Registered No. 1404713

PRUDENTIAL CORPORATION HOLDINGS LIMITED

Annual Report and Accounts

For the year ended 31 December 2017

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PRUDENTIAL CORPORATION HOLDINGS LIMITED

Incorporated and registered in England and Wales. Registered no. 1404713.

Registered office: Laurence Pountney Hill, London EC4R 0HH.

Report and Accounts for the year ended 31 December 2017

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PRUDENTIAL CORPORATION HOLDINGS LIMITED

Directors

K J Devlin
D C Martin
K L Jones

Secretary

Prudential Group Secretarial Services Limited

Auditor

KPMG LLP

PRUDENTIAL CORPORATION HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Principal activity

The principal activity of the Company is to act as the holding company of the Prudential Group's insurance and asset management operations in Asia. This activity is expected to continue in 2018.

Strategic objective

The strategic objective of the Company is to support the Prudential Group's business operations in Asia.

Company performance and measurement

Key performance indicators	2017 £000	2016 £000
Profit on ordinary activities before tax	767,209	554,293
Net assets	2,578,727	2,552,702

The profit for the year 2017 primarily reflected income from shares in Group undertakings and participating interests.

On 18 May 2017, the Company completed the sale of its life insurance subsidiary in Korea, PCA Life Insurance Company Limited to Mirae Asset Life Insurance Company Limited. The transaction, announced on 10 November 2016, was for a consideration of KRW170 billion (equivalent to £117 million at 17 May 2017 closing rate). The proceeds, net of £9 million related expenses, were £108 million.

Principal risks and uncertainties

Apart from the financial risk management objectives, policies and exposure set out below, the Company has no risks or uncertainties because it is an intermediate holding company within the Prudential Group.

Financial risk management objectives, policies and exposure

The Company's financial risks primarily relate to the future performance of its subsidiary undertakings in Asia. These risks are managed and monitored at a Group level, and the Group's risk management and internal frameworks are described in the Group financial statements of Prudential Plc. Due to the current financial strength of the Prudential Group, the directors consider that there is a minimal level of risk associated with the Company.

Signed on behalf of the Board of directors.

D C Martin
Director

24 May 2018

PRUDENTIAL CORPORATION HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Incorporated and registered in England and Wales. Registered no. 1404713.

Accounts and dividend

The state of affairs of the Company at 31 December 2017 is shown in the statement of financial position on page 9. The statement of comprehensive income appears on page 8. In 2017, the Company paid dividends totalling £685,000,000 (2016: £550,000,000).

Post balance sheet events

On 19 January 2018 the Company made a capital injection of USD$13.02 million into Prudential (Cambodia) Life Assurance Plc.

On 7 February 2018 the Company received MYR 200 million from Bank Simpanan Nasional ('BSN') which represented the refund of the upfront amount paid by the Company to BSN during 2017 in respect of the shareholders agreement signed at the end of 2016.

On 15 March 2018, an intragroup loan of USD$67 million was granted to the Company by Prudential Holdings Limited ('PHL', the Company's immediate parent company). On 3 April 2018, the Company made a capital injection into Prudential Vietnam Assurance Private Limited of USD$67 million.

On 21 March 2018, the Company granted a loan of £36 million to PHL in respect of the Prudential Asia Regional Head Office ('RHO') funding for the first quarter of 2018.

On 23 March 2018 the Company made a capital injection of USD$7 million into Eastspring Hong Kong.

Directors

The present directors of the Company are shown on page 1. S J Turner resigned as a director of the Company on 6 March 2018, A Parkes was appointed a Director of the Company on 6 March 2018 and resigned on 26 March 2018, and K L Jones was appointed a Director of the Company on 26 March 2018.

Directors' and officers' protection

Prudential plc has arranged appropriate insurance cover in respect of legal action against directors and senior managers of companies within the Prudential Group. In addition, the Articles of Association of the Company provide for the directors, officers and employees of the Company to be indemnified in respect of liabilities incurred as a result of their office.

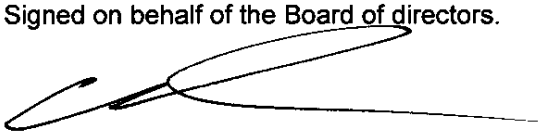
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

In accordance with Section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to be re-appointed auditor of the Company for the current financial year.

Signed on behalf of the Board of directors.



Christopher F Smith
On behalf of
Prudential Group Secretarial Services Limited
Secretary

24 May 2018

PRUDENTIAL CORPORATION HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENTIAL CORPORATION HOLDINGS LIMITED

Opinion

We have audited the financial statements of Prudential Corporation Holdings Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kushan Tikkoo

Kushan Tikkoo (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
24 May 2018

PRUDENTIAL CORPORATION HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £000	2016 £000
Income from shares in Group undertakings	3	665,012	508,410
Income from participating interests	4	85,072	68,574
Income from other investments	5	274	521
Interest receivable from Group undertakings		7,365	7,283
Gain on sale of Group undertaking	3	4,361	-
Interest payable and similar charges	7	(9,890)	(37,247)
Exchange gains		6,631	30,961
Unrealised investment gains	5	8,844	3,357
Amounts written off investments	3	(209)	(25,027)
Expenses		(253)	(2,892)
Other operating income		2	353
Profit on ordinary activities before tax		767,209	554,293
Tax charge on profit on ordinary activities	2	(56,184)	(18,519)
Profit and comprehensive income for the financial year		711,025	535,774

All of the above items relate to continuing operations.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital £000	Profit and loss account £000	Total £000
Balance at 1 January 2016	2,290,000	276,928	2,566,928
Profit and comprehensive income for the financial year as above	-	535,774	535,774
Dividends	-	(550,000)	(550,000)
Balance at 31 December 2016	2,290,000	262,702	2,552,702
Balance at 1 January 2017	2,290,000	262,702	2,552,702
Profit and comprehensive income for the financial year as above	-	711,025	711,025
Dividends	-	(685,000)	(685,000)
Balance at 31 December 2017	2,290,000	288,727	2,578,727

The notes on pages 10 to 20 form part of these financial statements.

PRUDENTIAL CORPORATION HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

	Notes	2017 £000	2016 £000
FIXED ASSETS			
Investments			
Shares in Group undertakings	3	2,770,081	2,758,530
Participating interests	4	375,620	375,620
Other investments	5	37,003	28,159
		3,182,704	3,162,309
Assets held for sale		-	105,000
Office equipment		5	-
CURRENT ASSETS			
Debtors			
Amounts owed by Group undertakings		608,584	513,005
Tax recoverable		-	12,798
Other debtors		13,412	13,942
Cash at bank and in hand	6	17,288	-
		639,284	539,745
CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR	7	(1,239,900)	(1,095,143)
NET CURRENT LIABILITIES		(600,616)	(555,398)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,582,093	2,711,911
CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		-	(156,726)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	2	(3,366)	(2,483)
NET ASSETS		2,578,727	2,552,702
CAPITAL AND RESERVES			
Called up share capital	8	2,290,000	2,290,000
Profit and loss account		288,727	262,702
TOTAL SHAREHOLDERS' FUNDS		2,578,727	2,552,702

The financial statements on pages 8 to 20 were approved by the Board of directors on 24 May 2018 and are signed on its behalf by:

D C Martin
Director

The notes on pages 10 to 20 form part of these financial statements.

NOTES ON THE ACCOUNTS

1. Accounting policies

A. Basis of presentation

Prudential Corporation Holdings Limited (the "Company") is a company incorporated and domiciled in the United Kingdom ("UK").

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), Part 15 of the Companies Act 2006 and Schedule 3 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board and endorsed by the EU ('EU-endorsed IFRS'), but makes amendments where necessary in order to comply with Companies Act 2006.

The Company's ultimate parent undertaking, Prudential plc, includes the Company in its consolidated financial statements. Those consolidated financial statements are prepared in accordance with IFRS and are available to the public. Copies of the accounts can be obtained from the Company Secretary, Laurence Pountney Hill, London EC4R 0HH.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes
- Disclosures in respect of transactions between wholly owned subsidiaries within the Prudential Group
- Disclosure in respect of capital management
- The effects of new but not yet effective IFRSs
- Disclosures in respect of the compensation of key management personnel
- Certain disclosures required by IFRS13 "Fair Value Measurement" and the disclosures required by IFRS7 "Financial Instruments: Disclosures"

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and thus continue to adopt the going concern basis of accounting in preparing the financial statements. This conclusion has been based upon the fact that the Company's profit for the financial year ended 31 December 2017 was £711 million, its shareholders' funds at that date were £2,579 million and the Company's cash flow forecast for the next twelve months which shows that the Company will have sufficient cash to cover its net current liabilities.

B. Dividends

Dividends are recognised in the period in which they are received or paid.

NOTES ON THE ACCOUNTS (continued)

1. Accounting policies (continued)

C. Interest receivable and payable

Interest receivable and payable are recognised on an accruals basis.

D. Taxation

Current tax expense is charged or credited based upon amounts estimated to be payable or recoverable as a result of taxable amounts for the current year and adjustments made in relation to prior years. Current tax recoverable (payable) recognised in the balance sheet is measured at the amount expected to be either recovered from (paid to) relevant tax authorities or Group undertakings in relation to the surrender (claim) of tax losses.

Deferred taxes are provided under the liability method for all relevant temporary differences. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates (and laws) that have been enacted or are substantively enacted at the end of the reporting period.

E. Shares in Group undertakings and participating interests

Shares in Group undertakings and participating interests are shown at cost, less impairment. The impairment charge is measured as the difference between the cost and the fair value of the operations, which generally is considered to be embedded value for insurance entities and net asset value for non-insurance entities. Reversals of prior year impairment charges are made when the fair value of the operation has increased following changes in the economic conditions since the impairment charge was made.

F. Other investments

Other investments are shown at quoted market prices. Movements in market value are taken to the profit and loss account.

G. Foreign currency

Foreign currency revenue transactions are translated at the rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated at rates applicable at the balance sheet date. Exchange differences arising are taken to the profit and loss account.

H. Amounts owed by / to Group undertakings

Amounts owed by / to Group undertakings are initially stated at fair value and subsequently measured at amortised cost using the effective interest rate method. Amounts owed by Group undertakings are reviewed for any impairment.

I. Depreciation and amortisation

Depreciation and amortisation are provided at a rate calculated to write off the cost of the assets in equal annual instalments over their expected useful lives as follows:

Office equipment	10 years

J. Provisions

Provisions are recognised for liabilities of uncertain timing or amount when the company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

NOTES ON THE ACCOUNTS (continued)

2. Tax

(a) Analysis of tax (charge) credit for the year

	2017 £000	2016 £000
Current tax		
UK corporation tax (charge)/credit on profit for the year	(956)	17,599
Prior year adjustments	4	(1)
Foreign tax	(54,348)	(35,782)
Total current tax charge	(55,300)	(18,184)
Deferred tax		
Origination and reversal of timing differences	(884)	(335)
Prior year adjustments	-	-
Total deferred tax charge	(884)	(335)
Tax charge on profit on ordinary activities	(56,184)	(18,519)

(b) Factors affecting tax charge for the year

The tax charge assessed in the year is calculated by applying the standard rate of corporation tax in the UK as shown below. The standard rate of tax has been determined by using the UK rate of corporation tax enacted for the period for which the profit of the Company will be taxed.

	2017 £000	2016 £000
Profit on ordinary activities before tax	767,209	554,293
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	(147,687)	(110,859)
Effects of:		
Permanent differences	585	12,286
Non-taxable income	144,444	115,502
Adjustments in respect of previous years	4	(1)
Impact of difference in current and deferred tax rates	818	335
Foreign tax	(54,348)	(35,782)
Tax charge on profit on ordinary activities	(56,184)	(18,519)

(c) Deferred taxation

	2017 £000	2016 £000
Deferred tax provision at beginning of year	(2,483)	(2,148)
Deferred tax (charged) credited to the profit and loss account	(884)	(335)
Deferred tax provision at end of year	(3,367)	(2,483)

The deferred tax provision at the end of 2017 related to capital gains and revaluations.

NOTES ON THE ACCOUNTS (continued)

2. Tax (continued)

(d) Factors that may affect future tax charges

The UK has enacted legislation to reduce the main rate of corporation tax rate to 17 per cent from 1 April 2020.

The reduction in the UK corporation tax rate to 17 per cent from 1 April 2020 was substantively enacted on 6 September 2016 and does not have a material effect on the financial statements for the year ended 31 December 2017.

Aside from this, the only factors that are expected to affect the future tax charges of the Company are those detailed in (b) above.

3. Shares in Group undertakings

	2017 £000	2016 £000
Cost:		
At beginning of year	3,178,955	3,284,815
Additions	11,895	11,226
Reclassification	-	(10,138)
Return of capital	(135)	(1,948)
Asset held for sale	-	(105,000)
At end of year	3,190,715	3,178,955
Cumulative impairment charge:		
At beginning of year	(420,425)	(395,398)
Charge for the year	(209)	(25,027)
At end of year	(420,634)	(420,425)
Net book value:		
At end of the year	2,770,081	2,758,530
At beginning of the year	2,758,530	2,889,417

Additions related to further investment in Prudential (Cambodia) Life Assurance Plc and Prudential Life Assurance (Laos) Company Limited.

On 18 May 2017, the disposal of the Korea life business, that was classified as held for sale in the Company's 2016 financial statements, was completed, subject to warranties granted. The proceeds net of related expenses were £108 million and a gain on sale of £4,361,000 was recorded.

3. Shares in Group undertakings (continued)

In accordance with Section 409 of the Companies Act 2006 a list of Company's subsidiaries, joint ventures, associates and significant holdings (being holdings more than 20 per cent) along with the country of incorporation, the classes of shares held and the effective percentage of equity owned at 31 December 2017 is disclosed below.

Name of entity	Classes of shares held	Proportion held	Country of incorporation	Amended Registered office address
BOCI-Prudential Asset Management Limited	Ordinary shares	36%	Hong Kong	27/F,Bank of China Tower, 1Garden Road, Hong Kong
BOCI-Prudential Trustee Limited	Ordinary shares	36%	Hong Kong	12th Floor and 25th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Wan Chai, Hong Kong
CITIC-Prudential Life Insurance Company Limited	Ownership interest	50%	China	East Tower, World Financial Centre, No.1East Third Ring Middle Road, Chaoyang District, Beijing, China 100020
CITIC-CP Asset Management Co., Ltd.	Ownership interest	27%	China	No.128 North Zhangjiabang Road, Pudong District, Shanghai China
CITIC-Prudential Fund Management Company Limited	Ownership interest	49%	China	Level 9, HSBC Building, Shanghai IFC, 8 Century Avenue, Pudong, Shanghai, China
Eastspring Al-Wara' Investments Berhad	Ordinary shares	100%	Malaysia	16th Floor Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia
Eastspring Asset Management Korea Co. Ltd.	Ordinary shares	100%	Korea	15th Floor, Shinhan Investment Tower, 70 Yoidae-ro, Youngdungpo-gu, Seoul 07325, Korea
Eastspring Investments (Hong Kong) Limited	Ordinary shares	100%	Hong Kong	13th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
Eastspring Investments (Singapore) Limited	Ordinary shares	100%	Singapore	10 Marina Boulevard #32-01, Marina Bay Financial Centre Singapore 018983
Eastspring Investments Berhad	Ordinary shares	100%	Malaysia	16th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia
Eastspring Investments Fund Management Limited Liability Company	Ownership interest	100%	Vietnam	23/F, Saigon Trade Center, 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam
Eastspring Investments Services Pte. Ltd.	Ordinary shares	100%	Singapore	10 Marina Boulevard #32-01, Marina Bay Financial Centre Singapore 018983
Eastspring Securities Investment Trust Co., Ltd.	Ordinary shares	100%	Taiwan	4F, No.1Songzhi Road, Taipei 110, Taiwan
ICICI Prudential Asset Management Company Limited	Ordinary shares	49%	India	12th Foor, Narain Manzil, 23, Barakhamba Road, New Delhi 110001, India
ICICI Prudential Life Insurance Company Limited	Ordinary shares	26%	India	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025, India
ICICI Prudential Pension Funds Management Company Limited	Ordinary shares	26%	India	ICICI PruLife Towers, 1089 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025, India
ICICI Prudential Trust Limited	Ordinary shares	49%	India	12th Floor, Narain Manzil, 23, Barakhamba Road, New Delhi 110001, India
North Sathorn Holdings Company Limited	Ordinary shares	100%	Thailand	3 Rajanakarn Building, 20th Floor, South Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok, Thailand
Nova Sepadu Sdn. Bhd.	Ordinary shares	51%	Malaysia	Suite 1005, 10th Floor Wisma Hamzah-Kwong Hing, No. 1Leboh Ampang, 50100 Kuala Lumpur, Malaysia
PCA IP Services Limited	Ordinary shares	100%	Hong Kong	13/F, One International Finance Centre, 1Harbour View Street, Central, Hong Kong
PCA Life Assurance Co. Ltd.	Ordinary shares	100%	Taiwan	8/F, No.1Songzhi Road, Taipei 11047, Taiwan
PCA Life Insurance Co., Ltd.	Ordinary shares	100%	Korea	21/F, PCA Life Tower, 302, Teheran-Ro, Gangnam-gu, Seoul, Korea
Pru Life Insurance Corporation of U.K.	Ordinary shares	100%	Philippines	9/F, Uptown Place Tower 1, 1East 11th Drive, Uptown Bonifacio, 1634 Taguig City, Metro Manila, Philippines
Prudence Foundation Limited	Limited by guarantee	100%	Hong Kong	13/F, One International Finance Centre, 1Harbour View Street, Central, Hong Kong

Name of entity	Classes of shares held	Proportion held	Country of incorporation	Amended Registered office address
Prudential (Cambodia) Life Assurance Plc.	Ordinary shares	100%	Cambodia	20F, #445, Monivong Blvd, Boeung Prolit, 7 Makara, Phnom Penh Tower Phnom Penh Cambodia
Prudential Assurance Company Singapore (Pte) Limited	Ordinary shares	100%	Singapore	30 Cecil Street, #30-01 Prudential Tower, Singapore 049712
Prudential Assurance Malaysia Berhad	Ordinary shares	51%	Malaysia	Level 3, Menara Prudential, No. 10 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia
Prudential BSN Takaful Berhad	Ordinary shares	49%	Malaysia	Level 8A, Menara Prudential, No. 10 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia
Prudential Life Assurance (Lao) Company Limited	Ordinary shares	100%	Laos	Unit A, 6th Floor, Vientiane Plaza Hotel Office Building, Sailom Road, Hatsady Neua Village, Chanthabouly District, Vientiane Capital, Lao, PDR
Prudential Life Assurance (Thailand) Public Company Limited	Ordinary shares	100%	Thailand	9/9 Sathorn Building, 20th– 27th Fl., South Sathorn Rd., Yannawa, Sahtorn, Bangkok 10120, Thailand
Prudential Services Asia Sdn. Bhd.	Ordinary shares Class D Preference shares	100.00% 100.00%	Malaysia	Suite 1005, 10th Floor, Wisma Hamzah-Kwong Hing, No. 1 Leboh Ampang, 50100 Kuala Lumpur, Malaysia
Prudential Services Singapore Pte. Ltd.	Ordinary shares	100%	Singapore	80 Robinson Road, #21-01 02 Singapore 068898
Prudential Singapore Holdings Pte. Limited	Ordinary shares	100%	Singapore	30 Cecil Street, #30-01 Prudential Tower, Singapore 049712
Prudential Vietnam Assurance Private Limited	Ownership interest	100%	Vietnam	25/F, Saigon Trade Centre, 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam
PT. Eastspring Investments Indonesia	Ordinary shares	100%	Indonesia	23rd Floor, Prudential Tower, JL. Jend. Sudirman Kav.79, Jakarta 12910, Indonesia
PT. Prudential Life Assurance	Class A ordinary shares	95%	Indonesia	Prudential Tower, Jl. Jend. Sudirman Kav 79, Jakarta 12910, Indonesia
Sri Han Suria Sdn. Bhd.	Ordinary shares Class A and B Preference shares	51.00% 100.00%	Malaysia	Suite 1005, 10/F Wisma Hamzah-Kwong Hing, No. 1 Leboh Ampang, 50100 Kuala Lumpur, Malaysia
Staple Limited	Ordinary shares	100%	Thailand	3 Rajanakarn Building, 20th Floor, South Sathorn Road, Yannawa Subdistrict, Sathorn District, Bangkok, Thailand
Eastspring Investments Asia Pacific Equity Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Bond Fund	Ordinary shares	47%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Dynamic Fund	Ordinary shares	96%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Equity Fund	Ordinary shares	97%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Equity Income Fund	Ordinary shares	83%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian High Yield Bond Fund	Ordinary shares	49%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Infrastructure Equity Fund	Ordinary shares	65%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Asian Property Securities Fund	Ordinary shares	97%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Dragon Peacock Fund	Ordinary shares	83%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Emerging EMEA Dynamic Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments European Inv Grade Bond Fund	Ordinary shares	98%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Global Emerging Markets Bond Fund	Ordinary shares	94%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Global Equity Navigator Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Global Market Navigator Fund	Ordinary shares	96%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments India Equity Fund	Ordinary shares	80%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments Japan Fundamental Value Fund	Ordinary shares	99%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449

Name of entity	Classes of shares held	Proportion held	Country of incorporation	Amended Registered office address
Eastspring Investments Latin America Equity Fund	Ordinary shares	94%	Luxembourg	26, boulevard Royal, Luxembourg, L-2450
Eastspring Investments North America Value Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments SICAV-FIS - Alternative Investments Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments SICAV-FIS - Asia Pacific Loan Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments SICAV-FIS Universal USD Bond Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments SICAV-FIS Universal USD Bond II Fund	Ordinary shares	100%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments US Bond Fund	Ordinary shares	65%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments US Investment Grade Bond Fund	Ordinary Shares	27%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments US Corporate Bond Fund	Ordinary shares	83%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments US High Inv Grade Bond Fund	Ordinary shares	89%	Luxembourg	26, boulevard Royal, Luxembourg, L-2449
Eastspring Investments UT Singapore ASEAN Equity Fund	Ordinary shares	100%	Singapore	10 Marina Boulevard #32-01, Marina Bay Financial Centre Singapore 018983
Eastspring Investments UT Singapore Select Bond Fund	Ordinary shares	92%	Singapore	10 Marina Boulevard #32-01, Marina Bay Financial Centre Singapore 018983
Eastspring Asset Management Korea Company Limited	Ordinary Shares	100%	Korea	15th Floor, Shinhan Investment Tower, 70 Yoidae-ro, Youngdungpo-gu, Seoul 07325, Korea
Eastspring Infrastructure Debt Fund L.P.	Partnership Interest	100%	Cayman Islands	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
Eastspring Investments - Asian Local Bond Fund	Ordinary Shares	98%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Asian Smaller Companies Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Asian Total Return Bond Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Developed and Emerging Asia Equity Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Global Emerging Markets Customized Equity Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Global Emerging Markets Dynamic Fund	Ordinary Shares	96%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Global Low Volatility Equity Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Global Technology Fund	Ordinary Shares	84%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Japan Equity Fund	Ordinary Shares	85%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - Pan European Fund	Ordinary Shares	56%	Singapore	10 Marina Boulevard, #32-01, Marina Bay Financial Centre, Singapore 018983
Eastspring Investments - US Equity Income Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - US High Yield Bond Fund	Ordinary Shares	33%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments - US Total Return Bond Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments (Hong Kong) Limited	Ordinary Shares	100%	Hong Kong	13th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong

Name of entity	Classes of shares held	Proportion held	Country of incorporation	Amended Registered office address
Eastspring Investments (Luxembourg) SA	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments (Singapore) Limited	Ordinary Shares	100%	Singapore	10 Marina Boulevard, #32-01, Marina Bay Financial Centre, Singapore 018983
Eastspring Investments Asian Low Volatility Equity Fund	Ordinary Shares	92%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments Berhad	Ordinary Shares	100%	Malaysia	16th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia
Eastspring Investments China Equity Fund	Ordinary Shares	50%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments Fund Management Limited Liability Company	Ordinary Shares	100%	Vietnam	23rd Floor, Saigon Trade Center, 37 Ton Duc Thang Street, District 1, Ho Chi Minh City, Vietnam
Eastspring Investments Global Multi Asset Income Plus Growth Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments Greater China Equity Fund	Ordinary Shares	92%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments Hong Kong Equity Fund	Ordinary Shares	100%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments Incorporated	Ordinary Shares	100%	USA	874 Walker Road, Suite C, Dover, DE 19904, USA
Eastspring Investments India Consumer Equity Open Limited	Ordinary Shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Eastspring Investments India Equity Fund	Ordinary Shares	81%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Investments India Equity Open Limited	Ordinary Shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Eastspring Investments India Infrastructure Equity Open Limited	Ordinary Shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Eastspring Investments World Value Equity Fund	Ordinary Shares	88%	Luxembourg	26, Boulevard Royal, L-2449, Luxembourg
Eastspring Real Assets Partners	Ordinary Shares	100%	Cayman Islands	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
M&G European Strategic Value Fund	Ordinary shares	100%		Laurence Pountney Hill, London EC4R 0HH, UK
M&G Real Estate Asia PTE. Ltd	Ordinary shares	100%	Singapore	10 Marina Boulevard, #31-03 Marina Bay Financial Centre Tower 2, Singapore 018983
Prudential Mauritius Holdings Limited	Ordinary shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Reksa Dana Eastspring IDR Fixed Income Fund (NDEIFF)	Ordinary shares	100%	Indonesia	Prudential Tower 23rd Floor Jl. Jendral Sudirman Kav.79 Jakarta Selatan 12910, Indonesia
Reksa Dana Eastspring Investments IDR High Grade	Ordinary shares	44%	Indonesia	Prudential Tower, Jl. Jendral Sudirman Kav. 79, 12910, Jakarta Selatan, Indonesia
Reksa Dana Eastspring Investments Value Discovery	Ordinary shares	90%	Indonesia	Prudential Tower, Jl. Jendral Sudirman Kav. 79, 12910, Jakarta Selatan, Indonesia
Reksa Dana Eastspring Investments Yield Discovery	Ordinary shares	79%	Indonesia	Prudential Tower, Jl. Jendral Sudirman Kav. 79, 12910, Jakarta Selatan, Indonesia
Reksa Dana Syariah Eastspring Syariah Equity Islamic Asia Pacific USD	Ordinary shares	100%	Indonesia	Prudential Tower, Jl. Jendral Sudirman Kav. 79, 12910, Jakarta Selatan, Indonesia
Reksa Dana Syariah Eastspring Syariah Fixed Income Amanah	Ordinary shares	97%	Indonesia	Prudential Tower, Jl. Jendral Sudirman Kav. 79, 12910, Jakarta Selatan, Indonesia
Rhodium Investment Fund	Ordinary shares	100%	Singapore	10, Marina Boulevard #32-01, Marina Bay Financial Centre, Singapore 018983
Scotts Spazio Pte. Ltd.	Ordinary shares	45%	Singapore	152 Beach Road, #27-01, Gateway East, Singapore 189721
Eastspring Investments India Consumer Equity Open Limited	Ordinary Shares	100%		Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Eastspring Investments India Equity Fund	Ordinary Shares	80%		26, Boulevard Royal, Luxembourg, L-2449
Eastspring Investments India Equity Open Limited	Ordinary Shares	100%		Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius

Name of entity	Classes of shares held	Proportion held	Country of incorporation	Amended Registered office address
Eastspring Investments Limited (in Liquidation)	Ordinary Shares	100%	Japan	Marunouchi Park Building, 6-1Marunouchi 2-chome, Chiyoda-Ku, Tokyo, Japan
Eastspring Investments - Pan European Fund	Ordinary Shares	79%	Singapore	10 Marina Boulevard, #32-01, Marina Bay Financial Centre, Singapore. 018983
Eastspring Investments Portfolio Management Limited (in liquidation)	Ordinary Shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Eastspring Investments Limited (in liquidation)	Ordinary shares	100%	United Arab Emirates	Level 6, Precinct Building 5, Unit 5, Dubai International Financial Centre, Dubai, United Arab Emirates
Eastspring Investments Portfolio Management Limited (in liquidation)	Ordinary shares	100%	Mauritius	Suite 450, 4th Floor, Barkly Wharf East, Le Caudan Waterfront Port Louis, Mauritius
Thanachart Life Assurance Public Company Limited (In liquidation)	Ordinary shares	100%	Thailand	9/9 Sathorn Building, 20th– 27th Floor, South Sathorn Road, Yannawa, Sahtorn, Bangkok 10120, Thailand

4. Participating interests

Participating interests mainly relate to the Company's 26% holding in ICICI Prudential Life Insurance Company Limited ("ICICI Life") in India, 49% holding in Prudential BSN Takaful Berhad ("PBTB") in Malaysia and 50% holding in CITIC - Prudential Life Insurance Company Limited in China. Other participating interests include the Company's holdings in asset management operations in China, Hong Kong and India. During the year, the Company received income from shares in participating interests of £85,072,000 (2016: £68,574,000).

5. Other investments

Other investments relate to holdings of overseas equity stock. Movements in these investments are set out below:

	2017 £000	2016 £000
Market value of investments held at beginning of year	28,159	24,802
Foreign exchange translation losses at beginning of year	340	745
Less: unrealised gains at beginning of year	(25,271)	(22,319)
Cost of investments held at beginning and end of year	3,228	3,228
Foreign exchange translation losses at end of year	(423)	(340)
Add: unrealised gains at end of year	34,198	25,271
Market value of investments held at end of year	37,003	28,159

Unrealised investment gains in the year on other investments totalled £8,844,000 (2016: £3,357,000).

NOTES ON THE ACCOUNTS (continued)

6. Cash at bank and in hand

The Company has banking arrangements with a number of banks. Under the terms of the Company's arrangements with the Prudential Group's main UK banker, the bank has a right of set-off between credit balances and all overdrawn balances of those Group undertakings with similar arrangements.

7. Creditors – amounts falling due within one year

	2017 £000	2016 £000
Loans from Group undertakings	1,179,514	1,018,072
Accrued interest	5,804	6,346
Amounts owed to Group undertakings	-	5,289
Bank overdraft	-	2,161
Tax payable	544	-
Other creditors	54,038	63,275
Balance at end of year	1,239,900	1,095,143

The balances due after more than one year as at 31 December 2016 are repayable on 4 June 2018.

8. Called up share capital

The share capital of the Company at both 31 December 2017 and 31 December 2016 was £2,290,000,000, comprising 2,290,000,000 issued and fully paid ordinary shares of £1 each.

9. Auditor's remuneration

Auditor's remuneration of £11,000 (2016: £11,000) was borne by the Company's ultimate parent company, Prudential plc. Amounts receivable by the Company's auditor in respect of services rendered to the Prudential Group, other than the audit of the Company's financial statements, have not been disclosed, as the information is required instead to be disclosed on a Group basis in the consolidated financial statements of Prudential plc.

10. Directors' emoluments

The aggregate emoluments, including pension contributions, of the directors of the Company for the year in respect of services rendered to the Company were £nil (2016: £nil).

NOTES ON THE ACCOUNTS (continued)

11. Immediate and ultimate parent company

The Company's immediate parent company is Prudential Holdings Limited, and the largest group in which the results of the Company are consolidated is that headed by Prudential plc. No other group financial statements include the results of the Company. The consolidated financial statements of the Group are available from the Company Secretary at Laurence Pountney Hill, London EC4R OHH.

12. Post balance sheet events

On 19 January 2018 the Company made a capital injection of $13.02 million into Prudential (Cambodia) Life Assurance Plc.

On 7 February 2018 the Company received MYR 200 million from Bank Simpanan Nasional ('BSN') which represented the refund of the upfront amount paid by the Company to BSN during 2017 in respect of the shareholders agreement signed at the end of 2016.

On 15 March 2018, an intragroup loan of $67 million was granted to the Company by PHL. On 3 April 2018, the Company made a capital injection into Prudential Vietnam Assurance Private Limited of $67 million.

On 21 March 2018, the Company granted a loan of £36 million to Prudential Holdings Limited ('PHL', the Company's immediate parent company) in respect of the Regional Head Office ('RHO') funding for the first quarter of 2018.

On 23 March 2018 the Company made a capital injection of $7 million into Eastspring Hong Kong.