

M&G (Lux) Optimal Income Fund

SGD Class A-H – Accumulation shares



Fund Factsheet as at 31 March 2025

Marketing Communication

Fund description

The fund aims to provide a combination of capital growth and income to deliver a return based on exposure to optimal income streams in investment markets, while applying environmental, social and governance (ESG) criteria. It seeks to make these investments using an exclusionary approach, as described in the prospectus. Typically, at least 50% of the portfolio is invested in a broad range of fixed income securities of any credit quality and from any country, including emerging markets, and denominated in any currency. The fund manager selects investments wherever he sees the greatest opportunities, based on his assessment of a combination of macroeconomic, asset, sector and stock-level factors. The manager may also hold up to 20% of the portfolio in company shares when he believes they offer better value than bonds. The fund's recommended holding period is five 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 200% of its net asset value.

The main risks associated with this fund

The value of investments and the income from them will fall as well as rise and investors may not recoup the original amount they invested.

Derivatives instruments risk. Derivative instruments can be highly volatile and expose investors to a high risk of loss. Depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited.

Exposure greater than net asset value. Derivative instruments may be used to generate exposure to investments exceeding the Net Asset Value of the Fund, thereby exposing the Fund to a higher degree of risk.

Short sales. Short positions reflect an investment view that the price of the underlying asset is expected to fall in value. Accordingly, the short position could involve losses of the Fund's capital due to the theoretical possibility of an unlimited rise in their market price.

ESG data risk. ESG information from third-party data providers may be incomplete, inaccurate or unavailable, resulting in the incorrect inclusion or exclusion of a security in the portfolio of the Fund.

Please note that the Fund is not listed and you can redeem only on Singapore business days which are also Dealing Days.

For any further information about the key risks that may affect your investment please refer to the Product Highlight Sheet (PHS) and to the "Main Risks" section of the Singapore Fund Supplement available at

www.mandg.com/investments/private-investor/en-sg

Key information

| | |
|--|---|
| Fund manager(s) | Richard Woolnough, Stefan Isaacs |
| Fund manager tenure from | 20 April 2007 |
| ISIN | LU1670724969 |
| Launch date of fund | 05 September 2018 |
| Launch of share class | 07 September 2018 |
| Fund size (millions) | SGD 12,567.36 |
| Fund Base Currency | EUR |
| Fund type | SICAV |
| Benchmark | 1/3 Bloomberg Global Agg Corporate Index SGD Hedged, 1/3 Bloomberg Global High Yield Index SGD Hedged, 1/3 Bloomberg Global Treasury Index SGD Hedged |
| Number of issuers | 187 |
| Average credit rating¹ | A+ |
| Modified duration (years) | 7.10 |
| SFDR Article Classification | 8 |

¹See important information section for explanation of average credit rating methodology.

Charges

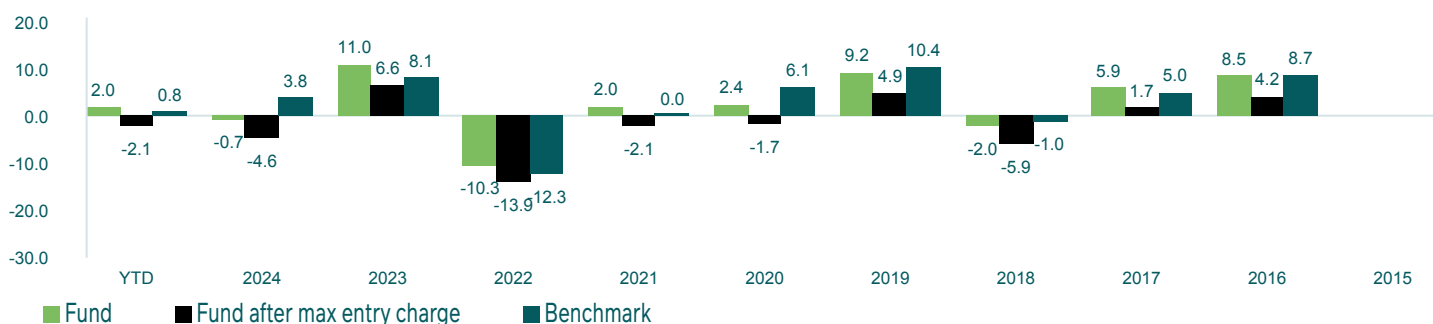
| | |
|---------------------------------|-------|
| Maximum entry charge | 4.00% |
| Annual Management Charge | 1.25% |

Things you should know

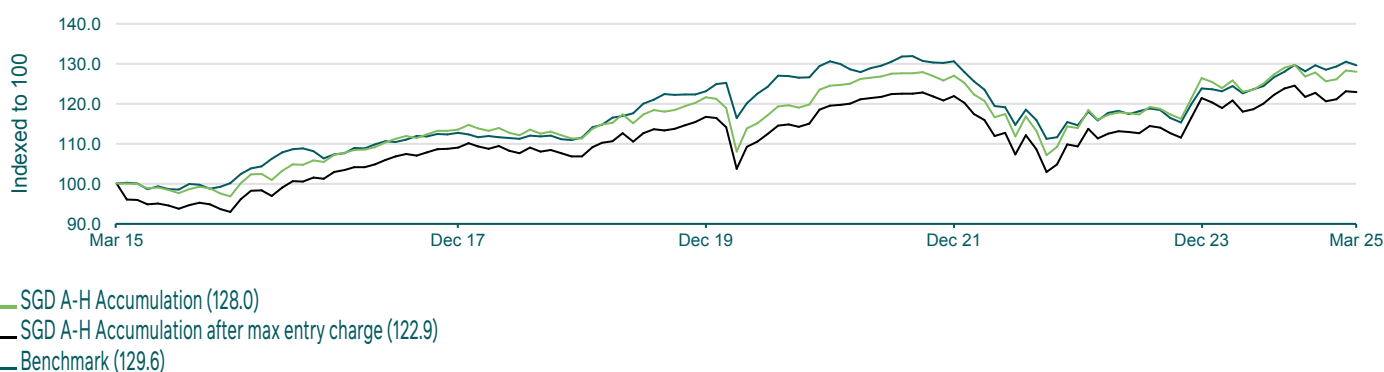
The fund allows for the extensive use of derivatives.

Past performance is not a guide to future performance.

Annual performance (%)



Performance over 10 years



Fund performance (10 years)

| | 1 month | 3 months | YTD to QTR end | YTD | 1 year | 3 years p.a. | 5 years p.a. | 10 years p.a. |
|---|---------|----------|----------------|-------|--------|--------------|--------------|---------------|
| SGD A-H Accumulation | -0.2% | 2.0% | 2.0% | 2.0% | 1.8% | 2.0% | 3.5% | 2.5% |
| SGD A-H Accumulation after max entry charge | -4.2% | -2.1% | -2.1% | -2.1% | -2.3% | 0.6% | 2.6% | 2.1% |
| Benchmark | -0.8% | 0.8% | 0.8% | 0.8% | 4.1% | 1.6% | 2.2% | 2.6% |

Benchmark: Until 24 August 2021 the name of the benchmark was 1/3 Bloomberg Barclays Global Aggregate Corporate Index SGD Hedged, 1/3 Bloomberg Barclays Global High Yield Index SGD Hedged, 1/3 Bloomberg Barclays Global Treasury Index SGD Hedged.

The benchmark is a comparator against which the fund's performance can be measured. The composite index has been chosen as the fund's benchmark as it best reflects the scope of the fund's investment policy. The benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

The fund is actively managed. The investment manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents. The benchmark is not an ESG benchmark and is not consistent with the ESG Criteria. Fund performance prior to 7 September 2018 is that of the SGD Class A-H Accumulation of the M&G Optimal Income Fund (a UK-authorised OEIC), which merged into this fund on 8 March 2019. Tax rates and charges may differ. The composite index was introduced as the fund's benchmark on 7 September 2018.

Source: Morningstar, Inc and M&G, as at 31 March 2025. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in SGD terms.

Fund Codes and Charges

| Share class | ISIN | Currency | Share class launch date | Ongoing charge | Minimum initial investment | Minimum top up investment | Distribution frequency |
|---------------|--------------|----------|-------------------------|----------------|----------------------------|---------------------------|------------------------|
| SGD A-H Acc | LU1670724969 | SGD | 07/09/2018 | 1.36% | SGD1,000 | SGD75 | - |
| SGD A-H M Inc | LU1670725008 | SGD | 07/09/2018 | 1.36% | SGD1,000 | SGD75 | Monthly |

The ongoing charge figures disclosed above include direct costs to the fund, such as the annual management charge (AMC), administration charge and custodian charge, but do not include portfolio transaction costs. They are based on expenses for the period ending 30 September 2024. Any ongoing charge figure with * indicates an estimate. The fund's annual report for each financial year will include details of the exact charges.

Industry breakdown (%)

| | Physical | Short (via CDS) | Long (via CDS) | Net |
|--------------------------|----------|-----------------------|----------------------|------|
| Sovereign | 51.4 | 0.0 | 0.0 | 51.4 |
| Banking | 14.6 | 0.0 | 0.0 | 14.6 |
| Insurance | 5.2 | 0.0 | 0.0 | 5.2 |
| Foreign Sovereign | 2.7 | 0.0 | 0.0 | 2.7 |
| Asset backed | 1.8 | 0.0 | 0.0 | 1.8 |
| Agency | 1.7 | 0.0 | 0.0 | 1.7 |
| Financial services | 1.7 | 0.0 | 0.0 | 1.7 |
| Utility | 1.4 | 0.0 | 0.0 | 1.4 |
| Energy | 1.1 | 0.0 | 0.0 | 1.1 |
| Technology & electronics | 1.1 | 0.0 | 0.0 | 1.1 |
| Capital goods | 0.9 | 0.0 | 0.0 | 0.9 |
| Real Estate | 0.9 | 0.0 | 0.0 | 0.9 |
| Covered Bonds | 0.8 | 0.0 | 0.0 | 0.8 |
| Commercial | 0.8 | 0.0 | 0.0 | 0.8 |
| Mortgage Backed | | | | |
| Telecommunications | 0.8 | 0.0 | 0.0 | 0.8 |
| Media | 0.7 | 0.0 | 0.0 | 0.7 |
| Leisure | 0.7 | 0.0 | 0.0 | 0.7 |
| Transportation | 0.6 | 0.0 | 0.0 | 0.6 |
| Consumer goods | 0.4 | 0.0 | 0.0 | 0.4 |
| Basic industry | 0.4 | 0.0 | 0.0 | 0.4 |
| Automotive | 0.2 | 0.0 | 0.0 | 0.2 |
| Healthcare | 0.2 | 0.0 | 0.0 | 0.2 |
| Equity | 0.1 | 0.0 | 0.0 | 0.1 |
| Retail | 0.1 | 0.0 | 0.0 | 0.1 |
| Services | 0.1 | 0.0 | 0.0 | 0.1 |
| Futures | 0.0 | 0.0 | 0.0 | 0.0 |
| High Yield indices | 0.4 | 0.0 | 5.3 | 5.6 |
| Cash | 9.5 | 0.0 | 0.0 | 9.5 |

Largest issuers (excluding government bonds and CDS indices, %)

| | Fund |
|---------------------------------------|------|
| Federal National Mortgage Association | 1.1 |
| Intesa Sanpaolo | 1.1 |
| Apple | 1.1 |
| Lloyds Banking Group | 1.0 |
| JP Morgan | 0.8 |
| Banco Santander | 0.8 |
| Barclays | 0.7 |
| UBS Group | 0.7 |
| AXA | 0.7 |
| Legal & General | 0.7 |

Currency breakdown (%)

| | Fund |
|--------------------|------|
| Euro | 99.4 |
| US dollar | 0.5 |
| British pound | 0.2 |
| New Zealand dollar | 0.0 |
| Australian dollar | 0.0 |
| Singapore dollar | 0.0 |
| South African rand | 0.0 |
| Japanese yen | 0.0 |
| Hong Kong dollar | 0.0 |
| Other | 0.0 |

Credit rating breakdown (%)

| | Physical | Short (via CDS) | Long (via CDS) | Net |
|-----------|----------|-----------------------|----------------------|------|
| AAA | 10.0 | 0.0 | 0.0 | 10.0 |
| AA | 44.4 | 0.0 | 0.0 | 44.4 |
| A | 10.3 | 0.0 | 0.0 | 10.3 |
| BBB | 19.3 | 0.0 | 0.0 | 19.3 |
| BB | 5.1 | 0.0 | 3.0 | 8.1 |
| B | 1.1 | 0.0 | 2.2 | 3.4 |
| CCC | 0.3 | 0.0 | 0.0 | 0.3 |
| CC | 0.0 | 0.0 | 0.0 | 0.0 |
| C | 0.0 | 0.0 | 0.0 | 0.0 |
| D | 0.0 | 0.0 | 0.0 | 0.0 |
| No rating | 0.1 | 0.0 | 0.0 | 0.1 |
| Cash | 9.5 | 0.0 | 0.0 | 9.5 |

A mid-average credit rating for each security, where available from S&P, Fitch, Moody's, is calculated. Where a security has not been rated by S&P, Fitch or Moody's, we may use M&G's internal credit rating. Ratings should not be taken as a recommendation.

Country breakdown (%)

| | Physical | Short (via CDS) | Long (via CDS) | Net |
|--------------------|----------|-----------------------|----------------------|------|
| US | 35.2 | 0.0 | 0.0 | 35.2 |
| UK | 16.7 | 0.0 | 0.0 | 16.7 |
| Germany | 9.2 | 0.0 | 0.0 | 9.2 |
| France | 8.4 | 0.0 | 0.0 | 8.4 |
| Ireland | 3.5 | 0.0 | 0.0 | 3.5 |
| Spain | 3.2 | 0.0 | 0.0 | 3.2 |
| Italy | 3.0 | 0.0 | 0.0 | 3.0 |
| Netherlands | 1.7 | 0.0 | 0.0 | 1.7 |
| Other | 9.3 | 0.0 | 0.0 | 9.3 |
| High Yield indices | 0.4 | 0.0 | 5.3 | 5.6 |
| Cash | 9.5 | 0.0 | 0.0 | 9.5 |

Duration by currency and asset class (years)

| | Physical | Futures | Swaps | Net |
|---------------|----------|---------|-------|-----|
| Euro | 3.3 | 0.7 | -2.4 | 1.6 |
| British pound | 1.8 | 0.0 | -0.5 | 1.3 |
| US dollar | 3.3 | 0.9 | -0.1 | 4.2 |
| Other | 0.1 | 0.0 | 0.0 | 0.1 |
| Total | 8.5 | 1.6 | -3.0 | 7.1 |

Asset breakdown (%)

| | Physical | Short (via CDS) | Long (via CDS) | Net |
|---|-------------|-----------------------|----------------------|-------------|
| Government bonds | 54.1 | 0.0 | 0.0 | 54.1 |
| Investment grade corporate bonds | 26.0 | 0.0 | 0.0 | 26.0 |
| Fixed rate | 26.0 | 0.0 | 0.0 | 26.0 |
| Floating rate | 0.0 | 0.0 | 0.0 | 0.0 |
| Index linked | 0.0 | 0.0 | 0.0 | 0.0 |
| Credit Default Swaps & Indices | 0.0 | 0.0 | 0.0 | 0.0 |
| High yield corporate bonds | 5.4 | 0.0 | 5.3 | 10.7 |
| Fixed rate | 4.8 | 0.0 | 0.0 | 4.8 |
| Floating rate | 0.2 | 0.0 | 0.0 | 0.2 |
| Index linked | 0.0 | 0.0 | 0.0 | 0.0 |
| Credit Default Swaps & Indices | 0.4 | 0.0 | 5.3 | 5.6 |
| Securitized | 5.0 | 0.0 | 0.0 | 5.0 |
| Equities | 0.1 | 0.0 | 0.0 | 0.1 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash | 9.5 | 0.0 | 0.0 | 9.5 |

Maturity breakdown (%)

| | Physical |
|---------------|----------|
| 0 - 1 years | 1.2 |
| 1 - 3 years | 5.6 |
| 3 - 5 years | 11.4 |
| 5 - 7 years | 16.2 |
| 7 - 10 years | 18.1 |
| 10 - 15 years | 8.8 |
| 15+ years | 29.2 |
| Cash | 9.5 |
| Other | 0.1 |

Important information

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

In Singapore, this material is issued by M&G Investments (Singapore) Pte. Ltd. (Co. Reg. No. 201131425R), who is regulated by the Monetary Authority of Singapore.

This document is for informational purposes only and does not constitute an offer or solicitation to purchase or sell units in the fund. Investment involves risk. Past performance is not necessarily a guide to future performance or returns. The value of investments and the income from them can fluctuate and is not guaranteed. Rates of exchange may cause the value of investments to go up or down. Investors may not get back the amount they invest. M&G (Lux) Investment Funds 1 is an open-ended investment company established in Luxembourg which is available for sale in certain jurisdictions only. M&G (Lux) Investment Funds 1 has appointed M&G Investments (Singapore) Pte. Ltd. as its Singapore representative and agent for service of process. Subscriptions in the fund are valid only if made on the basis of the current Prospectus and the Product Highlights Sheet available on our website www.mandg.com/investments/private-investor/en-sg and you must read these documents before deciding whether to invest. Investors may wish to seek advice from a financial adviser before purchasing shares of the fund. In the event that they choose not to seek independent financial advice, they should consider carefully whether the fund is suitable for them.

On 8 March 2019 the non-sterling assets of the M&G Optimal Income Fund, a UK-authorised OEIC which launched on 8 December 2006, merged into the M&G (Lux) Optimal Income Fund, a Luxembourg-authorised SICAV, which launched on 5 September 2018. The SICAV is run by the same fund manager, applying the same investment strategy, as the OEIC.

For the avoidance of doubt, for fixed income funds, we count different entities belonging to the same company as separate issuers to arrive at the number of issuers in the fund, as shown under the key information section.¹The fund's average credit rating uses a mid-average rating (S&P, Fitch, Moody's or M&G's internal rating if no rating is available from these ratings agencies) of securities held by the fund. It excludes some derivatives that are used for efficient portfolio management only. Ratings should not be taken as a recommendation.

Glossary of key terms: Modified duration (years):

A measure of the sensitivity of a bond, or bond fund, to changes in interest rates, expressed in years. The longer a bond or bond fund's duration, the more sensitive it is to interest rate movements.

SFDR article classification:

The Sustainable Finance Disclosure Regulation (SFDR) is a European Union (EU) regulation that came into force on the 12 July 2020. SFDR was designed to ensure consumers and investors are fully informed, via sustainability disclosures, about the ESG credentials of funds and their investment managers, prior to and throughout the investment period. The regulation aims to improve transparency in the market for sustainable investment products through consistent templated disclosure requirements.

The M&G (Lux) Optimal Income Fund is a sub-fund of M&G (Lux) Investment Funds 1.

SFDR Article Classification: Article 8 fund. The decision to invest in this fund should be based on all objectives and characteristics and not solely its non-financial objectives and characteristics.

Performance charts © 2025 Morningstar Inc., All Rights Reserved. The information contained within: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Contact us:

www.mandg.com/investments/private-investor/en-sg

Tel: +65 6982 7770