

M&G Investments and Guotai Haitong Securities agree strategic cooperation to unlock global investment opportunities for Chinese investors

- *Strategic cooperation leverages global expertise and local leadership amid intensifying competition for China market access*

Singapore / Hong Kong / Shanghai, 14 July 2025 – M&G Investments (M&G) and Guotai Haitong Securities have signed a Strategic Cooperation Memorandum of Understanding to expand Chinese investors' access to global markets. The collaboration combines M&G's global investment expertise with Guotai Haitong Securities' market-leading position in China, and aims to provide growth opportunities for both companies in the rapidly evolving wealth management landscape.

The collaboration comes at a pivotal time for China's asset management industry, as regulatory reforms continue to drive innovation and greater openness. Demand for international investment exposure is accelerating, fuelled by global market volatility and shifting geopolitical dynamics, along with China's asset management industry projected to reach US\$40.4 trillion by 2030¹. As part of its international growth strategy, M&G has maintained a strong presence in Asia for nearly two decades, serving a diverse client base spanning sovereign wealth funds, pensions funds, insurers, private banks and retail investors.

The collaboration focuses on four areas; information sharing, asset management development, client engagement and investment market promotion.* It also provides a strong foundation for future collaboration in investment research, product innovation, and global distribution. The cooperation will enable M&G to access China's vast investor base through an established market leader, while providing Guotai Haitong Securities with enhanced global investment capabilities to serve the growing international diversification needs of clients.

The firms are currently developing a co-branded Asia-focused fixed income solution, with the launch targeted for the coming months. Additional collaborative initiatives under consideration include Qualified Domestic Institutional Investor (QDII)-eligible products and investment advisory and distribution arrangements leveraging their respective strengths in global investment management, local market knowledge and client servicing.

As part of its regional growth strategy, M&G aims to strengthen its Hong Kong-based portfolio management and distribution capabilities to support cross-border investment solutions and broaden access to its global strategies. These enhancements will deepen participation in cross-border wealth management schemes and enable closer collaboration with partners like Guotai Haitong Securities.

Joseph Pinto, Chief Executive Officer, M&G Investments, said: "Asia remains one of the most dynamic and fast-growing regions globally, offering significant opportunities for active managers to generate long-term value. This collaboration reflects our shared commitment to delivering high-quality investment solutions and expanding global market access for Chinese investors. As the largest securities firm in China, Guotai Haitong Securities plays a pivotal role in Shanghai's capital markets development and maintains a strong presence in Hong Kong—making it a valued partner in improving international connections.

"This strategic cooperation underscores our long-term commitment to Asia, with China as a strategic focus. It enables us to meet growing investor needs by combining our global investment and product development capabilities with Guotai Haitong Securities' extensive onshore network and distribution strength."

¹ Source: McKinsey & Company

Guotai Haitong Securities commented: “Collaborating with M&G, one of the leading international active asset managers, allows us to integrate our deep understanding of China’s equity and bond markets with their global investment expertise. This collaboration enhances our product capabilities and supports our goal of offering more diversified offshore investment solutions. It also aligns with our mission to provide comprehensive, forward-looking wealth management services that meet the evolving needs of Chinese investors.”

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Notes to Editors

China’s outbound investment market is gaining momentum, driven by strong investor demand, regulatory support and deepening integration across global markets. With further QDII quota issuances, this creates favourable conditions for cross-border product development. In 2024, Qualified Domestic Institutional Investor (QDII) fund assets surged 47% year-on-year², underscoring the growing appetite for offshore investment opportunities. This growth reflects both increased investor sophistication and diversification needs amid market volatility. The State Administration of Foreign Exchange recently granted a total of US\$3.08 billion in investment quotas to eligible QDII to meet the demand for overseas asset allocation³, signalling continued policy support for outbound investment.

*Details of the four collaboration areas:

- **Information Sharing:** Exchanging macroeconomic, industry insights and market intelligence within regulatory boundaries to enhance investment decision-making.
- **Asset Management Development:** Joint development of innovative investment solutions tailored to Chinese investor needs and global market opportunities.
- **Client Engagement:** Enhanced outreach through joint education and investor events to deepen client relationships and expand market reach.
- **Investment Market Promotion:** Collaborative thought leadership and promotional campaigns to advance cross-border investment opportunities and market understanding.

M&G in Asia

Asia is a strategic focus for M&G’s global growth ambitions, and the firm continues to advance its long-term growth agenda in the region. Since establishing its real estate investment business in Singapore in 2006, M&G has expanded its investment and distribution capabilities across key Asia Pacific markets, including Singapore, Hong Kong, Japan, South Korea and Australia. Building on this established presence, the firm has further strengthened its leadership and distribution network across Asia Pacific through key appointments and the development of strategic partnerships in recent years. Alongside these efforts, M&G has also broadened its investment capabilities by establishing dedicated regional investment teams and focusing on the development of locally managed Asian strategies that harness deep regional expertise to deliver high-conviction, research-driven solutions—reflecting its commitment to product innovation and delivering tailored investment solutions designed to meet diverse investor needs.

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

² Source: Asset Management Association of China

³ Source: The State Council of the People’s Republic of China

and has US\$433.2 billion of assets under management (as at 31 December 2024). M&G plc has around 4.6 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). M&G plc has committed to achieve net zero emissions by 2050 at the latest, across our investment portfolios and operations.

About Guotai Haitong Securities

Guotai Haitong Securities Co., Ltd.(referred to as "Guotai Haitong" or "the Company") is a consistently sustainable and comprehensively leading integrated financial service provider in China's capital market. It was established through the merger of Guotai Junan Securities and Haitong Securities.

As early pioneers in China's securities industry, Haitong Securities was founded in 1988, while Guotai Securities and Junan Securities were both established in 1992 and merged in August 1999 to form Guotai Junan. Guotai Junan Securities and Haitong Securities proactively aligned with national strategic goals and, adhering to the principles of "a powerful alliance, mutually beneficial synergy, and a merger of equals" implemented their merger and reorganization in September 2024. They officially rebranded as Guotai Haitong in April 2025, marking a new era for the company.

The merger of Guotai Haitong Securities marks the first merger and restructuring of leading securities firms since the introduction of the new "Nine New Guidelines" in 2024. It is the largest A+H bilateral market absorption merger in the history of China's capital market and represents the most significant integration case among listed securities firms. Following the merger and reorganization, Guotai Haitong has gained greater and more resilient capital strength. As per 2024 data, the Company's total assets reached RMB 1.73 trillion, with net assets of RMB 342.9 billion, driving its capital strength to the top of the industry, achieving a more balanced structure and enhanced risk resilience, while optimizing capital productivity through more active asset allocation strategies. Having developed more specialized and comprehensive service offerings. The Company has achieved a comprehensive advancement in its customer base, service capabilities, and operational management. In terms of customer base, the Company has taken an undisputed lead across retail, institutional, and corporate client segments. In 2024, it served nearly 40 million retail clients, with 15.1 million monthly active users on its app, securing its top position in the industry. The Company's net income from seat leasing amounted to approximately RMB 1.2 billion, and it sponsored and underwrote 16 A-share IPOs, ranking first in the industry. Its services extend to 17 countries and regions, and the total number of branches in key areas such as the Yangtze River Delta, Beijing-Tianjin-Hebei region, and the Pearl River Delta now leads the industry. In wealth management, the Company led the industry with top rankings in agency trading net income, futures brokerage net income, and margin trading and securities lending. Its investment advisor team currently comprises more than 5,700 professionals. In investment banking, the Company led the industry in the number of IPO underwritings in 2024, and has been the undisputed leader on the STAR Market since its launch, completing 104 IPOs worth RMB 211.1 billion. In institutional and trading operations, the Company ranked first in net income from seat leasing and the scale of custody outsourcing in 2024, alongside major improvements in equity derivatives and FICC operations. In investment management, it currently oversees a total of RMB 3.5 trillion in combined assets across public funds, securities asset management, and private equity, positioning it among the top players in the industry. It has achieved more concentrated and effective operational

management. The Company pioneered the industry by developing the full-link, full-stack distributed core trading system for IT application innovation in the securities industry. It also became the first to embed large model capabilities into its customer service operations, further strengthening its leadership in advanced digital technologies; by optimizing asset integration and utilization efficiency, the Company has achieved significant operational synergies and scale advantages; it has fully leveraged the capabilities of its 28,000 skilled professionals, ensuring sustained momentum and driving high-quality growth.

Guotai Haitong is forging a new paradigm for high-quality development through the implementation of innovative strategies, cultural transformation, and structural optimization, committed to building towards top-tier investment bank with international competitiveness and market leadership with accelerated momentum. Remaining committed to a "client-first" approach, the company will further its reforms, and strengthen service professionalism, operational coordination, and strategic agility. By fully utilizing its roles as a "service provider" of direct financing, a "gatekeeper" of the capital markets, and a "manager" of social wealth, it will focus on delivering results in the "five major areas", striving to lead the development of a strong financial nation and the Shanghai International Financial Center, and offering greater financial support to drive national strength and the rejuvenation of the Chinese nation under the framework of Chinese path to modernization.

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