



M&G delivers strong growth in the Bulk Purchase Annuity (BPA) market

£1.5 billion of BPAs written in 2025, c. 65% increase year-on-year
Firmly on track to meet the £3-4 billion annual sales ambition by 2027

M&G has announced today a significant milestone in its growth journey, completing 11 bulk purchase annuity transactions in 2025, delivering total new business volumes of £1.5 billion with £1.0 billion in Q4 alone.

This result demonstrates continued delivery against the Group's broader strategic growth agenda, and is a meaningful acceleration of our trajectory in the bulk-purchase annuity market after achieving new business volumes of £0.6 billion in 2023 and £0.9 billion in 2024.

To support BPA new business written in 2025, c. £140 million of capital was deployed, predominantly in the second half of the year, in line with our target range of up to £150 million per annum. Double digit returns are expected on capital deployed.

Our strong capital position enables us to selectively decide when to use our capability in longevity reinsurance. While no longevity reinsurance was utilised in the completion of the 2025 transactions, this remains a potential future management action.

Looking ahead, we will continue to strengthen M&G's competitive position through product innovation, further differentiating our offering and supporting our long-term growth in this attractive market, where we expect to achieve £3-£4 billion of annual sales by 2027.

Kerrigan Procter, Managing Director Corporate Pension Solutions, said:

"Through the disciplined execution of our corporate pension strategy during 2025, we have rapidly scaled our position as a trusted partner for UK pension funds.

"Our balance sheet, asset capabilities and ability to deliver a differentiated proposition to the UK's Pension Risk Transfer market, mean we can offer our clients excellent experience and outcomes.

"With a clear roadmap and strong momentum, we look forward to continuing to deliver long-term value for both clients and shareholders."

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About M&G plc

M&G plc is a leading international savings and investments business, managing money for around 4.5¹ million retail clients and more than 900¹ institutional clients in 39¹ offices worldwide. As at 30 September 2025, we had £364.9 billion of assets under management and administration. With a heritage dating back more than 170 years, M&G plc has a long history of innovation in savings and investments, combining asset management and insurance expertise to offer a wide range of solutions. We serve our retail and savings clients under the M&G and Prudential brands in the UK and Europe, and under the M&G Investments brand for asset management clients globally.

Additional Information

M&G plc, a company incorporated in the United Kingdom, is the ultimate parent company of The Prudential Assurance Company Limited (PAC). PAC is not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.

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This announcement may contain certain 'forward-looking statements' with respect to M&G plc (M&G) and its affiliates (the Group), its plans, its current goals and expectations relating to future financial condition, performance, results, operating environment, strategy and objectives. Statements that are not historical facts, including statements about M&G's beliefs and expectations and including, without limitation, statements containing the words 'may', 'will', 'could', 'should', 'continue', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'plans', 'seeks', 'outlook' and 'anticipates', and words of similar meaning, are forward-looking statements. These statements are based on plans, estimates and projections which are current as at the time they are made, and therefore persons reading this announcement are cautioned against placing undue reliance on forward-looking statements. By their nature, forward-looking statements involve inherent assumptions, risk and uncertainty, as they generally relate to future events and circumstances that may not be entirely within M&G's control. A number of factors could cause M&G's actual future financial condition or performance or other indicated results to differ materially from those indicated in any forward-looking statement. Such factors include, but are not limited to: changes in domestic and global political, economic and business conditions; market-related conditions and risk, including fluctuations in interest rates and exchange rates, the potential for a sustained low-interest rate environment, corporate liquidity risk and the future trading value of the shares of M&G; investment portfolio-related risks, such as the performance of financial markets generally; legal, regulatory and policy developments, such as, for example, new government initiatives and regulatory measures, including those addressing climate change and broader sustainability-related issues, and broader development of reporting standards; the impact of competition, economic uncertainty, inflation and deflation; the effect on M&G's business and results from, in particular, mortality and morbidity trends, longevity assumptions, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; the impact of internal projects and other strategic actions, such as transformation programmes, failing to meet their objectives; changes in environmental, social and geopolitical risks and incidents, pandemics and similar events beyond the Group's control; the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change and broader sustainability-related issues effectively; the impact of operational risks, including risk associated with third-party arrangements, reliance on third-party distribution channels and disruption to the availability, confidentiality or integrity of M&G's IT systems (or those of its suppliers); the impact of changes in capital, solvency standards, accounting standards or relevant regulatory frameworks, and tax and other legislation and regulations in the jurisdictions in which the Group operates; and the impact of legal and regulatory actions, investigations and disputes. These and other important factors may, for example, result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. Any forward-looking statements contained in this document speak only as of the date on which they are made. M&G expressly disclaims any obligation to update any of the forward-looking statements contained in this document or any other forward-looking statements it may make, whether as a result of future events, new information or otherwise except as required pursuant to the UK Prospectus Rules, the UK Listing Rules, the UK Disclosure and Transparency Rules, or other applicable laws and regulations. This document has been prepared for, and only for, the members of M&G, as a body, and no other persons. M&G, its Directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

1. As at 31 December 2024