

March 2022



Important Document

重要函件

Dear Valued Customer,

Re: Change in respect of Value Partners Classic Fund (Code: VCF) (the "PRU-Investment Choice") 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 Choice is available under PRULink Empower Investment Plan, 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 Value Partners Hong Kong Limited (the "**Manager**") that the pricing adjustment mechanism will be changed for the Value Partners Classic Fund (the "**Reference Fund**"), which is the reference fund of the PRU-Investment Choice with effect on **11 April 2022** (the "**Effective Date**").

Introduction of anti-dilution pricing adjustment (swing pricing)

It is currently disclosed in the explanatory memorandum of the Reference Fund (the "**Explanatory Memorandum**") that the Manager is entitled to add to/ deduct from the net asset value of a unit for an amount which it considers to be an appropriate allowance (not exceeding one per cent of the net asset value per unit of the relevant class) for (i) fiscal and purchase charges incurred by the Reference Fund in investing subscription moneys; or (ii) fiscal and sales charges incurred in realising assets to provide funds to meet any redemption request. However, it is also set out in the Explanatory Memorandum that it is not the present intention for the Manager to add / deduct such amount unless in the case of unusually large subscriptions or redemptions (i.e. where the subscription amount or redemption proceeds are US\$2,000,000 or above).

With effect from the Effective Date, with a view to protecting the interests of unitholders, there will be a change in the pricing adjustment mechanism such that the Manager may introduce anti-dilution pricing adjustment mechanism under certain circumstances.

In order to reduce the effect of "dilution" on the Reference Fund, the Manager may (if in its opinion in good faith it is in the best interest of unitholders to do so), adjust the net asset value of a unit of any class. Dilution occurs when the actual cost of purchasing or selling the underlying assets of the Reference Fund, deviates from the carrying value of these assets in the Reference Fund's valuation due to dealing and other costs, taxes and duties, market movements and any spread between the buying and selling prices of the underlying assets. Dilution may have an adverse effect on the value of the Reference Fund and therefore impact the unitholders. By adjusting the net asset value per unit, this effect can be reduced or mitigated and unitholders can be protected from the impact of dilution.

Under normal market conditions, the Manager expects that the anti-dilution pricing adjustment will not exceed 3 per cent of the net asset value per unit of the relevant class on the relevant dealing day of the Reference Fund (the relevant "**Dealing Day**"). Under extreme market conditions (such as market crash or global financial crisis), the Manager may increase such amount to protect interests of the unitholders.

In determining the issue price and redemption price of a unit of any class on each relevant Dealing Day, the net asset

value per unit shall be increased by the aforesaid adjustment where the net subscription on the relevant Dealing Day exceeds certain pre-determined threshold(s), or decreased by the aforesaid adjustment where the net redemption on the relevant Dealing Day exceeds certain pre-determined threshold(s). Such pre-determined threshold(s) will be determined and reviewed on a periodic basis by the Manager.

The Manager will consult the trustee of the Reference Fund (the "**Trustee**") prior to any adjustment and such adjustment will only be made where the Trustee has no objection to it. Any such additional amount will be retained by the Reference Fund and will form part of the assets of the Reference Fund.

As a result of the above change, the Reference Fund is subject to pricing adjustments risk. Subscriptions or redemptions may dilute the Reference Fund's assets due to dealing and other costs associated with the trading of underlying securities. In order to counter this impact, adjustment of prices (including swing pricing) may be adopted to protect the interests of the unitholders. Consequently, investors may subscribe (redeem) at a higher subscription price (lower redemption price). Investors should note that the occurrence of events which may trigger adjustment of prices is not predictable. It is not possible to accurately predict how frequent such adjustments of prices will need to be made. Adjustments may be greater than or less than the actual charges incurred. Investors should also be aware that adjustment of prices may not always, or fully, prevent the dilution of the Reference Fund's assets.

The trust deed of the Reference Fund will be amended by way of a supplemental deed to reflect the above change.

Implication of change

The above change will not result in any material change to the features and risk profiles of the Reference Fund, and will not materially prejudice the existing unitholders' rights or interests. Save as disclosed above, there will be no change in the operation and/or manner in which the Reference Fund is being managed.

Except for the introduction of the anti-dilution pricing adjustment (swing pricing) as set out above, there will be no change in the fee level/cost of managing the Reference Fund following the implementation of the above change.

Costs

All the costs and expenses associated with the change as set out above, including legal costs, will be borne by the Reference Fund. Such costs and expenses are estimated to be HK\$80,000. These costs and expenses will only have an insignificant impact on the fees and charges incurred by the Reference Fund.

As a result, the PRU-Investment Choice will also experience the same change regarding the change of the Reference Fund on the same Effective Date.

As a holder of the notional units of the PRU-Investment Choice, if you do not wish to accept the change, you may choose to switch your existing notional units of the PRU-Investment Choice and redirect your premium allocation / dividend allocation to other investment choice(s) by submitting a request to Prudential. You can arrange your request through our website www.prudential.com.hk at myPrudential or submit to Prudential the duly signed form available from your consultant or our Customer Service Center. Currently, you can opt for an unlimited number of switching of investment choices and change of premium allocations or dividend allocations for future contributions in Prudential investment-linked insurance plans without incurring switching charges. Or else, you are not required to take any action for the change described.

For further information on the PRU-Investment Choice 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.

Should you have any inquiries, please do not hesitate to contact your consultant or our Customer Service Hotline at 2281 1333.

Thank you once again for your continued support.

Yours sincerely,

Prudential Hong Kong Limited
(Part of Prudential plc (United Kingdom))

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

2022 年 3 月



Important Document

重要文件

親愛的保單持有人：

有關：惠理價值基金（編號：VCF）（「保誠投資選項」）（適用於以下所訂之保單）之變更

重要提示：本通告乃重要文件，務請您即時處理。煩請詳閱本通告，如對本通告的內容有任何疑問，應徵詢獨立的專業意見。保誠保險有限公司（「保誠」）對本通告的內容的準確性承擔責任。

感謝您選擇保誠。

保誠投資選項適用於雋賦投資計劃、「雋景」組合投資計劃、「雋景」整付保費投資計劃、「運籌」晉景投資計劃、「運籌智賞」投資計劃、俊傑尚盛計劃〔早前名稱為俊傑智選計劃〕、「運籌」智選保障計劃〔早前名稱為保誠運籌鑽石計劃、保誠運籌金計劃及保誠運籌銀計劃〕、「運籌」財智保障計劃、「投資創富」保障計劃、「運籌」優越投資計劃〔早前名稱為「運籌」盈豐投資計劃〕、尊尚退休寶計劃〔早前名稱為豐裕退休寶計劃及「退休寶」計劃〕、「投資寶」、「卓越人生」保障計劃、「極蓄」智選計劃、「運籌」萬全保障計劃及「運籌智富」投資計劃〔統稱「保單」〕。

我們已接獲惠理基金管理香港有限公司（「經理人」）通知以下有關保誠投資選項之參考基金惠理價值基金（「參考基金」）的定價調整機制之變更，並於 2022 年 4 月 11 日（「生效日期」）起生效。

引入反攤薄定價調整（擺動定價）

參考基金的解釋備忘錄（「解釋備忘錄」）現時披露，經理人有權在每單位資產淨值上加入 / 扣除一個經理人認為適當的額外費用（不超過相關類別每單位資產淨值的 1%），用以抵付(i)參考基金在將認購款項投資時招致的財務及購買費用；或(ii)為參考基金提供資金應付任何贖回要求時變現資產所招致的財務及銷售費用。然而，在解釋備忘錄亦載明，經理人現時不擬加入 / 扣除此項額外費用，除非認購或贖回的數量異常龐大（即認購金額或贖回款項為 2,000,000 美元或以上者）。

由生效日期起，為保障單位持有人的利益，將更改定價調整機制，因此，經理人可以在若干情況下引入反攤薄定價調整機制。

為減低「攤薄」效應對參考基金的影響，經理人可以（若其真誠地認為此舉符合單位持有人的最佳利益）調整任何類別單位的資產淨值。當參考基金相關資產的實際買入或賣出成本由於買賣及其他費用、稅項及關稅、市場走勢及相關資產的買入價與賣出價之間的任何差價等因素而偏離該等資產在參考基金估值中的賬面值，即發生攤薄情況。攤薄或會對參考基金的價值造成不利的影響，並因此影響單位持有人。透過調整每單位資產淨值，可減低或減輕此項影響，並可保障單位持有人免受攤薄影響。

在正常市況下，經理人預期反攤薄定價調整將不超過相關類別於參考基金的相關交易日〔相關「交易日」〕每單位資產淨值的 3%。在極端市況下（例如市場崩潰或全球金融危機），經理人可上調該數額以保障單位持有人的利益。

在釐定任何類別單位於每個相關交易日的發行價及贖回價時，倘若於相關交易日的淨認購超過若干預先釐定的水平，則應按上述調整增加每單位資產淨值，或倘若於相關交易日的淨贖回超過若干預先釐定的水平，則應按上述調整減少每單位資產淨值。經理人將定期釐定及檢討該等預先釐定的水平。

經理人將在作出任何調整前諮詢參考基金的信託人（「信託人」），並且只有在信託人不反對的情況下方會進行該項調整。任何該額外數額將由參考基金保留，並將構成參考基金資產的一部分。

由於上述變更，參考基金須承受定價調整風險。基於與買賣相關證券有關的交易及其他成本，認購或贖回可能會攤薄參考基金的資產。為了應對此項影響，可能採用價格調整（包括擺動定價）以保障單位持有人的利益。因此，投資者可能以較高的認購價（較低的贖回價）進行認購（贖回）。投資者應注意，可能觸發價格調整的事件之發生乃不可預測的。無法準確預測將需要進行價格調整的頻密程度。調整可能會大於或小於實際產生的費用。投資者亦應注意，價格調整或許不能時刻或完全阻止參考基金資產被攤薄。

參考基金的信託契約將以補充契約的形式作出修訂，以反映上述變更。

變更的影響

上述變更不會導致參考基金的特點及風險概況有任何重大轉變，亦不會嚴重損害現有單位持有人的權利或利益。除上文所披露外，參考基金的運作及 / 或管理方式將維持不變。

除上文所述引入反攤薄定價調整（擺動定價）外，管理參考基金的費用水平 / 成本於上述變更實施後將維持不變。

成本

與上文所述變更相關的所有成本及支出（包括法律費用）將由參考基金承擔。該等成本及支出估計為 80,000 港元。該等成本及支出對參考基金應付費用及收費的影響並不重大。

因此，保誠投資選項將就參考基金的修訂於相同生效日期作出相同更新。

作為保誠投資選項的單位持有者，若閣下不希望接受是次更新，閣下可遞交指示至本公司，以轉換現有保誠投資選項之單位及重新分配閣下日後保費分配 / 紅利分配至其他投資選項。閣下可透過本公司網站 www.prudential.com.hk 之 myPrudential 安排相關指示，或透過閣下的顧問或客戶服務部索取表格並填妥交回本公司。現時，於各保誠投資相連壽險計劃下，閣下可不限次數選擇作出投資選項調配、轉換日後的保費分配或紅利分配，而毋須繳付調配費用。否則，閣下毋須就上述更新採取任何行動。

如欲查閱更多保誠投資選項及於保單下之其他投資選擇及其相關參考基金的資料，包括費用及收費、投資目標及風險因素，請參閱相關保單及個別參考基金的銷售文件，該銷售文件可於公司網頁 www.prudential.com.hk 下載。

如有任何查詢，請聯絡您的顧問或致電客戶服務熱線 2281 1333。

感謝您一直以來的支持！

保誠保險有限公司 謹啟
(保誠集團成員)

(此信件為電腦列印文件，毋需簽署)