

## **REGISTRATION**

In accordance with English law, the principal register of members of the Company is maintained in the UK, and is maintained by the Principal Share Registrar. In connection with the Introduction, Prudential has established an overseas branch register of members in Hong Kong which will be maintained by the Hong Kong Branch Share Registrar. The HK Register may, in accordance with English law, only include members who are resident in Hong Kong.

Shareholders (including nominee companies or others who hold as nominees) who have registered addresses in Hong Kong will be issued with Prudential Shares which will be registered on the HK Register. All other Shareholders will be issued with Prudential Shares which will be registered on the UK Register.

Certificates in respect of Prudential Shares registered on the HK Register will indicate that the Prudential Shares are registered on the HK Register.

Prudential will keep a duplicate of the HK Register updated from time to time at the place in England where the UK Register is kept available for inspection. Prudential will also keep in Hong Kong a duplicate of the UK Register updated from time to time. It will be available for inspection on a similar basis as the HK Register will be available for inspection in the UK and in the same manner as the HK Register is available for inspection in Hong Kong.

Certificates in respect of Prudential Shares registered on the HK Register will be issued, unless otherwise requested, in one share certificate to each Shareholder recorded on the HK Register to represent the entire holding of that Shareholder recorded on the HK Register.

## **REMOVALS OF PRUDENTIAL SHARES BETWEEN REGISTERS**

### **Voluntary removals of Prudential Shares between registers**

Any Shareholder whose Prudential Shares are registered on the UK Register may at any time obtain a form of request from the Principal Share Registrar to remove Prudential Shares to the HK Register. A form of request for removal when completed should be returned together with the corresponding share certificates (unless the Prudential Shares are held in CREST and the Shareholder has made a stock withdrawal instruction through CREST on the same day as described below) and cheque for the relevant charges to the Principal Share Registrar who will arrange for the removal of such Prudential Shares to the HK Register, provided that the Shareholder concerned provides a registered address in Hong Kong.

Prudential Shares held in CREST must be withdrawn from CREST in order to be removed to the HK Register. Accordingly, in addition to submitting a removal request, any Shareholder holding Prudential Shares through CREST should arrange for a stock withdrawal instruction to be sent through the CREST system specifying the number of Prudential Shares to be withdrawn from CREST and the name and address for registration of such Prudential Shares on the UK Register prior to removal to the HK Register.

Similarly, any Shareholder whose Prudential Shares are registered on the HK Register can at any time obtain a form of request from the Hong Kong Branch Share Registrar to remove Prudential Shares to the UK Register. On the return of such form, duly completed, together with the corresponding share certificates and payment for the relevant charges, the Hong Kong Branch Share Registrar will arrange for the removal of such Prudential Shares to the UK Register.

Prudential Shares held in CCASS must be withdrawn from CCASS in accordance with the rules of CCASS and registered onto the HK Register before they can be removed to the UK Register.

For Shareholders who wish to be registered on the HK Register by 25 May 2010, when it is expected that the Introduction will become effective, a batch removal process will be available as disclosed under "Batch Removal Process" below. From 20 May 2010 until 28 June 2010, removals

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between the registers will be performed using an expedited removal process as disclosed under "Expedited Removal Process" below.

### Compulsory removal from the HK Register

Any transfer of Prudential Shares registered on the HK Register to a Shareholder with a registered address outside Hong Kong will automatically result in the compulsory removal of such Prudential Shares from the HK Register to the UK Register. Such a Shareholder will be informed that his Prudential Shares will be placed on the UK Register and he will receive new share certificates from the Principal Share Registrar.

Similarly, if a Shareholder on the HK Register ceases to have a registered address in Hong Kong following a change of address, his Prudential Shares will be automatically removed from the HK Register to the UK Register. In such circumstances, the Shareholder is requested to return all relevant share certificates to the Hong Kong Branch Share Registrar for cancellation and the Principal Share Registrar will be instructed to issue new share certificates.

### Removal charges and Prudential Share removal times from 29 June 2010

The following table sets forth two levels of Prudential Share removal services offered by the Principal Share Registrar and the Hong Kong Branch Share Registrar from 29 June 2010:

<u>Category</u>	<u>Registrar</u>	<u>Standard</u>	<u>Express</u>										
Hong Kong to UK . . . . .	Hong Kong Branch Share Registrar	HK\$25.00 base + HK\$2.50 per certificate cancelled	0.05% of market value of shares removed										
	Principal Share Registrar	No fee	Charges based on the value of the transaction:-  <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Value</u></th> <th style="text-align: left;"><u>Charge</u></th> </tr> </thead> <tbody> <tr> <td>Up to £500,000</td> <td>£110 + VAT</td> </tr> <tr> <td>£500,001 to £1,000,000</td> <td>£220 + VAT</td> </tr> <tr> <td>£1,000,001 to £2,000,000</td> <td>£330 + VAT</td> </tr> <tr> <td>Over £2,000,000</td> <td>£400 + VAT</td> </tr> </tbody> </table>	<u>Value</u>	<u>Charge</u>	Up to £500,000	£110 + VAT	£500,001 to £1,000,000	£220 + VAT	£1,000,001 to £2,000,000	£330 + VAT	Over £2,000,000	£400 + VAT
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UK to Hong Kong . . . . .	Principal Share Registrar	£15.00 + VAT	Charges based on the value of the transaction:-  <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Value</u></th> <th style="text-align: left;"><u>Charge</u></th> </tr> </thead> <tbody> <tr> <td>Up to £500,000</td> <td>£110 + VAT</td> </tr> <tr> <td>£500,001 to £1,000,000</td> <td>£220 + VAT</td> </tr> <tr> <td>£1,000,001 to £2,000,000</td> <td>£330 + VAT</td> </tr> <tr> <td>Over £2,000,000</td> <td>£400 + VAT</td> </tr> </tbody> </table>	<u>Value</u>	<u>Charge</u>	Up to £500,000	£110 + VAT	£500,001 to £1,000,000	£220 + VAT	£1,000,001 to £2,000,000	£330 + VAT	Over £2,000,000	£400 + VAT
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Over £2,000,000	£400 + VAT												
Hong Kong Branch Share Registrar	HK\$25.00 base fee + HK\$2.50 per certificate issued	0.05% of market value of shares removed											

The Principal Share Registrar and the Hong Kong Branch Share Registrar aim to complete a standard removal of Prudential Shares (whether UK to Hong Kong or Hong Kong to UK) within 6 Business Days plus 5 London Business Days. The Principal Share Registrar and the Hong Kong Branch Share Registrar aim to complete an express removal of Prudential Shares (Hong Kong to UK) within 2 Business Days plus 1 London Business Day and an express removal of Prudential Shares (UK to Hong Kong) within 2 Business Days plus up to 2 London Business Days. These time periods assume that the name and address of the Shareholder which will appear on the UK Register and the HK Register are the same. Where a removal of Prudential Shares from the HK Register to the UK Register also involves the re-registration of the Prudential Shares in a different name and/or address, then an

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additional re-registration fee of HK\$20.00 is payable to the Hong Kong Branch Share Registrar for each certificate to be cancelled. In addition, the Hong Kong Branch Share Registrar may require up to 4 additional Business Days to complete a standard removal of Prudential Shares if re-registration is required, and up to 1 additional Business Day to complete an express removal of Prudential Shares if re-registration is required.

Once a Prudential Share has been removed to the UK Register, it may be deposited into CREST in accordance with the rules of CREST. Similarly, once a Prudential Share has been removed to the HK Register, it may be deposited in CCASS in accordance with the rules of CCASS.

### **Special arrangements to facilitate removals of Prudential Shares to the HK Register prior to and during the initial period after the Introduction**

Special arrangements have been made to facilitate removals of Prudential Shares from the UK Register to the HK Register prior to and during the initial period after the Introduction by way of a batch removal ("**Batch Removal**") process and an expedited removal process (the "**Expedited Removal Process**"). Further details regarding these processes are set out below.

#### **Batch Removal process**

For Shareholders who wish to be registered on the HK Register by 25 May 2010, when it is expected that the Introduction will become effective, the Principal Share Registrar and the Hong Kong Branch Share Registrar will arrange for the removal of Prudential Shares to the HK Register in a single batch as described below. Shareholders who wish to remove their Prudential Shares from the UK Register to the HK Register using this process will need to complete a request for removal of securities form. The form, which contains details of how it should be returned, is available from Prudential's website at [www.prudential.co.uk/transaction](http://www.prudential.co.uk/transaction). For Prudential Shares to be registered on the HK Register by 25 May 2010, when it is expected that the Introduction will become effective, the request for removal of securities forms must be received by the Principal Share Registrar by no later than 5:00 p.m. (London time) on 19 May 2010. Except in circumstances where the Prudential Shares are held in CREST and the Shareholder has made a stock withdrawal instruction through the CREST system on the same day as described below, the corresponding share certificates must be sent to the Principal Share Registrar together with the request for removal of securities form.

Prudential Shares held in CREST must be withdrawn from CREST in order to be removed to the HK Register. Accordingly, in addition to submitting a request for removal of securities form, Shareholders holding their Prudential Shares through CREST should arrange for a stock withdrawal instruction to be sent through the CREST system specifying the number of Prudential Shares to be withdrawn from CREST and the name and address for registration of such Prudential Shares on the UK Register prior to removal to the HK Register. This stock withdrawal instruction must settle by 3:00 p.m. (London time) on 19 May 2010, taking into account standard settlement times within the CREST system. In order to facilitate the removal of the Prudential Shares to the HK Register, this should be the name and address which will be registered on the HK Register. This must be a registered address in Hong Kong to be eligible for entry on the HK Register. The same name should appear on the request for removal of securities form. In order to facilitate deposit of the Prudential Shares into CCASS following their removal to the HK Register, the name and address specified upon withdrawal from CREST should where possible be that of the CCASS participant or person holding an account with a CCASS participant who will hold the Prudential Shares in CCASS.

The request for removal of securities form will set out the terms and conditions relating to the Batch Removal process. In particular, in signing a request for removal of securities form a Shareholder agrees that, in the event the Introduction does not proceed, Prudential is authorised to arrange for its Prudential Shares to be removed back to the UK Register.

If a duly completed request for removal of securities form is received by the Principal Share Registrar by 5:00 p.m. (London time) on 19 May 2010 together with the corresponding share

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certificates, or, if the Prudential Shares are held in CREST, settlement of a stock withdrawal instruction, (which instructions must be settled by 3:00 p.m. (London time) on 19 May 2010), subject to the granting of admission of, and permission to deal in, the Prudential Shares on the Main Board of the Stock Exchange by the listing committee of the Stock Exchange, it is expected that the relevant Prudential Shares will be registered on the HK Register by 24 May 2010 and that the corresponding share certificates will be despatched to the address of the Shareholder specified on the HK Register or be available for collection from the offices of the Hong Kong Branch Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. In order for a Shareholder or its specified nominee to arrange collection of its share certificates it should, following the return of its request for removal of securities form to the Principal Share Registrar, notify the Hong Kong Branch Share Registrar in writing to the address set out above, by email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) or by fax to (852) 2865 0990, before 24 May 2010.

Once any Prudential Shares have been removed to the HK Register, they may be deposited in CCASS in accordance with the rules of CCASS. Whether such Prudential Shares will be immediately credited to the stock account of the CCASS participant for electronic book-entry settlement in CCASS will also be subject to the rules of CCASS. As such, any person who would want to take advantage of the expedited procedure for removals to settle Prudential Share transactions in Hong Kong through CCASS should consult their CCASS participant ahead of time.

There are no fees payable in respect of such removals of Prudential Shares under the Batch Removal process.

### **Expedited removal process**

From 20 May 2010 until 28 June 2010 (subject to the suspension described below), Shareholders will be able to obtain a request for removal of securities form from the Principal Share Registrar and Prudential's website at [www.prudential.co.uk/transaction](http://www.prudential.co.uk/transaction). On the return of such form to the Principal Share Registrar, duly completed, the Principal Share Registrar will arrange for the removal of such Prudential Shares to the HK Register, as long as the Shareholder concerned provides a registered address in Hong Kong. Except in circumstances where the Prudential Shares are held in CREST and the Shareholder has made a stock withdrawal instruction through the CREST system on the same day as described below, the corresponding share certificates must be sent to the Principal Share Registrar together with the request for removal of securities form. This service will be available without charge to the Shareholder concerned.

If a duly completed request for removal of securities form and the corresponding share certificates, or, if the Prudential Shares are held in CREST, settlement of a stock withdrawal instruction, are received by the Principal Share Registrar prior to 3:00 p.m. (London time) on a London Business Day, the Share registrars aim to complete an expedited removal of Prudential Shares from the UK Register to the HK Register within a period of one London Business Day plus one Business Day (provided that, in the case of Shareholders who hold their Prudential Shares in CREST, the stock withdrawal instruction has settled through CREST by 3:00 p.m. (London time) on the day that the request is received by the Principal Share Registrar). Under such circumstances, it is therefore expected that the Prudential Shares would be registered on the HK Register, and the corresponding share certificates would be despatched to the address of the Shareholder specified on the HK Register or be available for collection from the offices of the Hong Kong Branch Share Registrar at the address set out above, by 9:00 a.m. (Hong Kong time) on the date falling one London Business Day plus one Business Day after the date of receipt by the Principal Share Registrar of the request for removal of securities form. In order for a Shareholder or its specified nominee to arrange collection of its share certificates it should, following the return of its request for removal of securities form to the Principal Share Registrar, notify the Hong Kong Branch Share Registrar in writing to the address set out above, by email to [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk) or by fax to (852) 2865 0990, before 9:00 a.m. (Hong Kong time) on the date falling one London Business Day

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plus one Business Day after the date of receipt by the Principal Share Registrar of the request for removal of securities form.

Prudential Shares held in CREST must be withdrawn from CREST in order to be removed to the HK Register. Accordingly, in addition to submitting a request for removal of securities form, Shareholders holding their Prudential Shares through CREST should arrange for a stock withdrawal instruction to be sent through the CREST system specifying the number of Prudential Shares to be withdrawn from CREST and the name and address for registration of such Prudential Shares on the UK Register prior to removal to the HK Register. In order to facilitate the removal of the Prudential Shares to the HK Register, this should be the name and address which will be registered on the HK Register. This must be a registered address in Hong Kong to be eligible for entry on the HK Register. The same name should appear on the request for removal of securities form. In order to facilitate deposit of the Prudential Shares into CCASS following their removal to the HK Register, the name and address specified upon withdrawal from CREST should where possible be that of the CCASS participant or person holding an account with a CCASS participant who will hold the Prudential Shares in CCASS.

Once a Prudential Share has been removed to the HK Register, it may be deposited in CCASS in accordance with the rules of CCASS. Whether such Prudential Shares will be immediately credited to the stock account of the CCASS participant for electronic book-entry settlement in CCASS will also be subject to the rules of CCASS. As such, any person who would want to take advantage of the expedited procedure for removals to settle Prudential Share transactions in Hong Kong through CCASS should consult their CCASS participant ahead of time.

In signing and lodging a request for the removal of securities form before the Introduction becomes effective a Shareholder agrees that, in the event the Introduction does not proceed, Prudential is authorised to arrange for its Prudential Shares to be removed back to the UK Register.

Any Shareholder whose Prudential Shares are registered on the HK Register will be able to obtain a request for removal of securities form from the Hong Kong Branch Share Registrar for a removal to the UK Register from 25 May 2010. On the return of such form to the Hong Kong Branch Share Registrar, duly completed, together with the corresponding share certificates and payment for the relevant charges, the Hong Kong Branch Share Registrar will arrange for the removal of such Prudential Shares to the UK Register. Prudential Shares held in CCASS must be withdrawn from CCASS in accordance with the rules of CCASS and registered onto the HK Register before they can be removed to the UK Register.

Where a duly completed request for removal of securities form is received by the Hong Kong Branch Share Registrar together with the corresponding share certificate prior to 5:00 p.m. (Hong Kong time) on a Business Day, the Registrars aim to complete an expedited removal of Prudential Shares from the HK Register to the UK Register within a period of one Business Day plus one London Business Day. This service will be available without charge to the Shareholder concerned.

Once a Prudential Share has been removed to the UK Register, it may be deposited into CREST in accordance with the rules of CREST.

### ***Suspension of removals between registers in relation to the Rights Issue***

Removals between the UK Register and the HK Register will be suspended for a period in connection with the Rights Issue. The suspension period will be from 3:00 p.m. (London time) on 1 June 2010 to 8:00 a.m. (London time) on 8 June 2010 in the UK and from 4:30 p.m. (Hong Kong time) on 1 June 2010 to 9:30 a.m. on 8 June 2010 (Hong Kong time) in Hong Kong.

**LIQUIDITY ARRANGEMENTS****Intended liquidity arrangements during the Designated Period**

Prior to and upon the Introduction, the Designated Dealers will seek to undertake stock borrowing and other trading activities in the circumstances described below. Certain trades envisaged to be carried out by the Designated Dealers during the Designated Period would technically constitute covered short-selling under applicable Hong Kong laws and regulations. In this regard, the Sponsor has applied for on behalf of the Designated Dealers and has obtained an exemption from the Stock Exchange in order to permit the Designated Dealers to conduct the proposed short sale arrangements during the Continuous Trading Period in circumstances where the Prudential Shares are not "Designated Securities", as defined in the Stock Exchange Rules and in order to ensure compliance with the Stock Exchange Rules which restrict short sales to only Designated Securities. In addition, the Stock Exchange has waived the restriction on short selling during the Pre-opening Session (from 9:30 a.m. to the commencement of the morning trading session at 10:00 a.m.) to allow the Designated Dealers to effect covered short-sale trades in the Prudential Shares during the daily Pre-opening Session for the duration of the Designated Period in order to enable the Designated Dealers to sell borrowed Prudential Shares during the Pre-opening Session. The Sponsor has also applied for on behalf of the Designated Dealers and has obtained from the Stock Exchange an exemption from the regulation that a short sale shall not be made on the Stock Exchange below the best current ask price except where the Designated Security is an Exchange Traded Fund traded under the Pilot Program or is an Exchange Traded Fund approved by the SFC to be excluded from the application of this regulation. The above exemptions granted are collectively referred to as the "Exemptions".

No persons other than the Designated Dealers are permitted to enter into short sales of Prudential Shares on the Stock Exchange during the Designated Period or thereafter unless the Prudential Shares are designated for short selling by the Stock Exchange. Upon the expiry of the Designated Period, the Designated Dealers will not be able to engage in further covered short sales on the Stock Exchange unless the Prudential Shares are designated for short selling by the Stock Exchange.

Such activities and Exemptions will facilitate the Designated Dealers in conducting stock trading activities on the Stock Exchange during the Designated Period with a view to seeking to provide liquidity to meet demand for Prudential Shares upon and in the period immediately following the Introduction:

1. The Designated Dealers will enter into stock borrowing arrangements with existing Shareholders and remove borrowed Prudential Shares from the UK Register to the HK Register. Upon the Introduction and during the Designated Period, the Designated Dealers will seek to make Prudential Shares from such inventory and any additional Prudential Shares which they may borrow or purchase during the Designated Period available for sale to the Hong Kong market to meet demand if supply from other market sources proves to be insufficient to maintain an orderly market. These arrangements will terminate and cease upon the expiry of the Designated Period.
2. To seek to ensure that they will have ready access to appropriate quantities of Prudential Shares for settlement purposes upon the Introduction and during the Designated Period, the Designated Dealers have entered or will enter into stock borrowing and lending agreements with existing Shareholders under arm's length stock borrowing terms. Pursuant to the stock borrowing arrangements, such Shareholders have made or will make available to the Designated Dealers lending facilities. Such Prudential Shares will be used principally to settle trades carried out by the Designated Dealers in Hong Kong. These Prudential Shares will have been registered on the HK Register prior to the Introduction.

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3. To close out their borrowed positions, the Designated Dealers may purchase Prudential Shares or nil paid rights in the London market or in the Hong Kong market or remove back to the UK any unutilised Prudential Shares and transfer such Prudential Shares to the lending Shareholders. If necessary, the Designated Dealers may repeat the process or alternatively may purchase Prudential Shares in the UK market or the Hong Kong market in order to provide additional liquidity to meet demand for Prudential Shares in the Hong Kong market during the Designated Period.
4. The Designated Dealers will set up designated broker identity numbers solely for the purposes of carrying out covered short-sale and other trades (including purchases and sales of Prudential Shares) in Hong Kong pursuant to those arrangements, in order to assist in identification and thereby seek to enhance the transparency of such trades on the Hong Kong market. Once the respective designated broker identity numbers are available and in any event not later than the Business Day before the first day of the Introduction, the Designated Dealers will notify Prudential of their designated broker identity numbers. Such information will then be posted on the website of Prudential, and disclosed by way of an announcement on the Stock Exchange. It is expected that this announcement will be made on or around 19 May 2010. Any change in such designated broker identity numbers will be disclosed as soon as practicable using the same channels as described above.
5. The Designated Dealers have entered and will enter into such arrangements (including the covered short-sale trading activities and any purchases and sales of Prudential Shares) on a voluntary basis in good faith and on arm's length terms with a view to contributing towards liquidity to meet demand for Prudential Shares in Hong Kong.
6. During the suspension period as described in the section headed "Suspension of removals between registers in relation to the Rights Issue" above, the Designated Dealers intend to build an inventory prior to the commencement of the suspension through a combination of borrowing and purchases of Prudential Shares in either London or Hong Kong. These Prudential Shares will then be made available to meet demand if supply from other market sources proves to be insufficient. The Designated Dealers will use their expertise and judgment to assess, based on the level of market demand during the suspension period, whether and in what number any additional stock borrowing or purchase arrangements are needed during the suspension period to provide liquidity in that period.

It is emphasised that other existing Shareholders who may have removed part or all of their Prudential Shares from the UK Register to the HK Register prior to or upon the commencement of trading (or thereafter) can also carry out arbitrage trades in the Prudential Shares. Such activities will depend on, amongst other things, the extent of price differentials between the two stock exchanges, and the number of market participants who elect to enter into such arbitrage arrangements.

The stock borrowing and trading activities of the Designated Dealers and any persons acting for them will be entered into in accordance with all applicable laws, rules and regulations. The liquidity arrangements being implemented in connection with the Introduction are not equivalent to the price stabilisation activities which may be undertaken in connection with an initial public offering. In addition, the Designated Dealers are not acting as Market Makers or Security Market Makers (as those terms are defined in the Stock Exchange Rules). In particular, the Designated Dealers do not intend to seek to use buying of Prudential Shares in Hong Kong to meet excess supply in the market.

It should be noted that the Designated Dealers and any persons acting for them may, in connection with the proposed liquidity activities, maintain a long position in the Prudential Shares. There is no certainty regarding the extent or time or the period for which the Designated Dealers and any persons acting for them may maintain such a long position in the Prudential Shares. The liquidation of any such long position by the Designated Dealers or any person acting for them may have an adverse impact on the market price of the Prudential Shares.

**Spread of Shareholdings**

It is expected that the following measures and factors will assist in creating and/or improving the spread of holdings of the Prudential Shares available for trading on the Stock Exchange following the Introduction:

- As the Prudential Shares are of one and the same class, Shareholders may at their discretion remove Prudential Shares from the UK to Hong Kong upon or after the Introduction, as described above in the section headed “Removals of Prudential Shares Between Registers — Voluntary removals of Prudential Shares between registers” above. Special arrangements have been made to facilitate removals of Prudential Shares, and to incentivise existing Shareholders to remove their Prudential Shares to Hong Kong prior to and during the initial period after the Introduction under the Batch Removal process and the Expedited Removal Process at a fully subsidised cost. Details of such arrangements are set out above in the section headed “Removals of Prudential Shares Between Registers — Special arrangements to facilitate removals of Prudential Shares to the HK Register prior to and during the initial period after the Introduction”. To the extent that existing Shareholders elect to remove Prudential Shares to Hong Kong before or shortly after the Introduction, such Prudential Shares may help contribute to the general liquidity of the Prudential Shares on the Hong Kong market.
- As indicated in the section “Liquidity Arrangements — Intended liquidity arrangements during the Designated Period” above, it is expected that existing Shareholders will lend and make available to the Designated Dealers Prudential Shares and the Designated Dealers and/or persons acting for them may also purchase Prudential Shares in either the UK market or the Hong Kong market which, in each case, will be used principally to settle trades carried out by the Designated Dealers in Hong Kong.
- In conducting stock borrowing and trading activities in circumstances as described above in the section headed “Liquidity Arrangements — Intended liquidity arrangements during the Designated Period”, the Designated Dealers are effectively acting as a conduit to transfer some of the trading liquidity of the Prudential Shares in the UK market to the Hong Kong market.

**Benefits of the liquidity arrangements**

It is believed that the liquidity arrangements will benefit the Introduction in the following ways:

- by having a mechanism in place to promote and facilitate liquidity to meet demand for Prudential Shares on the Hong Kong market upon and during the initial period after the Introduction. During the Designated Period, the Designated Dealers will, at their discretion and to the extent they consider appropriate, seek to make Prudential Shares available for sale to the Hong Kong market, to try to meet demand if supply from other market sources proves to be insufficient to maintain an orderly market; and
- by seeking to minimise the risk of a disorderly market developing from significant demand for Prudential Shares not fulfilled in Hong Kong upon and during the initial period after the Introduction.

**Disclosure of the liquidity arrangements**

In order to enhance transparency of the activities carried out under the liquidity arrangements described above, various measures to provide information to the market and potential investors will be undertaken as described in the section “Investor Awareness” below.

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Further, Prudential will, as soon as practicable and in any event before the opening of trading hours on the Business Day immediately before the first day of the Introduction, release an announcement on the Stock Exchange to inform the investing public of the following information as at the Latest Practicable Date prior to such announcement:

- the number of Prudential Shares in respect of which the Principal Share Registrar has received instructions from Shareholders for the removal of such Prudential Shares to the HK Register under the Batch Removal process; and
- the total number of Prudential Shares which have been registered on the HK Register.

It should be noted that Prudential Shares removed from the UK Register to the HK Register in the Batch Removal (as set out in the section headed “Removals of Prudential Shares Between Registers — Batch Removal Process”) may include Prudential Shares which Shareholders intend at that time or subsequently to move to CDP. Accordingly, it is possible that not all of the Prudential Shares removed from the UK Register to the HK Register in the Batch Removal will necessarily be available for trading in Hong Kong. Please refer to the section headed “Risk Factors — Risks Relating to the Introduction — Movement of Shares to CDP from CCASS may adversely affect the liquidity of the Prudential Shares on the Stock Exchange”.

In respect of the trades (including covered short-sales and purchases or sales of Prudential Shares) to be carried out by the Designated Dealers on the Stock Exchange, the Designated Dealers will set up designated broker identity numbers solely for the purposes of carrying out such trades in Hong Kong, in order to assist in identification and thereby enhance transparency of the trades on the Hong Kong market. Information relating to such designated broker identity numbers will be disclosed as set out in the section headed “Liquidity Arrangements — Intended liquidity arrangements during the Designated Period” above.

### INVESTOR AWARENESS

#### Arrangements involving Prudential and the Designated Dealers

Prior to the Introduction, Prudential and the Designated Dealers have been cooperating to inform the investor community in the UK and Hong Kong of the processes for removing Prudential Shares to the HK Register and to inform the investor community in Hong Kong of the liquidity arrangements as disclosed in this listing document, and any developments or changes thereto. After the Introduction has taken place, Prudential and the Designated Dealers may continue to take measures to educate the public. The following measures will be taken to enhance the transparency of Prudential, the Batch Removal process, the Expedited Removal Process and the liquidity arrangements:

- there will be media briefings and press interviews to inform investors of the arrangements;
- briefings will be conducted to local brokerage houses in Hong Kong;
- briefings in relation to the liquidity arrangements will be conducted for, amongst others, private bank divisions, a syndicate of brokerage houses and other institutional investors;
- a public announcement on the share migration procedures as summarised in the sections “Removals of Prudential Shares Between Registers” and “Liquidity Arrangements” respectively above has been posted on the Prudential website;
- Information, including Prudential’s previous day closing price, trading volume and other relevant historical data will be disclosed on the Prudential website. Furthermore, during a period of three London Business Days up to the commencement of dealings in the Prudential Shares on the Stock Exchange, a daily announcement will be released on the Stock Exchange, disclosing the previous day closing price of the Prudential Shares on

the London Stock Exchange, as well as any relevant developments and updates with regard to the liquidity arrangements; and

- Electronic copies of this listing document and the listing document of New Prudential issued by New Prudential on or around the date of this listing document will be disseminated through the website of Prudential and the website of the Stock Exchange. In addition, physical copies of this listing document and the listing document of New Prudential issued by New Prudential on or around the date of this listing document will be made available for collection at the office of Credit Suisse (Hong Kong) Limited at 45/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

#### **Other sources of information**

Real-time trading information in respect of the Prudential Shares can be obtained from the following sources:

- the website of London Stock Exchange at <http://www.londonstockexchange.com/information-providers/market-data/market-data.htm>, at no cost; or
- through service providers that provide such facilities at investors' own expense. Such service will be provided on and subject to the terms and conditions of the relevant service provider.

#### **INFORMATION ON SINGAPORE INTRODUCTION**

A letter of eligibility to list has been obtained from the SGX-ST for the secondary listing and quotation of the Prudential Shares currently in issue. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Prudential Shares will comprise 500 Prudential Shares, and the Prudential Shares will be quoted and traded on the SGX-ST in US dollars.

Upon admission to the Singapore Official List, Prudential will have a dual primary listing on both the London Stock Exchange and the Stock Exchange, and a secondary listing on the SGX-ST. The Prudential Shares are also traded in the form of American depositary shares in US dollars on the New York Stock Exchange through Prudential's ADR facility. The Prudential Shares are quoted in pounds sterling on the London Stock Exchange, in HK dollars on the Stock Exchange and in US dollars on the SGX-ST.

#### **Trading and Settlement of the Prudential Shares on the SGX-ST**

Pursuant to the Singapore Introduction, all dealings in and transactions of the Prudential Shares executed on the SGX-ST will be cleared and settled under the electronic book-entry clearance and settlement system of CDP, and effected in accordance with CDP's terms and conditions for the operation of securities accounts, as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP. An investor may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

CDP has in turn appointed a nominee to hold the Prudential Shares deposited with CDP in CCASS. Citibank, N.A., Singapore ("Citibank Singapore") has been appointed by CDP as its global custodian to hold its Prudential Shares through a CCASS Participant, Citibank, N.A., Hong Kong ("Citibank HK"), in the CCASS system.

## APPENDIX VIII REGISTRATION AND REMOVAL OF PRUDENTIAL SHARES BETWEEN REGISTERS

Through the movement mechanisms discussed below, it is possible for investors to purchase Prudential Shares on the SGX-ST and sell them on the Stock Exchange and *vice versa*. All of the linked movements between CDP and CCASS are effected only on a Free-of-Payment basis (that is, there is no related cash movement parallel to the securities movement, and any related cash transfers may only be effected outside CDP and CCASS directly between the buyer and seller through their own arrangements).

Investors should be aware that while there is no time difference between the Singapore and Hong Kong markets, the Stock Exchange has shorter trading hours than the SGX-ST. The trading hours on the SGX-ST are from 9:00 a.m. to 12:30 p.m. and 2:00 p.m. to 5:00 p.m., and the trading hours on the Stock Exchange are from 10:00 a.m. to 12:30 p.m. and 2:30 p.m. to 4:00 p.m. Due to this difference in trading hours, trading in the Prudential Shares between the two markets may only simultaneously occur during the period in which the trading hours of the two exchanges overlap.

Dealings in the Prudential Shares will be carried out in US dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third Singapore Business Day following the transaction date. Accordingly, investors should ensure that Prudential Shares sold on the SGX-ST are available for settlement in their CDP account no later than the third Singapore Business Day following the transaction date. A transaction will fail if the Prudential Shares are not in an investor's CDP account for settlement by 12:00 p.m. (Singapore time) on such day, and will be subject to the buy-in cycle at 3:00 p.m. (Singapore time) on the third Singapore Business Day following the transaction date.

A clearing fee for the trading of Prudential Shares on the SGX-ST is payable at the rate of 0.04% of the transaction value, subject to a maximum of S\$600.00 per transaction. The clearing fee, instruments of transfer deposit fees and share withdrawal fee are subject to goods and services tax ("GST") at the prevailing standard-rate (currently 7%) if the services are provided to a holder of Prudential Shares belonging in Singapore. However, such fees could be zero-rated when provided to a holder of Prudential Shares belonging outside Singapore provided certain conditions are met. For a holder of Prudential Shares belonging in Singapore who is registered for GST, the GST incurred is generally not recoverable as input tax credit from the Inland Revenue Authority of Singapore unless certain conditions are satisfied. These GST-registered holders of Prudential Shares should seek the advice of their tax advisors on these conditions.

As no share certificates will be issued to CDP in respect of the Prudential Shares held by Shareholders through CDP, no physical share certificates may be withdrawn from CDP by these Shareholders. In addition, Shareholders holding Prudential Shares through CDP are required to comply with any requests by the Company and/or relevant authorities to disclose information relating to the beneficial owners of the Prudential Shares.

In the absence of unforeseen circumstances, the movement of Prudential Shares into and out of CDP will take a minimum of one Singapore Business Day after the duly completed documentation has been submitted to CDP for processing, assuming that the Shareholder has given proper instructions to Citibank HK or his CCASS Participant.

**Instructions and forms received by CDP after 10:00 a.m., Singapore time, on a given Singapore Business Day will be treated as being received on the next Singapore Business Day and, as such, will be processed on the next Singapore Business Day. Shareholders are responsible for ensuring the Prudential Shares are credited into their direct securities account maintained with CDP or securities sub-account with a depository agent, as the case may be, in time for the settlement of trades on the SGX-ST, as buying in may be instituted against Shareholders if they are unable to deliver the Prudential Shares for settlement pursuant to their trades.**

**Movement of Prudential Shares from CCASS or the HK Register to CDP**

A Shareholder who holds his Prudential Shares through CCASS and wishes to move his Prudential Shares to CDP can do so in the following manner:

- (i) the Shareholder must have either a direct securities account maintained with CDP or securities sub-account with a depository agent;
- (ii) the following to be submitted to CDP by the Shareholder (where the Shareholder holds a direct securities account with CDP) or his depository agent (where the Shareholder holds a securities sub-account with a depository agent):
  - (a) a duly executed CDP transfer form; and
  - (b) payment of the applicable CDP transfer charges (currently comprising the transfer fee of a minimum of S\$30.00 and a maximum of S\$100.00 and all applicable conversion and correspondent bank charges), together with the applicable GST (currently at 7%), UK stamp duty reserve tax of 1.5% of the market value of the moved Prudential Shares (unless otherwise directed or notified by CDP), and all other charges as may be prescribed by CDP in its sole discretion;
- (iii) the Shareholder must simultaneously instruct his CCASS Participant to move such Prudential Shares to Citibank HK for the account of CDP by the applicable deadline;
- (iv) upon receipt of the duly completed CDP transfer form, CDP will advise Citibank HK (via Citibank Singapore) to expect receipt of such Prudential Shares for the account of CDP and to match the relevant movement;
- (v) upon notification by Citibank Singapore to CDP of the receipt of the Prudential Shares, CDP will credit the Shareholder's direct securities account maintained with CDP or securities sub-account with a depository agent, as the case may be, with the relevant number of Prudential Shares; and
- (vi) CDP will send a confirmation of the credit to the Shareholder.

Shareholders are responsible for ensuring that the Prudential Shares are credited into the relevant CDP securities account and in time for settlement of their trades on the SGX-ST.

A Shareholder who holds Prudential Shares in certificated form on the HK Register and who wishes to move them to CDP must first deposit the Prudential Shares in CCASS, and thereafter follow the procedures set out above.

**Movement of Prudential Shares from CDP to CCASS**

A Shareholder who holds his Prudential Shares through CDP and wishes to move his Prudential Shares from CDP to CCASS can do so in the following manner:

- (i) the Shareholder or his CCASS Participant must have a securities account in the CCASS system;
- (ii) the following to be submitted to CDP by the Shareholder (where the Shareholder holds a direct securities account with CDP) or his depository agent (where the Shareholder holds a securities sub-account with a depository agent):
  - (a) a duly executed CDP transfer form; and
  - (b) payment of the applicable CDP transfer charges (currently comprising the transfer fee of a minimum of S\$30.00 and a maximum of S\$100.00 and all applicable conversion and correspondent bank charges), together with the applicable GST (currently at 7%), and all other charges as may be prescribed by CDP in its sole discretion;

## APPENDIX VIII REGISTRATION AND REMOVAL OF PRUDENTIAL SHARES BETWEEN REGISTERS

- (iii) the Shareholder must simultaneously instruct Citibank HK to expect receipt of such Prudential Shares from CDP and to match the relevant movement;
- (iv) upon receipt of the duly completed CDP transfer form, CDP will debit the relevant number of Prudential Shares from the Shareholder's securities account with CDP and thereafter instruct Citibank HK (via Citibank Singapore) to move such Prudential Shares to the CCASS account as specified by the Shareholder; and
- (v) CDP will send a confirmation of the debit to the Shareholder.

Shareholders are responsible for ensuring that the Prudential Shares are credited into the relevant CCASS account and in time for settlement of their trades on the Stock Exchange.

### ***Suspension of movements of Prudential Shares into and out of CDP in relation to the Rights Issue***

Movements of Prudential Shares into and out of CDP's account in CCASS held by Citibank HK will be suspended for a period in connection with the Rights Issue. The suspension period will be from 5:00 p.m. (Singapore time) on 1 June 2010 to 9:00 a.m. (Singapore time) on 8 June 2010 in Singapore and from 4:30 p.m. (Hong Kong time) on 1 June 2010 to 9:30 a.m. (Hong Kong time) on 8 June 2010 in Hong Kong.

### **Movement of Shares between CDP and the UK Register**

A Shareholder who holds his Prudential Shares through CREST or in certificated form on the UK Register and who wishes to move his Prudential Shares to CDP must first remove the Prudential Shares to the HK Register in the manner described in "Removals of Prudential Shares between Registers" above. After the Prudential Shares have been registered on the HK Register, they may be deposited into CCASS and thereafter moved to CDP by following the procedures described in "Movement of Prudential Shares from CCASS or the HK Register to CDP" above.

A Shareholder who holds his Prudential Shares through CDP and who wishes to move his Prudential Shares to the UK Register should first move the Shares from CDP to CCASS by following the procedures described in "Movement of Prudential Shares from CDP to CCASS" above. After the Prudential Shares have been moved to CCASS, the Prudential Shares may be withdrawn from CCASS and registered on the HK Register, and thereafter removed to the UK Register as described in "Removals of Prudential Shares between Registers" above. Prudential Shares held on the UK Register may be deposited in CREST for trading on the London Stock Exchange.