

For Investment
Professionals,
Institutional
Investors,
Accredited
Investors and
Professional
Investors only



M&G (Lux) Optimal Income Fund
Optimising the flexibility

Optimal possibilities

A global, flexible bond fund with an attractive income that invests in the three main fixed income asset classes: government bonds, investment grade and high yield.



Flexible

- Dynamic allocation across government, investment grade (IG) and high yield (HY)
- Seek optimal mix of duration and credit allocation in any environment



Global

- Diversified across sectors and issuers
- Over 250 distinct issuers in 25 countries and 18 sectors



Active yet simple

- Actively managed, combining macroeconomic views and bottom-up security selection
- Hedged back to base currency to mitigate foreign exchange risk



Outstanding

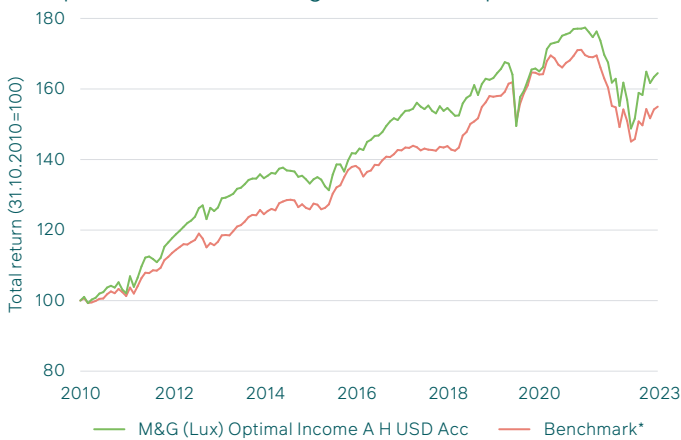
- Consistent long-term performance
- First or second quartile rankings across all time periods
- Managed by experienced investment professionals

Optimal outcomes

Through a consistent and active investment process, the fund has delivered positive returns and outperformed the composite benchmark over different time periods.

Long-term performance since fund inception

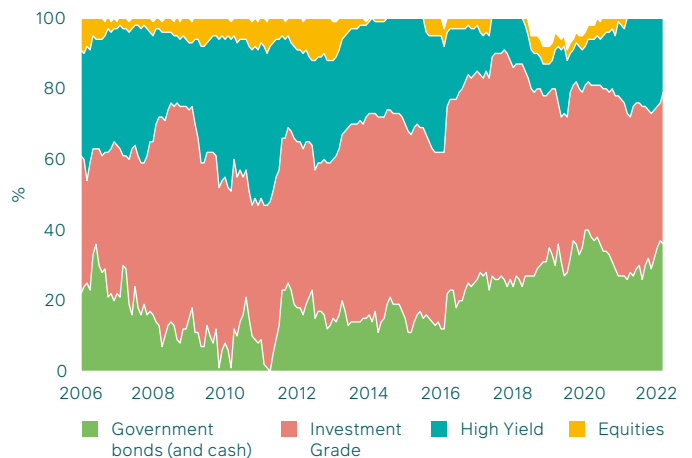
Past performance is not a guide to future performance



Optimal sector allocation

An investment approach that is truly global, investing across a diverse mix of bonds primarily from developed markets, as well as active security selection and allocation within the major fixed income sectors.

Flexible allocation since inception



| Performance | 1 year | 3 years pa | 5 years pa | 10 years pa | 2023 YTD | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|--------|------------|------------|-------------|----------|--------|------|------|-------|-------|
| M&G (Lux) Optimal Income Fund Class A H USD Acc | 1.7% | 1.4% | 1.2% | 2.7% | 3.3% | -10.2% | 2.0% | 3.1% | 9.9% | -1.2% |
| Benchmark* | -0.2% | -0.3% | n/a | n/a | 3.1% | -12.0% | 0.0% | 6.5% | 11.0% | n/a |
| Morningstar USD Cautious Allocation | -1.8% | 1.4% | 1.2% | 1.5% | 2.1% | -11.2% | 3.1% | 5.3% | 10.2% | -3.7% |

Source: M&G Investments as at 30 April 2023. The M&G (Lux) Optimal Income Fund is a highly flexible bond fund that can invest across government, corporate and high yield bond sectors. Each sector has a different level of investment risk, including duration and credit risk, and the fund is subject to these risks given its flexible investment strategy. The benchmark is a comparator used solely to measure the fund's performance and reflects the scope of the fund's investment policy but does not constrain portfolio construction. The fund is actively managed. The fund's holdings may deviate significantly from the benchmark's constituents. The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria. Source: Morningstar Inc., Morningstar Wider Universe, 30 April 2023, US dollar A-H class shares, income reinvested, price-to-price. US dollar A-H class shares, performance prior to 5 September 2018 is that of the USD A-H share class of the M&G Optimal Income Fund (which launched on 1 October 2010), and which merged into this fund on 8 March 2019. Tax rates and charges may differ. *1/3 Bloomberg Global Agg Corporate Index USD Hedged; 1/3 Bloomberg Global High Yield Index USD Hedged; and 1/3 Bloomberg Global Treasury Index USD Hedged. The composite index was introduced as the fund's benchmark on 7 September 2018.

Optimal team

M&G Investments is one of the largest asset managers in Europe. Founded in 1901, we have a long history of innovation in fixed income, with extensive in-house research capabilities and comprehensive range of fixed income strategies.



Managed by the long-term stability and longevity of the fund's portfolio management team.



Richard Woolnough
Fund Manager
35 years' industry experience
19 years with M&G Investments



Stefan Issacs
Deputy Fund Manager
21 years' industry experience
21 years with M&G Investments



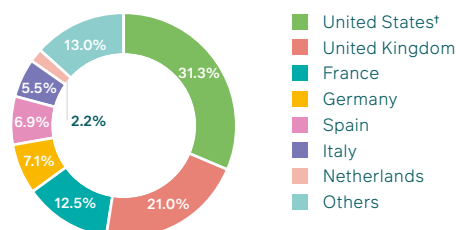
Source: M&G Investments, as at 31 December 2022.

Key fund facts

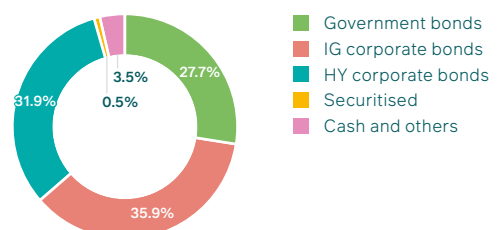
| Distribution share class | Bloomberg code | ISIN | Dividend frequency | Dividend yield* |
|--------------------------|----------------|--------------|--------------------|-----------------|
| USD A-H M Dis | MOIUAHM LX | LU1670725693 | Monthly | 4.69% |
| USD A-H M F Dis | MGLOIAH LX | LU2135367709 | Monthly | 5.90% |
| SGD A-H M Dis | MOISAHM LX | LU1670725008 | Monthly | 4.62% |
| HKD A-H M Dis | MGOHAHD LX | LU1959279446 | Monthly | 4.69% |



Country allocation



Sector breakdown



Source: M&G Investments, as at 30 April 2023. Source of Morningstar ratings: Morningstar as of 30 April 2023. Based on USD Class A-H Accumulation shares.

Ratings should not be taken as a recommendation. The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.

*The share classes above intend to declare and pay dividends. Dividend amount/distribution is not guaranteed. The dividend yield is the annualised gross distribution of a share class, as a percentage of the share class NAV on the last day of the month or the ex-dividend date. It is based on a snapshot of the portfolio on that day and is calculated in the table below = (payout/NAV) x12 for monthly distributions. It does not include any preliminary charge and investors may be subject to tax on distributions. *Includes cash exposure and derivatives.



Investment Policy. The fund invests at least 50% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and asset-backed securities. These securities may be issued by governments and their agencies, public authorities, quasisovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets, and denominated in any currency. At least 80% of the Net Asset Value will be in EUR or hedged into EUR. While the fund's overall duration will not be negative, the fund may derive negative duration from individual fixed income markets. The fund may invest up to a combined maximum of 100% of the fund's Net Asset Value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the fund may invest. The fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market. The fund may also hold up to a maximum of 20% of its Net Asset Value in contingent convertible debt securities and up to a maximum of 20% of its Net Asset Value in asset backed securities. The fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the Investment Manager finds value. In identifying the optimal income stream, the fund also has the flexibility to invest up to a maximum of 20% of its Net Asset Value in equities. **The main risks associated with this fund:** The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested. Investments in bonds are affected by interest rates, inflation and credit ratings. It is possible that bond issuers will not pay interest or return the capital. All of these events can reduce the value of bonds held by the fund. High yield bonds usually carry greater risk that the bond issuers may not be able to pay interest or return the capital. The fund may use derivatives to profit from an expected rise or fall in the value of an asset. Should the asset's value vary in an unexpected way, the fund will incur a loss. The fund's use of derivatives may be extensive and exceed the value of its assets (leverage). This has the effect of magnifying the size of losses and gains, resulting in greater fluctuations in the value of the fund. Investing in emerging markets involves a greater risk of loss due to greater political, tax, economic, foreign exchange, liquidity and regulatory risks, among other factors. There may be difficulties in buying, selling, safekeeping or valuing investments in such countries. The fund is exposed to different currencies. Derivatives are used to minimise, but may not always eliminate, the impact of movements in currency exchange rates. Investing in this fund means acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned by the fund. Further risk factors that apply to the fund can be found in the fund's Prospectus. **Sustainability information:** The fund promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments. The fund's sustainability information are available to investors on the fund page of the M&G website. **Important Information: For Investment Professionals, Institutional Investors, Accredited Investors and Professional Investors only. Not for onward distribution. No other persons should rely on any information contained within.**

In Hong Kong, this financial promotion is issued by M&G Investments (Hong Kong) Limited. Office: Unit 1002, LHT Tower, 31 Queen's Road Central, Hong Kong; in Singapore by M&G Investments (Singapore) Pte. Ltd. (Co. Reg. No. 201131425R), regulated by the Monetary Authority of Singapore; and in Taiwan by M&G Luxembourg S.A. Registered Office: 16, boulevard Royal, L-2449, Luxembourg.

For Hong Kong only: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer of any funds mentioned in it. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. Shares, units or other interests in the funds mentioned in this document may only be offered or sold in Hong Kong to persons who are 'professional investors' as defined in the Securities and Futures Ordinance ('Ordinance') and any rules made under the Ordinance – or in circumstances which are permitted under the Companies (Winding Up and Miscellaneous Provisions) Ordinance. In addition, distribution of this document in Hong Kong is restricted. It may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and shares, units or other interests in the funds mentioned may not be disposed of to any person unless such person is a 'professional investor' as defined in the Ordinance and any rules made under the Ordinance or as otherwise may be permitted under Hong Kong law.

For Singapore only: For 'accredited investors' and 'institutional investors' as defined under the Securities and Futures Act (Cap. 289) of Singapore ('SFA') only. **Subscriptions in the fund are valid only if made on the basis of the current Prospectus and the Product Highlights Sheet** available on our website www.mandg.com/investments/sg and you must read these documents before deciding whether to invest. Investors may wish to seek advice from a financial adviser before purchasing shares of the fund. In the event that they choose not to seek independent financial advice, they should consider carefully whether the fund is suitable for them. All forms of investments carry risks. Such investments may not be suitable for everyone.

For Taiwan only: The financial product(s) offered herein has not been reviewed or approved by the competent authorities and is not subject to any filing or reporting requirement. The financial product(s) offered herein is only permitted to be recommended or introduced to or purchased by customers of an offshore banking unit of a bank ('OBU')/offshore securities unit of a securities firm ('OSU') which customers reside outside the R.O.C. Customers of an OBU/OSU are not eligible to use the financial consumer dispute resolution mechanism under the Financial Consumer Protection Law. This product(s) may be made available for purchase by Taiwan OBUs/OSUs acting on behalf of non-Taiwan customers of such units but may not otherwise be offered or sold in Taiwan.

For Republic of Korea only: For Qualified Professional Investors only. Neither the fund mentioned herein nor M&G Luxembourg S.A. is making any representation with respect to the eligibility of any recipients of this document to acquire the interests therein under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act and Regulations thereunder. The interests have not been registered under the Financial Investment Services and Capital Markets Act for public offering and none of the interests may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

M&G Investments (Hong Kong) Limited, M&G Luxembourg S.A., M&G Investments (Singapore) Pte. Ltd and the funds referred to in this document may not be authorised, recognised or regulated by the local regulator in your jurisdiction. This information is not an offer or solicitation of an offer for the purchase or sale of investment shares in one of the funds referred to herein.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong or Singapore.

This advertisement has not been reviewed by the Monetary Authority of Singapore. This advertisement has not been reviewed by the Securities and Futures Commission of Hong Kong. JUN 23 / W973901