

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 howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



*(Incorporated and registered in England and Wales under the number 01397169)
(Stock code: 2378)*

**UPDATE ON COVID-19 AND CURRENT MARKET CONDITIONS:
MESSAGE FROM MIKE WELLS, GROUP CHIEF EXECUTIVE OF PRUDENTIAL PLC**

Mike Wells, Group Chief Executive of Prudential plc, said:

“The public health emergency and economic uncertainty created by Covid-19 means that Prudential’s customers, staff and distribution partners are depending on us now more than ever for their personal wellbeing and financial security. My message to all of you is simple: we are here for you, and we continue to support you in whatever way we can.

“During this period of uncertainty, Prudential, as a business committed to openness and transparency, will issue regular updates on our response to the varied effects of Covid-19. In parts of Asia, our colleagues have been living with this outbreak for several months and they have been performing heroically, providing outstanding service to customers in a challenging environment. Covid-19 has now developed rapidly from a largely regional issue into a global pandemic. This means we are having to adapt further. Our teams in the US, the UK and Africa are learning from the experience of their colleagues in Asia, and I am pleased to report that our business continuity plans have been executed smoothly.

“Our business continues to be financially resilient. As previously reported, the risk-based capital ratio (RBC) of Jackson, our US business, as at 31 December 2019 was 366 per cent and, despite extreme market volatility since then, Jackson’s RBC ratio is currently estimated to be at a broadly similar level.

“In the same way that Covid-19 is requiring us to think flexibly about how we deliver for customers, it also requires us to be flexible in how we execute our corporate strategy. The Board is unambiguously clear on the strategic priorities for the Group: firstly, to enable Prudential’s investors to benefit to the fullest extent possible from the opportunity presented by Prudential’s business in Asia; and secondly, to pursue a path for an independent Jackson, while ensuring that, through a combination of diversifying its business mix and the necessary strengthening of its standalone capital position, it retains the strong credit rating that its current and future customers require.

“At our Half Year 2019 results back in August, we announced an intention to introduce third-party capital into Jackson. At our Full Year 2019 results, earlier this month, we stated a preference for public equity markets as the source of that third-party capital, through a minority initial public offering (IPO), subject to market conditions. In light of continued turmoil in public equity markets, the Board is ensuring that, alongside preparations for a minority IPO, it continues to actively evaluate other options in relation to Jackson, driven by the focus and objectives that underline our strategic priorities.

“While the full consequences of Covid-19 are still emerging, Prudential has a highly resilient business model and remains well placed to continue to create value for shareholders, and support distribution partners and customers. This crisis is impacting families and individuals in every community we serve across the world, and all of us at Prudential want those people to know that we will be there for them now and in the future.”

Enquiries:

Media

Jonathan Oliver +44 (0)20 3977 9500
Tom Willetts +44 (0)20 3977 9760

Investors/Analysts

Patrick Bowes +44 (0)20 3977 9702
William Elderkin +44 (0)20 3977 9215

Notes to Editors:

About Prudential plc

Prudential plc is an Asia-led portfolio of businesses focused on structural growth markets. The business helps individuals to de-risk their lives and deal with their biggest financial concerns through life and health insurance, and retirement and asset management solutions. Prudential plc has 20 million customers and is listed on stock exchanges in London, Hong Kong, Singapore and New York. Prudential plc is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America, nor with the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.

About Jackson

Jackson is a leading provider of retirement products for industry professionals and their clients. The company and its affiliates offer variable, fixed and fixed index annuities designed for tax-efficient growth and distribution of retirement income for retail customers, as well as products for institutional investors. Jackson is a proud founding member and co-chair of the Alliance for Lifetime Income, a non-profit 501(c)(6) organisation formed and supported by 24 of the nation’s financial services organisations to create awareness and educate Americans about the importance of protected lifetime income. With \$297.6 billion in IFRS assets*, the company prides itself on sound corporate risk management practices and strategic technology initiatives. Focused on thought leadership and education, Jackson provides industry insights and financial representative training on retirement planning and alternative investment strategies. The company is also dedicated to corporate philanthropy and supports non-profit organisations focused on strengthening families and creating economic opportunities in the communities where its employees live and work. For more information, visit www.jackson.com.

**Prudential plc’s US insurance business has IFRS total assets of \$299.0 billion, of which \$297.6 billion relate to Jackson, and \$269.5 billion of IFRS policyholder liabilities (as of 31 December 2019).*

Forward-looking statements

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.

A number of important factors could cause Prudential’s actual future financial condition or performance or other indicated results to differ materially from those indicated in any forward-looking statement. Such factors include, but are not limited to, future market conditions, including fluctuations in interest rates and exchange rates, the continuance of a sustained low-interest rate environment, and the impact of economic uncertainty, asset valuation impacts from the transition to a lower carbon economy, inflation and deflation and the performance of financial markets generally; global political uncertainties; the policies and actions of regulatory authorities, including, in particular, the policies and actions of the Hong Kong Insurance Authority, as

Prudential's new Group-wide supervisor, as well as new government initiatives generally; the impact of continuing application of Global Systemically Important Insurer or 'G-SII' policy measures on Prudential; the impact on Prudential of systemic risk policy measures adopted by the International Association of Insurance Supervisors; the impact of competition and fast-paced technological change; the effect on Prudential's business and results from, in particular, mortality and morbidity trends, lapse rates and policy renewal rates; the physical impacts of climate change and global health crises on Prudential's business and operations; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; the impact of internal transformation projects and other strategic actions failing to meet their objectives; the ability to complete a minority IPO of Jackson or another third party financing transaction; the risk that Prudential's operational resilience (or that of its suppliers and partners) may prove to be inadequate, including in relation to operational disruption due to external events; disruption to the availability, confidentiality or integrity of Prudential's IT, digital systems and data (or those of its suppliers and partners); any ongoing impact on Prudential of the demerger of M&G plc; the impact of changes in capital, solvency standards, accounting standards or relevant regulatory frameworks, and tax and other legislation and regulations in the jurisdictions in which Prudential and its affiliates operate; the impact of legal and regulatory actions, investigations and disputes; and the impact of not adequately responding to environmental, social and governance issues. These and other important factors may, for example, result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. Further discussion of these and other important factors that could cause Prudential's actual future financial condition or performance or other indicated results to differ, possibly materially, from those anticipated in Prudential's forward-looking statements can be found under the 'Risk Factors' in Prudential's Full Year 2019 Results Regulatory News Release. Prudential's Full Year 2019 Results Regulatory News Release is available on its website at www.prudentialplc.com.

Any forward-looking statements contained in this document speak only as of the date on which they are made. Prudential expressly disclaims any obligation to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make, whether as a result of future events, new information or otherwise except as required pursuant to the UK Prospectus Rules, the UK Listing Rules, the UK Disclosure and Transparency Rules, the Hong Kong Listing Rules, the SGX-ST listing rules or other applicable laws and regulations.

By order of the Board
Prudential plc
Thomas S. Clarkson
Company Secretary

24 March 2020, London

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

Chairman

Paul Victor Falzon Sant Manduca

Executive Directors

Michael Andrew Wells (*Group Chief Executive*), Mark Thomas FitzPatrick CA and Stuart James Turner FCA FCSI FRM

Independent Non-executive Directors

Jeremy David Bruce Anderson CBE, Sir Howard John Davies, David John Alexander Law ACA, Kaikhushru Shiavax Nargolwala FCA, Anthony John Liddell Nightingale CMG SBS JP, The Hon. Philip John Remnant CBE FCA, Alice Davey Schroeder, Thomas Ros Watjen, Jane Fields Wicker-Miurin OBE and Yok Tak Amy Yip

* *For identification purposes*