

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



**PRUDENTIAL**

**Prudential plc**

**英國保誠有限公司\***

*(Incorporated and registered in England and Wales under the number 01397169)*

**(Stock code: 2378)**

## **WAIVER IN RESPECT OF MANDATE TO ISSUE PREFERENCE SHARES**

On 1 April 2014, the Hong Kong Stock Exchange granted a waiver to the Company from strict compliance with Rule 13.36(2)(b) of the Hong Kong Listing Rules in respect of the Five-year Mandate to be sought at the AGM.

Rule 13.36(2)(b) of the Hong Kong Listing Rules provides that an issuer may seek a general mandate from its shareholders to allot or issue securities, subject to a restriction that the aggregate number of securities allotted must not exceed the aggregate of 20% of the existing issued share capital of the issuer.

The waiver allows the Company to (a) seek the Five-year Mandate from its shareholders at the AGM and (b) renew such Five-year Mandate without being subject to Rule 13.36(2)(b) of the Hong Kong Listing Rules in order to avoid the need to seek the same waiver from the Hong Kong Stock Exchange again in five years' time.

### **BACKGROUND**

The Company obtained shareholder approval in May 2009 to allot the Preference Shares. This approval lasts five years and expires in May 2014. In order to renew this authority, the Company is therefore seeking the Five-year Mandate from its shareholders at the AGM which is to be held on 15 May 2014. The renewal of this authority is primarily to preserve the Company's ability to structure hybrid capital issues, which it might decide to make based on future financing needs and market conditions.

### **REASONS FOR SEEKING THE HONG KONG STOCK EXCHANGE WAIVER**

The Company will need to comply with the limits set out in Rule 13.36(2)(b) of the Hong Kong Listing Rules if it decides to issue any Preference Shares. Rule 13.36(2)(b) of the Hong Kong Listing Rules provides that an issuer may seek a general mandate from its shareholders to allot or issue securities, subject to a restriction that the aggregate number of securities allotted must not exceed the aggregate of 20% of the existing issued share capital of the issuer. The Five-year Mandate, therefore, requires a dispensation from Rule 13.36(2)(b) of the Hong Kong Listing Rules.

The Company is the holding company of a group of insurance companies and, as such requires, from time to time, to raise regulatory capital. One of the forms in which it may raise regulatory capital is the Preference Shares. The Preference Shares are different in nature to the ordinary shares of the Company and should not be regarded as equity capital of the Company.

The Company believes that it would be unduly restrictive on its ability to raise capital to impose limits on any general mandate relating to the issue of the Preference Shares, particularly as the Company does not believe that it is subject to any constraint under existing Investor Protection Committee guidelines in the United Kingdom.

### **HONG KONG STOCK EXCHANGE WAIVER**

For the reasons set out above, the Company applied for, and the Hong Kong Stock Exchange granted, on 1 April 2014, a waiver from strict compliance with Rule 13.36(2)(b) of the Hong Kong Listing Rules such that (a) the Company can seek the Five-year Mandate from its shareholders at the AGM and (b) the Company can renew such Five-year Mandate

without being subject to Rule 13.36(2)(b) of the Hong Kong Listing Rules in order to avoid the need to seek the same waiver from the Hong Kong Stock Exchange again in five years' time.

## DEFINITIONS

*In this Announcement, unless the context otherwise requires, the following words and phrases have the following meanings:*

“AGM”	the annual general meeting of the Company to be held on Thursday 15 May 2014
“Company”	Prudential plc
“Dollar Preference Shares”	the preference shares of the Company denominated in US dollars with a nominal value of \$0.01 each
“Euro Preference Shares”	the preference shares of the Company denominated in Euro with a nominal value of €0.01 each
“Five-year Mandate”	the authority to be sought by the Company at the AGM to allot the Sterling Preference Shares up to a maximum aggregate nominal value of £20 million (representing two billion Sterling Preference Shares in the Company), the Dollar Preference Shares up to a maximum aggregate nominal value of US\$20 million (representing two billion Dollar Preference Shares in the Company) and the Euro Preference Shares up to a maximum aggregate nominal value of €20 million (representing two billion Euro Preference Shares in the Company) for a period expiring at the conclusion of the annual general meeting of the Company to be held in 2019
“Hong Kong Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Preference Shares”	the Sterling Preference Shares, the Dollar Preference Shares and the Euro Preference Shares
“Sterling Preference Shares”	the preference shares of the Company denominated in Sterling with a nominal value of £0.01 each

By order of the Board  
**Prudential plc**  
**Alan F. Porter**  
*Group Company Secretary*

9 April 2014, Hong Kong

As at the date of this announcement, the Board of Directors of Prudential plc comprises:

### *Chairman*

Paul Victor Falzon Sant Manduca

### *Executive Directors*

Cheick Tidjane Thiam (*Group Chief Executive*), Nicolaos Andreas Nicandrou ACA, Pierre-Olivier Marie Georges Bouée, Jacqueline Hunt, Michael George Alexander McLintock, Barry Lee Stowe and Michael Andrew Wells

### *Independent Non-executive Directors*

Sir Howard John Davies, Ann Frances Godbehere FCGA, Alexander Dewar Kerr Johnston CMG FCA, Kaikhushru Shiavax Nargolwala FCA, Anthony John Liddell Nightingale CMG SBS JP, The Hon. Philip John Remnant CBE ACA, Alice Davey Schroeder and Lord Andrew Turnbull KCB CVO

\* *For identification purposes*