

M&G PROVIDES £353 MILLION LOAN FOR LONDON REAL ESTATE ASSETS

- ***Almost £1 billion deployed in the commercial real estate finance market in 2020***

London, 12 October 2020 – M&G's Real Estate Finance team has provided a £353 million, five-year loan to refinance two assets in London that are jointly owned by Zeno Capital Limited and Oxygen Asset Management.

The two assets are Riverbank House, a 328,924 sq. ft office building in the City of London, which is let to Man Group plc until 2035, and a Sainsbury's superstore on Purley Way, Croydon let until 2086.

Will Nicoll, CIO Private & Alternative Assets, M&G Investments, says: "Since the financial crisis in 2008, asset managers have increasingly played an important role in diversifying Europe's capital markets, which in turn has provided a wider set of investment opportunities for our institutional clients, including many pension funds seeking the secured income and good relative value on offer. Despite the current uncertain backdrop in the economy, our teams continue to selectively deploy capital where they find attractive opportunities for our clients.

Dan Riches, Director, Real Estate Finance, M&G Investments, says: "This deal demonstrates our ability to provide borrowers with a single-source debt solution in a short time-frame. M&G will fund and hold the entire £353 million to maturity and it took a little over 8 weeks to close the transaction. We were attracted by the quality of the underlying real estate, and the excellent track record and professionalism of the sponsors.

"We continue to see demand from sponsors for debt capital, having committed almost £1 billion this year, and have an active pipeline of deals. Our investors are focussed on attractive risk-adjusted returns and ability to deploy in challenging markets and opportunities of this type – originated directly with the sponsor– further demonstrate our ability to invest our clients' capital on attractive terms and in volume."

Mike Harris, on behalf of Zeno and Oxygen, said "We have really enjoyed working with M&G to conclude this important refinance and look forward to developing the relationship in

the future. The transaction will provide the group with the perfect platform to implement the exciting value add strategies imbedded within each of the assets”

M&G’s Real Estate Finance team is part of M&G’s £65.5 billion Private & Alternative Assets business. It has committed over £10 billion in commercial mortgages (as at 30 June 2020) in the UK, Europe and the USA on behalf of more than 100 global institutional investors and is one of the largest new lenders to emerge since the 2008 global financial crisis.

-ENDS-

If you require any further information, please contact:

M&G Investments

Irene Chambers

M&G Corporate Communications

Tel: +44 (0)203 9773 284 or +44 (0)7825 696 815

Email: Irene.Chambers@mandg.co.uk

Notes to editors

About M&G Investments

M&G Investments is part of M&G plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc’s UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G plc listed as an independent company on the London Stock Exchange in October 2019 and has £339 billion of assets under management (as at 30 June 2020). M&G plc has over 5 million customers in the UK, Europe, the Americas and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate.

M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

For more information, please visit: <https://global.mandg.com/>

This press release reflects the authors’ present opinions reflecting current market conditions; are subject to change without notice; and involve a number of assumptions which may not prove valid. It has been written for informational purposes only and should not be considered as investment advice or as a recommendation of any particular security, strategy or investment product. Past performance is not a guide to future performance.



The services and products herein are available only to investment professionals and are not available to individual investors, who should not rely on this communication. Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although M&G does not accept liability for the accuracy of the contents.

This press release is issued by M&G Investment Management Limited (unless stated otherwise), registered in England and Wales under number 936683, registered office 10 Fenchurch Avenue, London EC3M 5AG. M&G Investment Management Limited is authorised and regulated by the Financial Conduct Authority. M&G Real Estate Limited is registered in England and Wales under number 3852763 and is not authorised or regulated by the Financial Conduct Authority. M&G Real Estate Limited forms part of the M&G Group of companies.