>1</sup>

**+19% to \$75m**

### Vietnam



#### Enhancing distribution capabilities

- **SeABank** partnership launched in April
- **22%** increase in agent recruits<sup>2</sup>

#### 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
<b>0%</b>	<b>+14%</b>

#### Earnings<sup>1</sup>

**+16% to \$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
<b>-10%</b>	<b>+11%</b>

#### Regular premium

**+15% to \$144m**

#### Earnings<sup>1</sup>

**+16% to \$37m**

Data as of HY20 and growth 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<sup>4,5</sup>
- No. of agents **+3%**<sup>8</sup>

#### Leveraging technology

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

#### Asset management

- ICICIPRU<sup>8</sup> AMC FUM **+2%** to **\$47bn** (at 100%)
- Life FUM<sup>6</sup> **+11%** to **\$23bn** (at 100%)

#### Sales recovery

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

#### APE<sup>2</sup>

**-36%** to  
**\$83m**

#### Protection APE<sup>2</sup>

**+29%** to  
**\$23m**

### Malaysia



#### Continued to focus on quality

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

#### Building digital capabilities

- **1.4m Pulse<sup>7</sup>** 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

#### APE<sup>2</sup>

**-20%** to  
**\$123m**

#### Earnings<sup>1,2</sup>

**+16%**  
**\$158m**

### Philippines



#### Enhancing distribution capabilities

- Agent count up **7%**<sup>3</sup> to **34k**

#### Focus on quality

- **97%** regular premium
- **93%** customer retention ratio
- H&P mix improved to **+29%**, up **+3ppts**
- Total renewal premium<sup>2</sup> **+12%**

#### Building digital capabilities

- **1.6m<sup>7</sup> Pulse** downloads
- Virtual sales accounted **95%** in 2Q

#### Sales recovery

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

#### APE<sup>2</sup>

**-23%** to  
**\$56m**

#### Earnings<sup>1,2</sup>

**+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 13<sup>th</sup> 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



# Asia

## Markets with “May low”

### Indonesia



**#1**

Overall & agency<sup>3,4</sup>

#### Enhancing & diversifying distribution

- Agent recruits<sup>2</sup> **+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** downloads<sup>6</sup> (up from 0.5m in early March)
- Digital products launched: **PayLater Protect (OVO)**, **PRUTect Care (Pulse)**

### Singapore



**#1**

Overall regular premium sales<sup>3,5</sup>

#### 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**

Agency RP sales<sup>3,5</sup>

**#4**

Group NB sales<sup>3,5</sup>

APE

**-19%** to  
**\$123m**

#### Sequential rebound

June/May growth **2.0X**

Shariah NBP

**+39%**

Earnings<sup>1</sup>

**-1%**  
**\$249m**

APE

**-21%** to  
**\$229m**

#### Sequential rebound

June/May growth **2.2X**

Protection APE

**+6%**

Earnings<sup>1</sup>

**+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: AAJI

5. Source: LIA

6. As at 05 August 2020



PRUDENTIAL

# Asia

## Indonesia: Broadening our capabilities

### Intact structural drivers & premium franchise

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

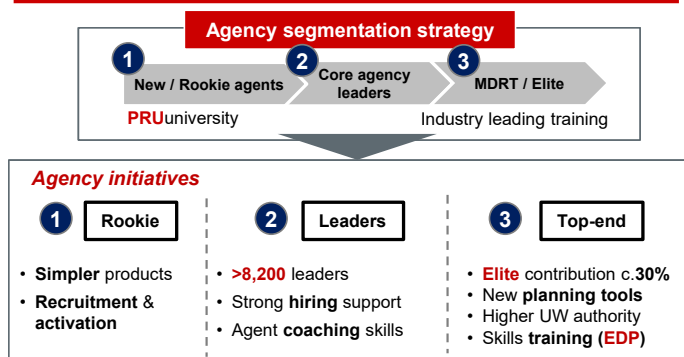


### Broadening product range



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

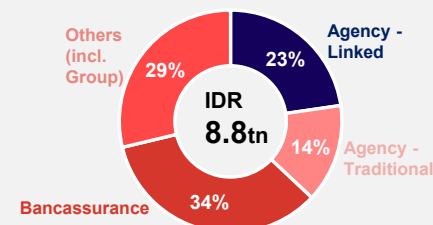


### Digitalisation of business & future-proof

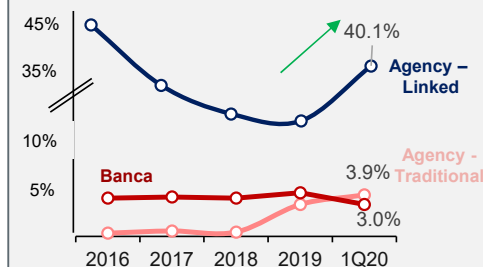
- Pulse + PRUCEKATAN + PRUServices**  
Virtual F2F platform
- Bite-size digital products:**
  - PRUTect Care (Pulse)** + Health Symptom Checker
  - Automation:**
    - ✓ 99% e-Submission
    - ✓ 89% e-Policy
    - ✓ **PRUforce** (online & digital training deployment capabilities)
  - PRUMedical network**
    - ✓ 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 premiums<sup>2</sup> (1Q20)

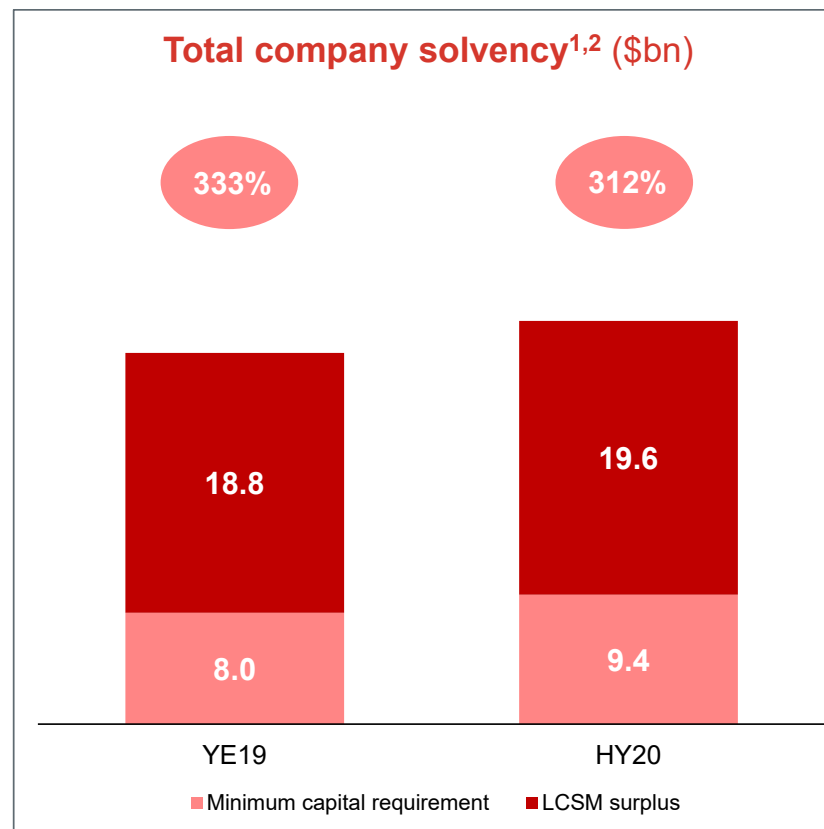
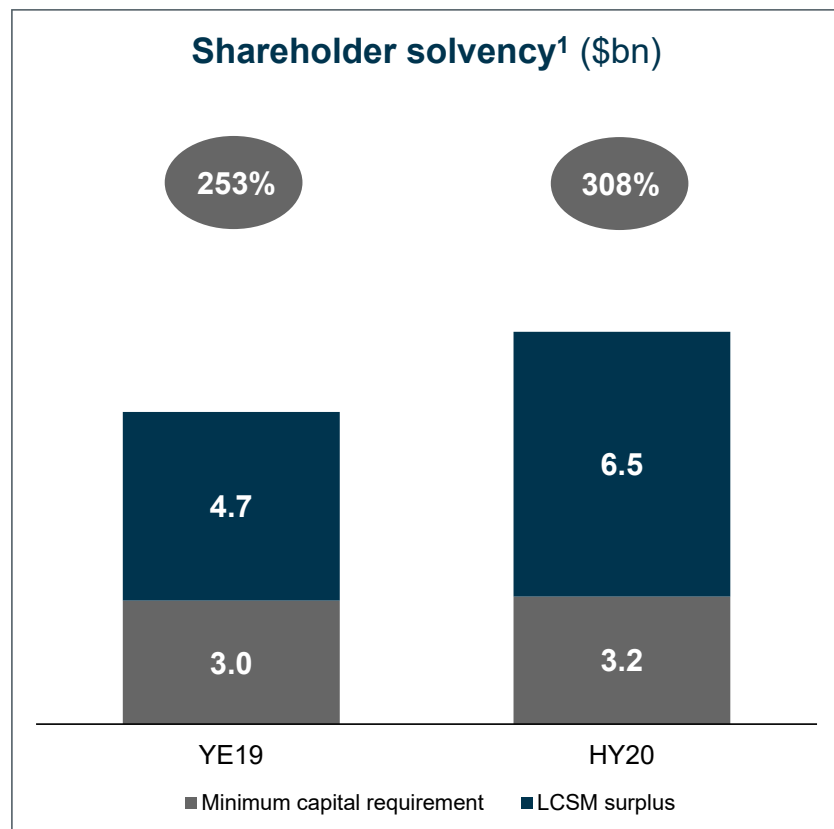


PCA - Market share (1Q20)



# Asia

## 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 assets<sup>1</sup>, HY20 \$bn

	Par funds	Unit linked	Shareholder-backed <sup>2</sup>	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 <sup>3</sup>	1.0	0.6	1.9	3.5
<b>Total</b>	<b>83.3</b>	<b>22.3</b>	<b>32.3</b>	<b>137.9</b>

### Shareholder debt portfolio, HY20 \$bn

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

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

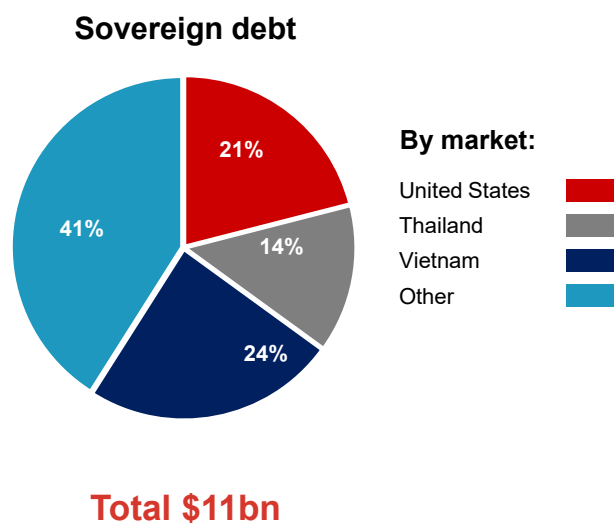




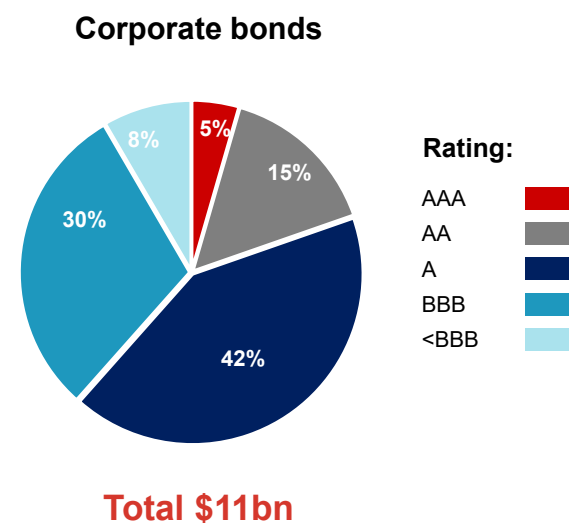
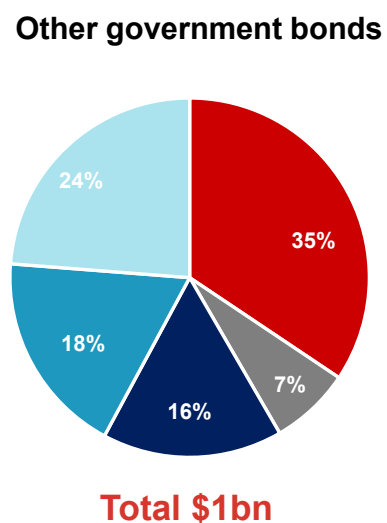
# Asia invested assets

## Shareholder-backed debt exposures

By geography<sup>1</sup>, at 30 June 2020 \$bn



By credit rating<sup>1,2</sup>, at 30 June 2020 \$bn

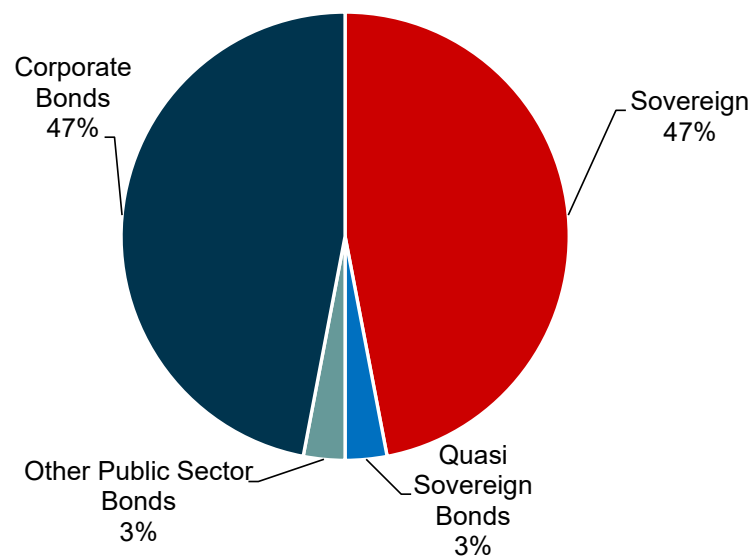


1. Totals may not cast as a result of rounding  
2. Based on middle rating from Standard and Poor's, Moody's and Fitch. If unavailable, local external rating agencies ratings and then internal ratings have been used

# Asia invested assets

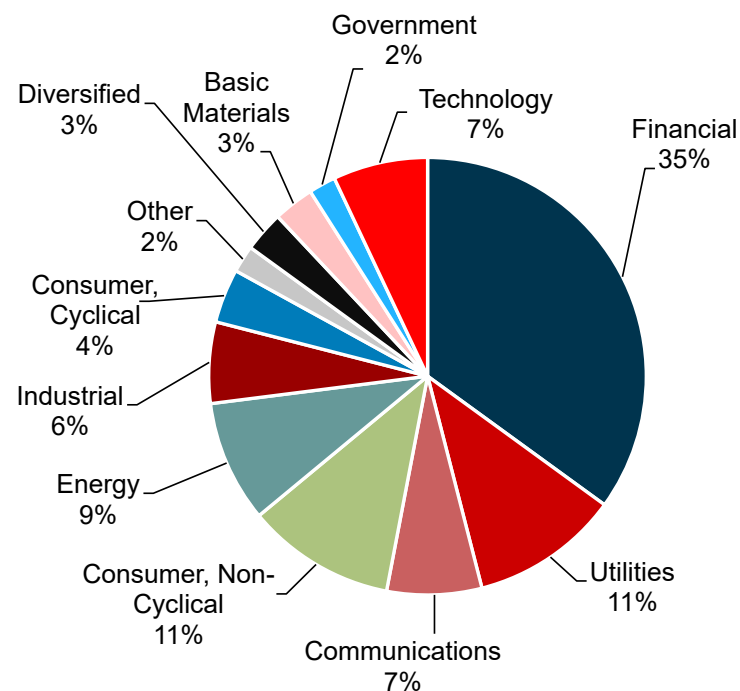
## Shareholder-backed debt exposures

By asset type<sup>1</sup>, 30 June 2020



Total \$24bn

By sector<sup>1,2</sup>, 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