

M&G launches Asian Fixed Income strategy to deliver resilient income through quality USD bonds

Singapore, Hong Kong, 17 December 2025 – M&G today announces the launch of the **M&G (Lux) Asian Quality Income Fund** (the Fund), a new Asian fixed income strategy by M&G's US\$188.4 billion¹ global public fixed income team. Developed in response to sustained investor interest in high-quality Asian bond opportunities, the Fund broadens M&G's regional offering and reinforces its long-term commitment to uncovering resilient income in Asia. The launch also signifies a further development in M&G's strategic cooperation with Guotai Haitong Securities, with Guotai Junan Assets (Asia) Limited and Guotai Junan Securities (Hong Kong) Limited providing support on non-discretionary advisory and distribution to professional investors.

Asia (excluding Japan) contributes over 40%² of global GDP but remains under-represented in global corporate bond benchmarks – highlighting a long-term opportunity for investors to tap into quality and yield as regional credit markets mature. Within Asian credit, more than 60%³ of Asian investment-grade issuers are government-linked, adding an additional layer of resilience during periods of market stress. Against this backdrop, Asian credit markets continue to deepen and diversify, creating a broader opportunity set for income-oriented investors.

The Fund seeks income opportunities across developed and emerging Asia, investing in high-quality, US dollar-denominated Asian investment grade corporate bonds. By adopting a flexible, benchmark-unconstrained approach it is designed to deliver a blend of capital growth and income over a three-year horizon, with ESG integration.

Andrew Chorlton, Chief Investment Officer of Fixed Income at M&G Investments, said: "In today's uncertain climate, resilient income and diversification are vital. Asian investment grade credit offers both, backed by strong fundamentals and supportive local demand. This new strategy reflects our commitment to expanding M&G's global credit reach—especially in Asia—building on the momentum of our China Corporate Bond Strategy. With scale, global management, and deep credit expertise, we're ready to uncover standout opportunities across the region."

The Fund is managed by Singapore-based William Xin, who brings over two decades of experience in Asian credit markets, and is supported by M&G's wider Asian Fixed Income team which currently manages US\$10.8 billion⁴ in assets across the region. The team draws on the depth of M&G's global fixed income platform, combining regional insight with global research capabilities.

William Xin, Portfolio Manager, Asia Fixed Income, M&G Investments added, "Asian US dollar investment-grade bonds offer a rare mix of quality, yield and stability. Sector diversity, limited supply and strong sovereign ties create a resilient income stream, while healthy corporate balance sheets and deepening local demand continue to boost market liquidity."

Guotai Junan Assets (Asia) Limited acts as the Fund's non-discretionary investment advisor, drawing on its China fixed income market insights, while Guotai Junan Securities (Hong Kong) Limited will serve as the Fund's initial distributor to professional investors in Hong Kong, supporting the needs of a fast-growing Chinese wealth management client segment.

¹ As at 30 June 2025

² Asia (ex Japan) accounts for 43% of global GDP. Source: IMF WEO April 25 database, as at 2024, GDP based on PPP

³ Source: J.P. Morgan, December 2024

⁴ As at 30 June 2025

The Fund is structured as a Sub-Fund of a UCITS Luxembourg SICAV, and is available to institutional and wholesale investors in Europe, as well as professional investors across Asia. The Fund is classified as SFDR Article 8.

-ENDS-

Notes to Editors

Key features of the M&G (Lux) Asian Quality Income Fund

Fund domicile: Luxembourg

Fund currency: USD

Launch date: 30 September 2025

Investment policy: The fund aims to provide a combination of capital growth and income with a focus on generating income from quality Asian investment grade debt securities over any three-year period, while applying environmental, social and governance (ESG) criteria. At least 80% of the fund is invested in investment grade bonds issued or guaranteed by companies domiciled, incorporated or carrying out most of their business in any Asian country, or issued or guaranteed by Asian governments or their agencies. The fund invests in debt securities which are either rated by an internationally recognised credit rating agency like Standard & Poor's, Moody's or Fitch or, if unrated, are subject to an internal rating process to determine their credit quality. Currency exposure is typically in US dollars or hedged back to the US dollar. The recommended minimum holding period for the fund is three years. In normal market conditions, the fund's expected average leverage – how much it can increase its investment position by borrowing money or using derivatives – is 150% of the fund's net asset value.

The Fund is actively managed and its benchmark is the iBoxx USD Asia ex Japan Investment Grade Index (Restricted) (Far East).

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.
- The fund may invest in Chinese onshore bonds traded on the China Interbank Bond Market via Bond Connect. Investing in the onshore (domestic) market of the PRC is subject to the risks of investing in emerging markets and other risks of investments applicable to the PRC, as well as to additional risks that are specific to the PRC market.
- 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 can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.
- ESG information from third-party data providers may be incomplete, inaccurate or unavailable. There is a risk that the investment manager may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the portfolio of the fund.

Please note, 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 details of the risks 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.

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 £365 billion of assets under management (as at 30 September 2025). M&G plc has around 4.5 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). M&G plc has committed to achieve net zero emissions by 2050 at the latest, across our investment portfolios and operations.

For more information, please visit www.mandg.com, or contact:

Dinah Seah (M&G Investments)	dinah.seah@mandg.com	+65 6436 5305
Sabrina Cheng (M&G Investments)	sabrina.cheng@mandg.com	+852 3725 3100

This information is intended for journalists and media professionals only. It should not be relied upon by private investors or advisers. 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. 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.

In Hong Kong: Issued by M&G Investments (Hong Kong) Limited. Office: Unit 1002, LHT Tower, 31 Queen's Road Central, Hong Kong. In Singapore: Issued by M&G Investments (Singapore) Pte. Ltd. (UEN 201131425R), regulated by the Monetary Authority of Singapore. Elsewhere, issued by M&G Luxembourg S.A. (Registered office: 16, boulevard Royal, L2449, Luxembourg).