

## M&G continues suspension of dealing in M&G Property Portfolio

- *Cash increases to 21% - fees will not be charged on cash held above 20%*
- *Next planned update on suspension due 16 February*

**LONDON, 19 January 2021:** The Authorised Corporate Director of the M&G Property Portfolio (“the Fund”) has decided, with the agreement of the Fund’s Depositary, it can best protect the interests of all of its investors by continuing the suspension in dealing in its shares.

We continue to balance the objective of raising cash levels with the need to protect the interests of all our investors, with a targeted sales programme also focused on preserving the portfolio’s integrity and long term prospects.

Having sold £344.4 million of assets in 2020, raising the cash position from 4.8% to 18.9%, a further two assets have been sold in January, increasing the Fund’s current cash level to 21%\*.

Despite the renewed tightening of social distancing measures, which will further impact market liquidity in the short term and the ability to travel and inspect properties, the fund manager continues to make good progress with sales. Since our last update, £39.4 million of assets have been sold and a further £134.5 million are under offer. Assuming all progress to completion, the cash position will rise to 27.5%. There is no guarantee that these deals will complete.

Historically the Fund has run a relatively low cash range to avoid diluting returns and maximise exposure to the asset class. Looking forward, the fund manager will now target a new long term cash weighting of circa 20% to enhance liquidity management. In the interim, given the highly uncertain market environment, the sales programme will continue until the Authorised Corporate Director is satisfied we have a sustainable liquidity position for both remaining investors and those who wish to redeem.

M&G will not charge fees on cash held in excess of 20% whilst the Fund is in suspension.

M&G continues to waive 30% of the Fund’s annual charge during the suspension in recognition of the inconvenience caused to our clients and customers. Active management of the Fund continues to deliver an attractive income distribution of 5.1%, with more than 85% of rent collected in each quarter of 2020.

### Fund activity update

- Cumulative total of asset sales since suspension: £435.3 million
- Assets contractually exchanged or under offer to sell: £134.5 million

\*Cash balance as of 15 Jan 2021

**-ENDS-**

**If you require any further information, please contact:**

Rebecca Grundy	Irene Chambers
M&G Corporate Communications	M&G Corporate Communications
Tel: 07827 820428	Tel: 07825 696 815
Rebecca.grundy@mandg.co.uk	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.

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/>

Issued by M&G Securities Limited which is authorised and regulated by the Financial Conduct Authority and provides investment products. The company's registered office is 10 Fenchurch Avenue, London EC3M 5AG. Registered in England and Wales. Registered number 90776