

May 2020



Important Document

重要函件

Dear Valued Customer,

**Re: Changes in respect of Investec GSF Global Franchise Fund (Code: IGF), Investec GSF Global Strategic Equity Fund (Code: IGS), Investec GSF Global Energy Fund (Code: IGE), Investec GSF Global Multi-Asset Income Fund (Code: IIF) and Investec GSF Global Strategic Managed Fund (Code: IGM) (the "PRU-Investment Choices") available under the Policies (as defined below)**

**IMPORTANT: This notice contains important information and requires your immediate attention. Please read this notice carefully and seek independent professional advice if you have any questions about this notice. Prudential Hong Kong Limited ("Prudential") accepts responsibility for the accuracy of the contents of this notice.**

Thank you for choosing Prudential.

The **PRU-Investment Choices** are available under PRUlink portfolio investment plan, PRUlink single premium investment plan, PRUlink investment plan, PRUlink smart wealth builder, PRUkid extra (previously known as PRUkid edulink), PRUlink assurance (previously known as PRUlink Diamond, PRUlink Gold and PRUlink Silver), PRUlink assurance plus, PRUlink Investlife, PRUlink optimiser plus (previously known as PRUlink optimizer), PRUretirement extra (previously known as PRUretirement plus and PRUretirement plan), Investment Plus, PRUflexilife, PRUlink maxisavings, PRUlink Protector, and PRUlink wealth builder (collectively, the "**Policies**").

We have been informed by the Directors of Investec Global Strategy Fund ("**Investec**") on the following changes of the relevant Investec Global Strategy Fund ("**GSF**") (i.e. the existing reference funds of the *PRU-Investment Choices*).

- (1) Investec Asset Management separated from Investec Group and became an independent asset management business listed in London and Johannesburg under the new name of Ninety One on 16 March 2020. Therefore, the name of management company / investment manager of reference fund of the *PRU-Investment Choices* was renamed on **16 March 2020** and the name of corresponding reference funds (which is subject to the shareholder approval) will also be renamed on **2 June 2020**, details please refer to Appendix 1.

As a result, the *PRU-Investment Choices* will also experience the same changes on **2 June 2020**.

- (2) Investec decided that the F share class ("**F share**") of Investec Global Strategy Fund - Global Strategic Equity Fund (one of the existing reference fund of *PRU-Investment Choices*) (the "**Converting Fund**") will be converted into the corresponding A share class ("**A share**") in the same reference fund (the "**Receiving Fund**") on **2 July 2020**.

#### **Background of and rationale for the conversion**

To ensure the range of funds continues to remain competitive as markets evolve, Ninety One (previously known as Investec Asset Management) have decided to rationalise the number of share classes offered by GSF which they believe to be in the best interest of shareholders. In accordance with the prospectus of GSF and on the basis of Article 43 of the GSF Articles of Incorporation, the rationalisation will be achieved by re-designating each issued F share as an A share (the "**Conversion**") as they, in the interests of shareholders, consider that it would not be economically viable for F share to remain available. A re-designation is the process of converting issued shares from one class into another class.

#### **The Conversion**

As a result of the Conversion, the share class of Investec GSF Global Strategic Equity Fund (Code: IGS) will be converted from F share to A share on 2 July 2020 and the corresponding code will also be changed from IGS to IFF accordingly. Please

note that the Receiving Fund will not have a higher ongoing charges figures<sup>1</sup> (“OCF”) than the Converting Fund. However, the management fee and administration servicing fee for Receiving Fund are higher than the Converting Fund. Please refer to Appendix 2 for the material differences of this reference fund before and after the Conversion.

After the change, the current units of the Investec GSF Global Strategic Equity Fund (Code: IGS) may be adjusted according to a conversion ratio. Please refer to Appendix 3 for details of the Conversion ratio.

To facilitate the Conversion operation as described above, all trading orders for the Investec GSF Global Strategic Equity Fund (Code: IGS) will be temporarily suspended from **27 June to 6 July 2020** and will be resumed to normal on **7 July 2020**.

Please note that all cost associated with the Conversion will be borne by Ninety One, the management company of the Converting Fund.

**Actions to take**

You are advised to plan ahead and to take appropriate action. If you do not wish to accept the changes, you may **switch out** all existing notional units to other investment choices available under your policy before the relevant deadline specified in **Table 1** below free of charge.

You can either make your request online using the myPrudential service of our website at [www.prudential.com.hk](http://www.prudential.com.hk), or by completing a paper request form which is available from your consultant or our Customer Service Centre. You must make your switch out request before the relevant deadline specified in **Table 1** below.

**Table 1**

Procedure	Deadline of request
Complete an online submission via the myPrudential section of our website at <a href="http://www.prudential.com.hk">www.prudential.com.hk</a>	by 6:59 pm (Hong Kong time) on 26 June 2020
Complete and sign the Application Form for Financial Change in Policy	26 June 2020 (received by post) or by 2:00 pm (Hong Kong time) on 26 June 2020 (submit in person at any of our Customer Service Centres)

Currently, you can opt for an unlimited number of switches of investment choices under your policy without incurring switching charges.

For further information on the PRU-Investment Choices and other investment choices available under the Policies and their corresponding reference funds, including fees and charges, investment objectives and risk factors, please refer to the offering documents of the Policies and the corresponding reference funds, which can be downloaded from our website at [www.prudential.com.hk](http://www.prudential.com.hk).

Should you have any inquiries, please do not hesitate to contact your consultant or our Customer Service Hotline at 2281 1193.

Thank you once again for your continued support.

Yours sincerely,

Prudential Hong Kong Limited  
(A member of Prudential plc group)

(This is a computer print out and no signature is required)

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<sup>1</sup> An ongoing charges figure is based on the expenses over a 12-month period from 1 January 2019 to 31 December 2019. This figure represents the sum of the ongoing expenses chargeable to the respective share class of the reference fund expressed as a percentage of the average net asset value of the respective share class of the reference fund over the same period. This figure may vary from year to year.

### Appendix 1

Name change of management company / investment manager of reference fund, effective from **16 March 2020**:

Code of the investment choice	Name of investment manager of reference fund		Name of management company of reference fund	
	Existing name	New Name	Existing name	New Name
IGF	Investec Asset Management Limited	Ninety One UK Limited	Investec Asset Management Luxembourg S.A.	Ninety One Luxembourg S.A.
IGS	Investec Asset Management Limited	Ninety One UK Limited	Investec Asset Management Luxembourg S.A.	Ninety One Luxembourg S.A.
IGE	Investec Asset Management Limited	Ninety One UK Limited	Investec Asset Management Luxembourg S.A.	Ninety One Luxembourg S.A.
IIF	Investec Asset Management Limited	Ninety One UK Limited	Investec Asset Management Luxembourg S.A.	Ninety One Luxembourg S.A.
IGM	Investec Asset Management Limited	Ninety One UK Limited	Investec Asset Management Luxembourg S.A.	Ninety One Luxembourg S.A.

Name change of the investment choice and corresponding reference fund, effective from **2 June 2020**:

Code of the investment choice	Existing Name		New Name	
	Investment choice	Corresponding reference fund	Investment choice	Corresponding reference fund
IGF	Investec GSF Global Franchise Fund	Investec Global Strategy Fund - Global Franchise Fund	Ninety One GSF Global Franchise Fund	Ninety One Global Strategy Fund - Global Franchise Fund
IGS	Investec GSF Global Strategic Equity Fund	Investec GSF Global Strategy Fund - Global Strategic Equity Fund	Ninety One GSF Global Strategic Equity Fund	Ninety One Global Strategy Fund - Global Strategic Equity Fund
IGE	Investec GSF Global Energy Fund	Investec Global Strategy Fund - Global Energy Fund	Ninety One GSF Global Energy Fund	Ninety One Global Strategy Fund - Global Energy Fund
IIF	Investec GSF Global Multi-Asset Income Fund	Investec Global Strategy Fund - Global Multi-Asset Income Fund	Ninety One GSF Global Multi-Asset Income Fund	Ninety One Global Strategy Fund - Global Multi-Asset Income Fund
IGM	Investec GSF Global Strategic Managed Fund	Investec Global Strategy Fund - Global Strategic Managed Fund	Ninety One GSF Global Strategic Managed Fund	Ninety One Global Strategy Fund - Global Strategic Managed Fund

## Appendix 2

Material differences of Investec GSF Global Strategic Equity Fund (Code: IGS) before and after the Conversion:

	<b>Before the Conversion</b>	<b>After the Conversion</b>
Name of the investment choice	Investec GSF Global Strategic Equity Fund  (to be renamed as Ninety One GSF Global Strategic Equity Fund with effect from 2 June 2020)	Ninety One GSF Global Strategic Equity Fund
Code of the investment choice	IGS	IFF
Name of the reference fund	Investec GSF Global Strategy Fund - Global Strategic Equity Fund  (to be renamed as Ninety One Global Strategy Fund - Global Strategic Equity Fund with effect from 2 June 2020)	Ninety One Global Strategy Fund - Global Strategic Equity Fund
Share class of the reference fund	F Acc	A Acc
Management fee (per annum)	1.25%	1.50%
Administration servicing fee (per annum)	0.25%	0.30%
Distribution Fee (per annum)	0.75%	0.00%
Ongoing charges figure as of 31 December 2019	2.35%	1.90%

## Appendix 3

On 2 July 2020 the total number of units of the Investec GSF Global Strategic Equity Fund (Code: IGS) will be calculated by applying a Conversion ratio based on the valuation set on 2 July 2020 as below:

Conversion Ratio*
$\frac{\text{NAV 1}}{\text{NAV 2}}$

\* NAV1 refers to net asset value ("NAV") per share of the Converting Fund at 4pm New York time on 2 July 2020. NAV 2 refers to NAV per share of the Receiving Fund at 4pm New York time on 2 July 2020.