

Irish residential development finance firm created through a partnership between M&G's Catalyst strategy and Ardcairn Capital

- *Partnership's ambition is to provide funding for 10,000 homes over the next five years*

London, 16 September 2021 – M&G announces the formation of a partnership with Ardcairn Capital, a new development finance lender in Ireland. The partnership is designed to make a significant amount of capital available to small and medium sized residential developers to deliver housing projects, with an ambition to provide funding for over 10,000 homes in the next five years.

Ireland has struggled to build enough homes to meet demand in recent years, with a significant drop-off in construction post the financial crisis, coupled with strong population growth and one of the youngest population in Europe driving the need for additional household formations.

The partnership is formed by M&G Catalyst strategy, which is investing up to £5 billion into privately-owned businesses where capital is required to drive innovation and impact to create a more sustainable world. The vast majority of housing targeted through this partnership will be affordable, for first time buyers, and supporting social housing projects, where there is a chronic shortage.

Daire McCarthy, Co-Founder and CEO of Ardcairn Capital, says: "Ireland continues to experience a significant shortage in housing stock – particularly affordable and social housing. Momentum in construction was halted as Ireland was hit by Covid-19 and we are starting to see this space recover gradually, but not enough to meet the reported 50,000 homes required per annum, and the investment it takes to reach this target. Partnering with M&G will help unlock financing for small sized housebuilders who have compelling opportunities but have been overlooked and under serviced by the market for some time."

Alex Seddon, Head of Catalyst, M&G, comments: "Creating more, good quality, homes is a priority for most societies around the world, and also a priority for our strategy, which is channelling investment to help make this happen. We welcome this opportunity to partner with Ardcairn Capital to help overcome some of the barriers that smaller developers face in delivering affordable and social housing."

M&G is a long-term investor into the Irish real estate sector through large commercial real estate mortgages, direct investments into real estate, a partnership with Finance Ireland to provide long-term mortgages, and through its partnership with Marlet which began in 2014. Through Marlet, M&G has invested over €1.2 billion, assembled a portfolio that will deliver over 8,000 homes and over 1 million sq.ft. of office space.

-ENDS-

Notes to Editors

The Catalyst investment strategy sits within the Private & Alternative Assets division at M&G. With over two decades of experience in private asset investment, M&G already manages over £65 billion in private credit, private equity and real estate on behalf of Prudential policyholders and external clients.

Drawing on this expertise and track record in private assets, Catalyst seeks opportunities across the globe to invest in unlisted businesses where capital is needed to drive innovation and impact.

Size of Private and Alternative Assets team (£65 billion), as at 30 June 2021.

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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 over £370 billion of assets under management (as at 30 June 2021). M&G plc has 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.

M&G plc has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

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

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