



Next Generation Forum: M&G Asian Fund

David Perrett, Fund Manager

January 2023

M&G Asia Fund

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.
- 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.
- In exceptional circumstances where assets cannot be fairly valued, or have to be sold at a large discount to raise cash, we may temporarily suspend the fund in the best interest of all investors.
- The fund could lose money if a counterparty with which it does business becomes unwilling or unable to repay money owed to the fund.
- Operational risks arising from errors in transactions, valuation, accounting, and financial reporting, among other things, may also affect the value of your investments
- Further details of the risks that apply to the fund can be found in the fund's Prospectus.
- For any performance shown, please note that past performance is not a guide to future performance.
- The views expressed in this document should not be taken as a recommendation, advice or forecast.
- Please note, investing in this fund means acquiring units or shares in a fund, and not in a given underlying asset such as a building or shares of a company, as these are only the underlying assets owned by the fund.

It is also important to note that:

- The fund invests mainly in company shares and is therefore likely to experience larger price fluctuations than funds that invest in bonds and/or cash.
- At least 80% of the fund is invested directly in the shares of companies, across any sector and of any size, that are based, or do most of their business, in Asia Pacific (excluding Japan).

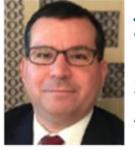


Team, beliefs and programme

M&G Asia Pacific Team

Highly experienced practitioners

| Fund Managers | | | Dealers | | | Investor Relations | |
|--|---|---|--|---|---|---|--|
|  Carl Vine Fund Manager 26 |  David Perrett Fund Manager 32 |  Vikas Pershad Fund Manager 24 |  Greg Moore Head of Asia Trading 14 |  Joanne Ong Senior Trader 27 |  Nick Iwai Junior Trader 4 |  Sunny Romo Investment Director 17 |  George Rolls Investment Specialist 6 |
| Mobility & Life Sciences | Financials & Infrastructure | Healthcare & Tech | Macro | Market Microstructure | Pan-Regional Trading | Japan | Asia ex Japan |

| Embedded Analysts | | | | | | | Deputy President | |
|---|---|--|---|---|---|---|--|--|
|  Nicholas Cunningham Senior Analyst 17 |  Eleanor Kim Analyst 17 |  Sabrina Gleeson Analyst 6 |  Valentina Luo Analyst 5 |  Jamie Zhou Senior Analyst 16 |  John Wadle Senior Analyst 32 |  Erinn Liu Junior Analyst 4 |  Madalina Black ESG Co-ordinator 2 |  Dr Ryohei Yanagi Japan Corporate Engagement consultant |
| Logistics & Transport | Communication & Mobility | IT & Business Services | New Energy & New Media | Consumer | Money | China | ESG | Japan engagements |

■ Based in London
 ■ Based in Singapore
 ■ Based in Hong Kong
 ■ Based in Tokyo
 ■ Years investment experience

Investment DNA

Problems invite principles, principles inform process

| | | |
|--------------|---|---------------------------|
| Independence | <p><u>Differentiated results require differentiated behaviours</u> We do our own thing</p> | Stock Picking Programme |
| Conviction | <p><u>Low conviction leads to losses and high conviction takes time</u> Our research universe, crafted over 15+ years, created conviction and differentiated idea generation. No ambulance-chasing. Don't fight fair fights: no edge, no capital</p> | |
| Fallibility | <p><u>Conviction without humility can lead to dogma</u> Focus on situation awareness and intellectual honesty to minimise the impact of losing investments. Margin-of-safety, early detection and early exit, effective post-mortem. The market always finds weakness</p> | Risk Navigation Framework |
| Uncertainty | <p><u>We price risk, we don't forecast the future</u> Employ curiosity and creativity to deliver 'perspective' in a probabilistic, expected-value framework Emphasise questions not answers</p> | |

Stock picking: differentiation and conviction

Long-term history analysing curated research universe

- Conviction is more tenable when preparation precedes opportunity
- Maintain high level of awareness about businesses, industries and associated risk of ownership
- Maintain expected values
- Be aggressively-patient: wait ‘controversy’ or ‘behaviour’ to drive wedge between price and value

APAC core coverage by geography

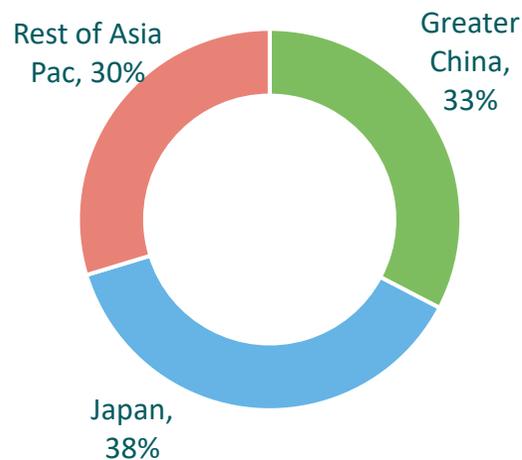
- 667 stocks
- >60 clusters

Asia Pac core coverage

- 416 stocks
- 62% of MSCI AxJ Mkt Cap

Japan core coverage

- 251 stocks
- 82% of MSCI Japan Mkt Cap



| Asia Pac universe by years followed | |
|-------------------------------------|-----|
| >15 years | 24% |
| 5-15 years | 34% |
| <5 years | 42% |
| Universe by market cap | |
| >\$20bn | 37% |
| \$5-25bn | 41% |
| <\$5bn | 22% |

| Japan universe by years followed | |
|----------------------------------|-----|
| >15 years | 38% |
| 5-15 years | 46% |
| <5 years | 16% |
| Universe by market cap | |
| >\$20bn | 26% |
| \$5-20bn | 36% |
| <\$5bn | 38% |

Stock picking

Preparation before opportunity

Conviction is more tenable when preparation precedes opportunity

Core Universe



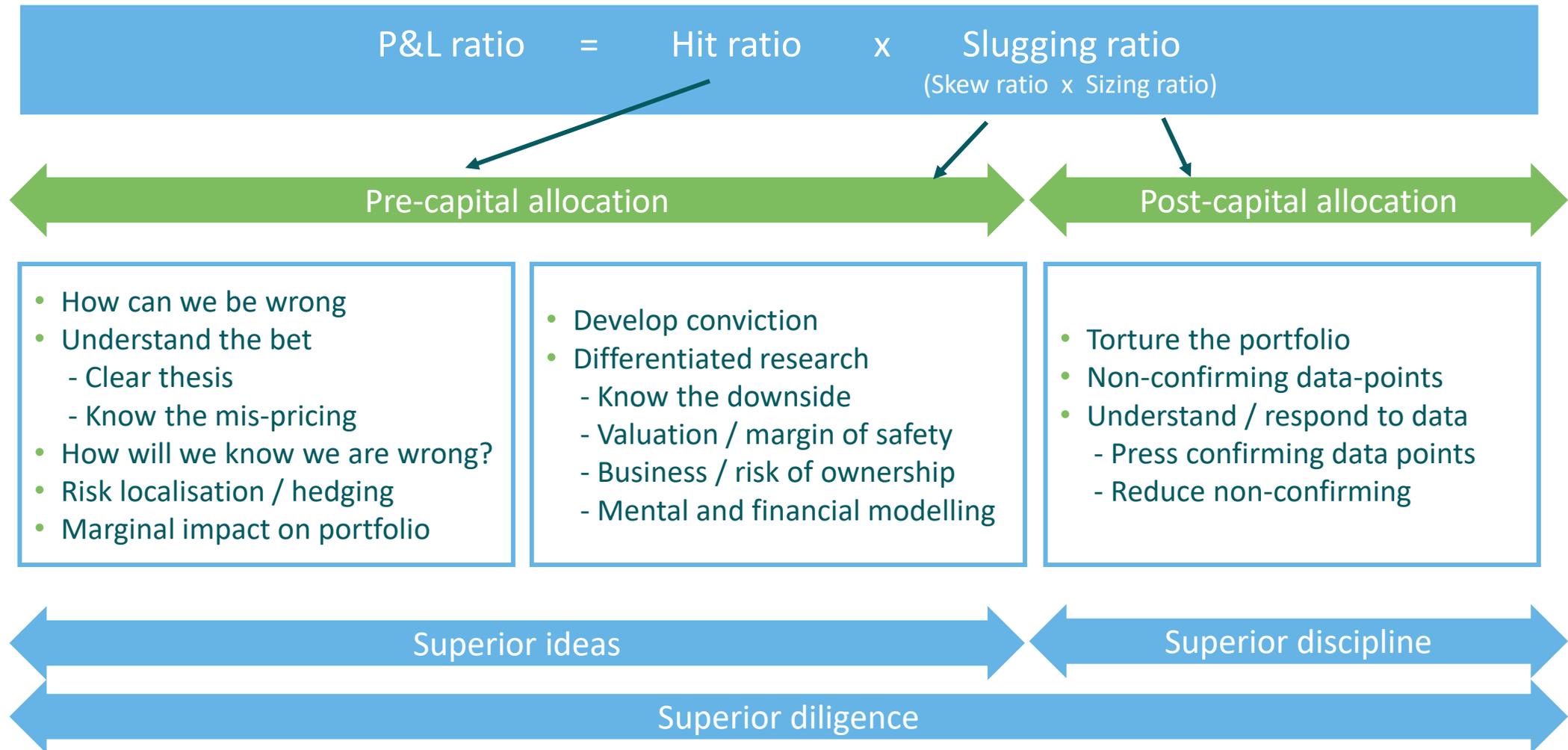
Clusters

>60 sub industry clusters

Curated universe = Invest TIME in value added research

Portfolio construction & risk management

Target behaviours that improve portfolio outcomes



Portfolio construction

Focused portfolio emphasizing idiosyncratic risk

Characteristics

- Bottom-up, idiosyncratic, diversified
- Margin of safety
- Sizing menu 1% to 5%

Judgement and situation awareness

- Pairwise correlation and factor analysis
- Minimise unintended risk
- Regular input from the independent M&G Risk Team, M&G Macro Team, M&G Global Analysts

Differentiated research programme

In-depth research that goes beyond financial modelling

Seductive but flawed

Financial Modelling

superior perspective about risk

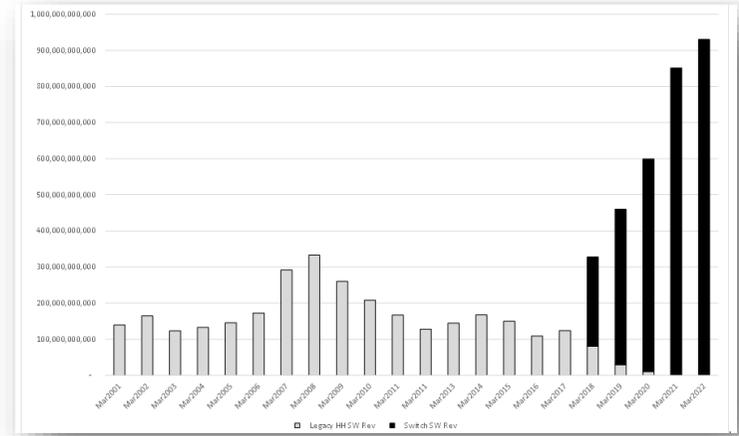
Mental Modelling

What companies say

What companies don't say

Earnings table

| | 22/3 | 23/3E | | | 24/3E | | 25/3E | |
|---------------------------|----------|----------|----------|---------|----------|----------|----------|----------|
| | Actual | Old | New | Co's | Old | New | Old | New |
| Sales (¥bn) | 1,695.3 | 1,700.7 | 1,616.7 | 1,600.0 | 1,405.3 | 1,438.5 | 1,590.0 | 1,614.0 |
| Operating profits (¥bn) | 592.8 | 605.7 | 570.9 | 500.0 | 504.3 | 511.4 | 496.7 | 497.9 |
| % y-y | -7.5 | 2.2 | -3.7 | -15.6 | -16.7 | -10.4 | -1.5 | -2.6 |
| EPS (¥) | 4,046.7 | 3,618.9 | 3,589.9 | 2,898.0 | 3,042.1 | 3,080.7 | 2,997.4 | 3,001.7 |
| P/E (x) | 14.0 | 15.7 | 15.8 | - | 18.6 | 18.4 | 18.9 | 18.9 |
| EV/EBITDA (x) | 9.2 | 9.0 | 9.5 | - | 10.4 | 10.3 | 10.4 | 10.4 |
| P/B (x) | 3.2 | 3.0 | 3.1 | - | 2.8 | 2.9 | 2.6 | 2.7 |
| Dividend yield (%) | 3.6 | 3.5 | 3.5 | - | 2.9 | 3.0 | 2.9 | 2.9 |
| ROE (%) | 24.2 | 19.8 | 19.9 | - | 15.5 | 16.1 | 14.4 | 14.7 |
| Net debt equity ratio (x) | Net Cash | Net Cash | Net Cash | - | Net Cash | Net Cash | Net Cash | Net Cash |



Forecasts

Simulation

 **M&G**
Investments

Engagement

Our approach to Value added shareholdership

The servant leadership model

Servant Leadership:
“in order to lead, you must serve”

Actively engage for reform where we see value being trapped

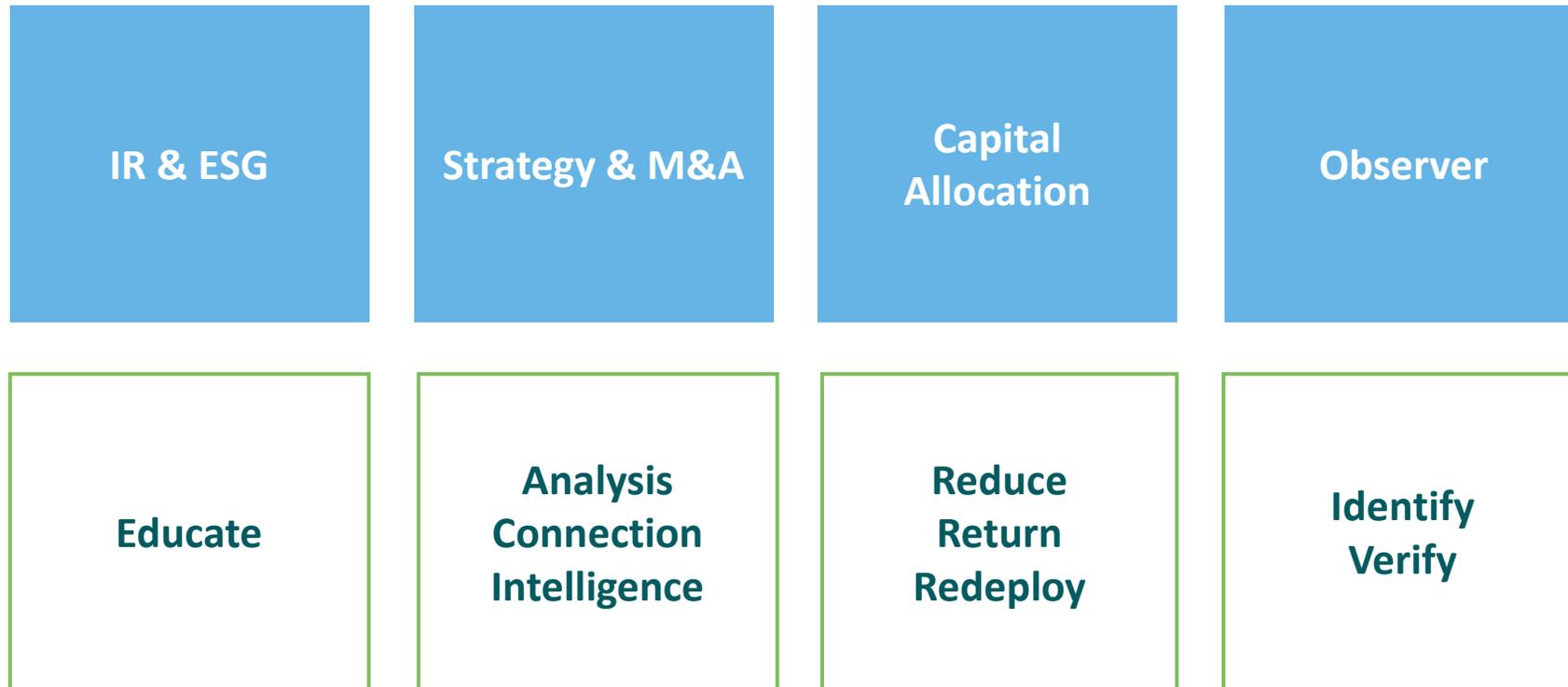
Research process: think like business owners

Well placed to serve companies we own



Engagement approach

Four channels to drive returns



Engagement-linked returns

'Servant leadership' model

| |  |  |  |  |  |  |  |  |  |
|--------------------|---|---|---|---|---|---|---|---|---|
| IR & ESG | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ |
| Strategy & M&A | | | ✓ | | | ✓ | | | |
| Capital Allocation | ✓ | | | ✓ | ✓ | | ✓ | | |
| Observer | ✓ | | | | ✓ | | | | |

Engagement spread across four channels

BlueScope

Engagement examples



Genesis

- M&G has followed this Asian steel stock for a number of years
- We followed BSL from 2019 and were attracted by its portfolio of niche businesses, all of which had their own competitive advantage/moat
- We undertook a number of meetings with senior management to understand the journey of their business

Hypothesis

- BSL has one legacy blast furnace in Australia, which is being relined to improve efficiency and reduce emissions
- It is pivoting its business to US based EAF production, using scrap steel and generating low emissions
- M&G believed BSL would be a good partner to share knowledge and best practice on emission reduction related to steel production, with its steel investments and universe companies

Engagement

- Arranged a call with management to discuss industry decarbonisation strategies used by steel producers in Europe and China, who are also dealing with legacy blast furnaces
- Meeting included a number of BSL's technical experts, M&G global steel analyst and Asian China specialists
- We requested the company on better disclosure on environmental metrics; it has reported in line with TCFD recommendations but have previously declined to respond to the CDP questionnaire.

Action Outcomes

- M&G ongoing dialogue on steel emission reduction best practice.
- BSL is investing R&D in emissions reduction including hydrogen technology
- BSL has now started the process of aligning disclosure to report to CDP

CK Infrastructure Holding

Engagement examples



Genesis

- The company has been part of our core universe since 2010, and has been in the portfolio since October 2020
- It is a subsidiary of CKH, a group we have followed for more than 20 years

Hypothesis

- CKI is an infrastructure investor, with material exposure to electricity
- Importantly, almost all of its electricity exposure is through transmission assets and not generation assets
- We wanted CKI to commit to phasing out its small amount of coal generating assets, and review the seemingly very high MSCI emission score that was attributed to CKI

Engagement

- In 2021 M&G lobbied CKI to publicly commit to exiting coal in their operations, namely the Jinwan JV power plant
- CKI has also been in contact with MSCI re: carbon emissions data for the group
- M&G encouraged CKI to disclose to CDP; the group already reports along TCFD guidelines and disclosing to CDP is aligned to best-practice TCFD recommendations

Action Outcomes

- In CKI's 2021 sustainability report, the group has publicly committed that it will phase out coal at all their business operations by 2035. The transition from coal to natural gas of Lamma Power Station in Hong Kong is on track; will gradually phase out the remaining coal-fired units by the early 2030s
- CKI successfully argued that GHG emissions were lower than the MSCI estimate. Expect this to be updated soon and be reflected in the company's rating
- CKI confirmed that they will be fully TCFD compliant within 2 years, and this also includes disclosing to CDP

NetLink NBN

Engagement examples

Genesis

- The Singaporean company has been part of our core universe since its IPO in 2017
- It is the monopoly internet network provider in Singapore, operating as a regulated asset
- Netlink was an initial position after David start managing the portfolio; M&G owns 8% of the company

Hypothesis

- Netlink is very lowly levered, as a regulated asset, with net debt to EBITDA a little less than 2 times, well below the 4 times ceiling mentioned at IPO
- In the last two years, dividend growth has been almost negligible

Engagement

- In a number of meetings with the CFO and CEO, M&G requested that Netlink accelerate dividend growth
- In June 2021 ahead of the AGM we told management that unless they accelerated growth the following year we would vote against BoD members up for re-election

Action Outcomes

- We were disappointed by dividend growth and wrote a letter and voted against BoD at the 2022 AGM. Votes against directors ranged from 18% to 36%.
- Our letter was circulated to BoD and we will follow up with an in person management meeting in November

Pacific Basin Shipping

Engagement examples



Genesis

- Followed the company since IPO in 2004
- Specialist sector knowledge across all shipping businesses and ship builders
- Supply side looked attractive but industry hurt by a temporary COVID hit on demand

Hypothesis

- Pacific Basin is the number one player in a very fragmented industry, offering cost competitiveness and the resources to invest in cutting edge environmental solutions
- We felt that they could do more in publishing targets and progress in achieving these targets
- Separately we became increasingly concerned about dilution from a CB issued in 2019

Engagement

- Regular engagement since June 2021 over concerns relating to the company's convertible bond (CB), which was issued without a call feature; an oversight that proved costly. M&G recommended that PB buy back the CB's
- In March, M&G followed up with an e-mail to the CEO and then a call where we told the CEO we would be voting against the re-election of the CFO
- M&G had a number of ESG meetings asking PB to publish emission reductions

Action Outcomes

- PB announced a CB corporate action at the end of April 2022 (targeting ~60% of the bonds in a partial buy back), reducing future dilution risk
- Noticeable improvements in both disclosure and quality of the sustainability report, published after our meetings
- Continuing engagement on CDP disclosure
- PB is part of a number of alliances developing technology that reduce shipping emissions materially



Genesis

- Followed the company since 2007
- Singapore-based ground handling services provider, with regional footprint
- Provides industrial scale food for airlines and other industries
- Perceived blue chip company. Solid balance sheet.

Hypothesis

- Company had discussed using COVID as an chance for opportunistic M&A, given SATS strong balance sheet
- Media rumours SATS looking at a potential purchase of PE owned air-cargo company Worldwide Flight Services (WFS)
- M&G contacted management to offer support on potential M&A, if they drive a tough bargain given air cargo had been booming, (this was not a distressed asset), and especially in light of credit markets tightening

Engagement

- Asked management to hold firm on pricing and drive the best deal possible in response to rumours of its purchase of WFS, highlighting valuation comparisons and the broader market backdrop
- Both the CEO and CFO responded with emails appreciating our advice and support, noting our observations and assuring us they were conscious of getting a good deal

Action
Outcomes

- While actual price concluded was below that reported in the media, our competitor and peer analysis implied that SATS had paid too full a price
- Proposed synergies were not material or impressive
- We reduced and exited our holding



China thoughts

China

10 years: back to where we started

MSCI China (\$) performance – 10 years



China

Valuation summary

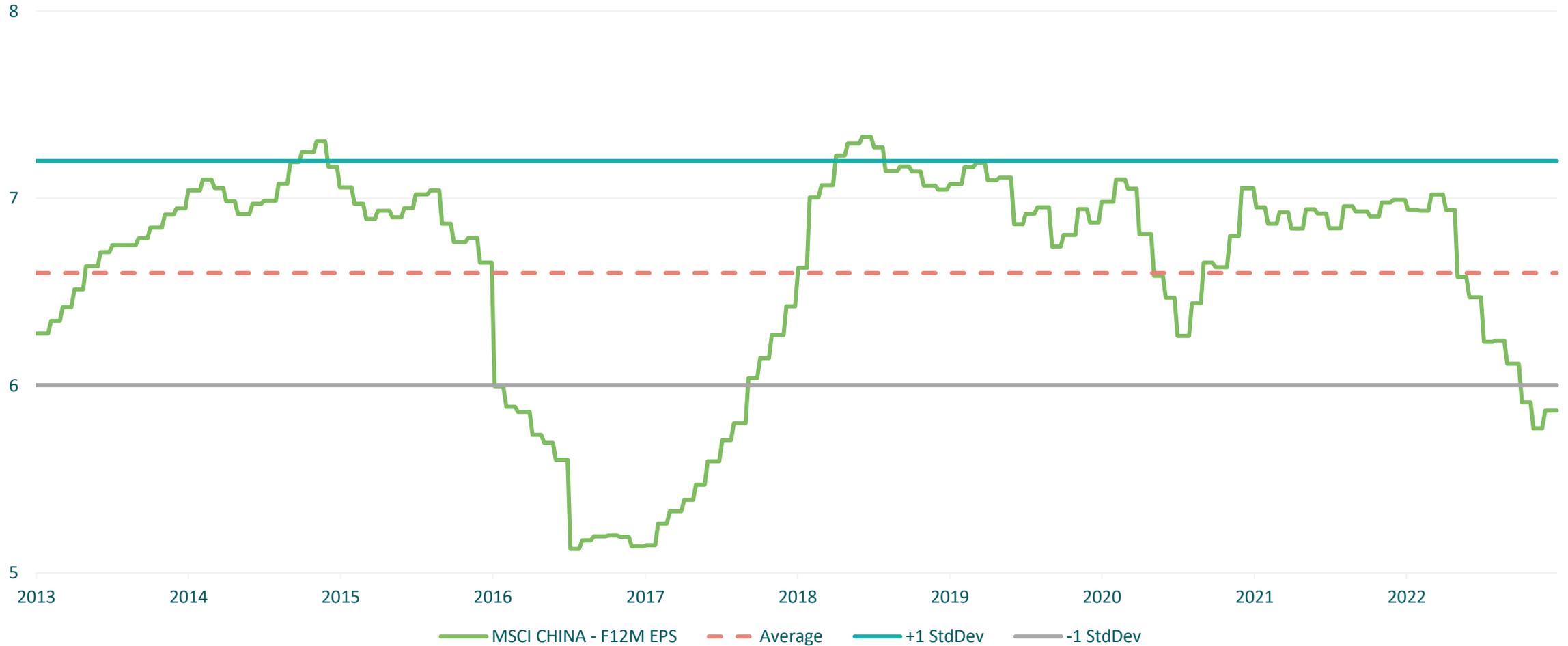
MSCI China (\$) 1 year forward PE – 10 years to date



China

Earnings summary

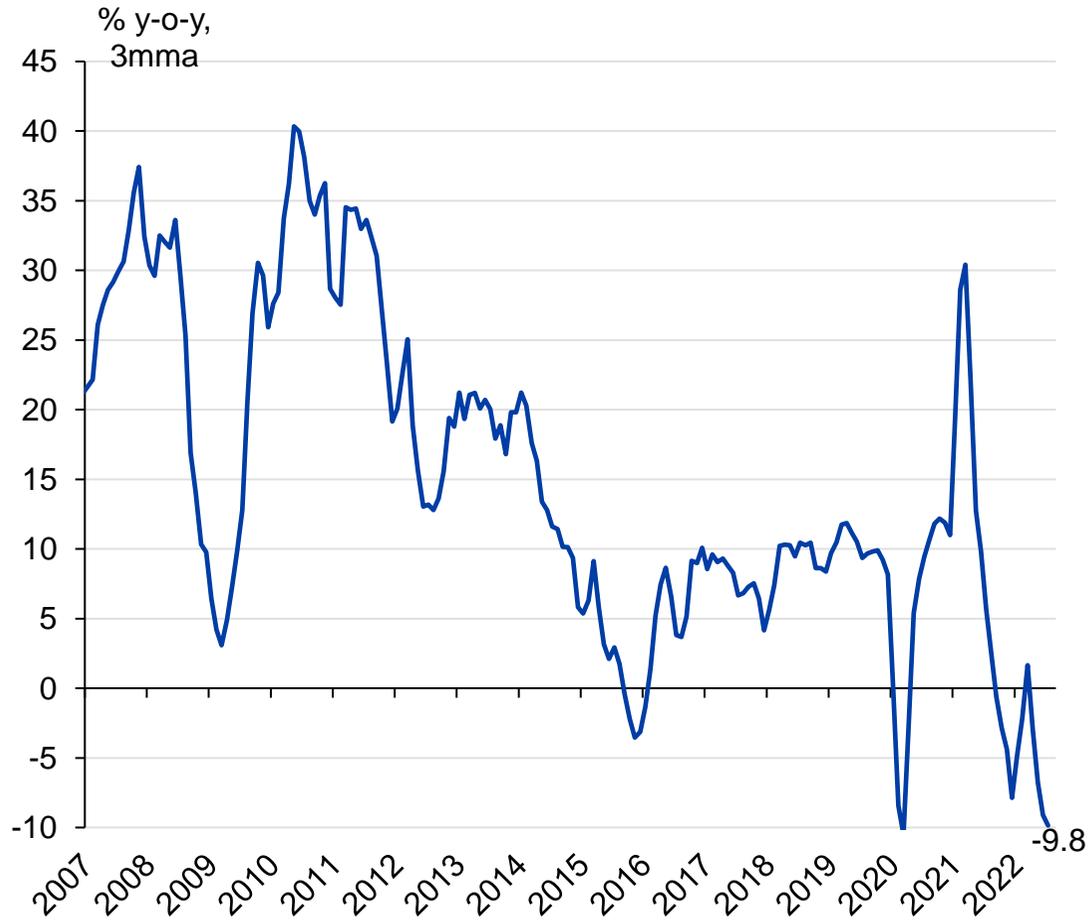
MSCI China (\$) 1 year forward EPS – 10 years to date



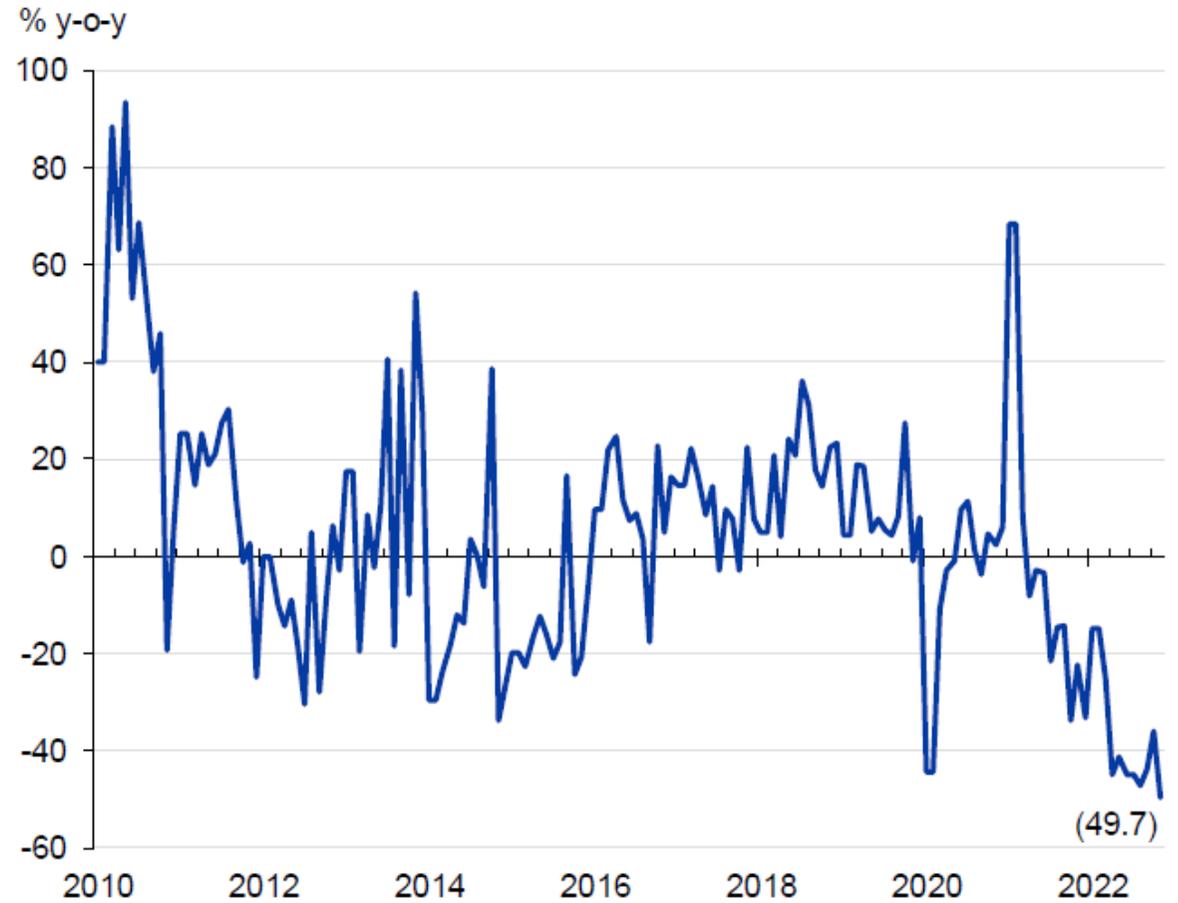
Real estate sector is the main drag

Summary

Real estate investment

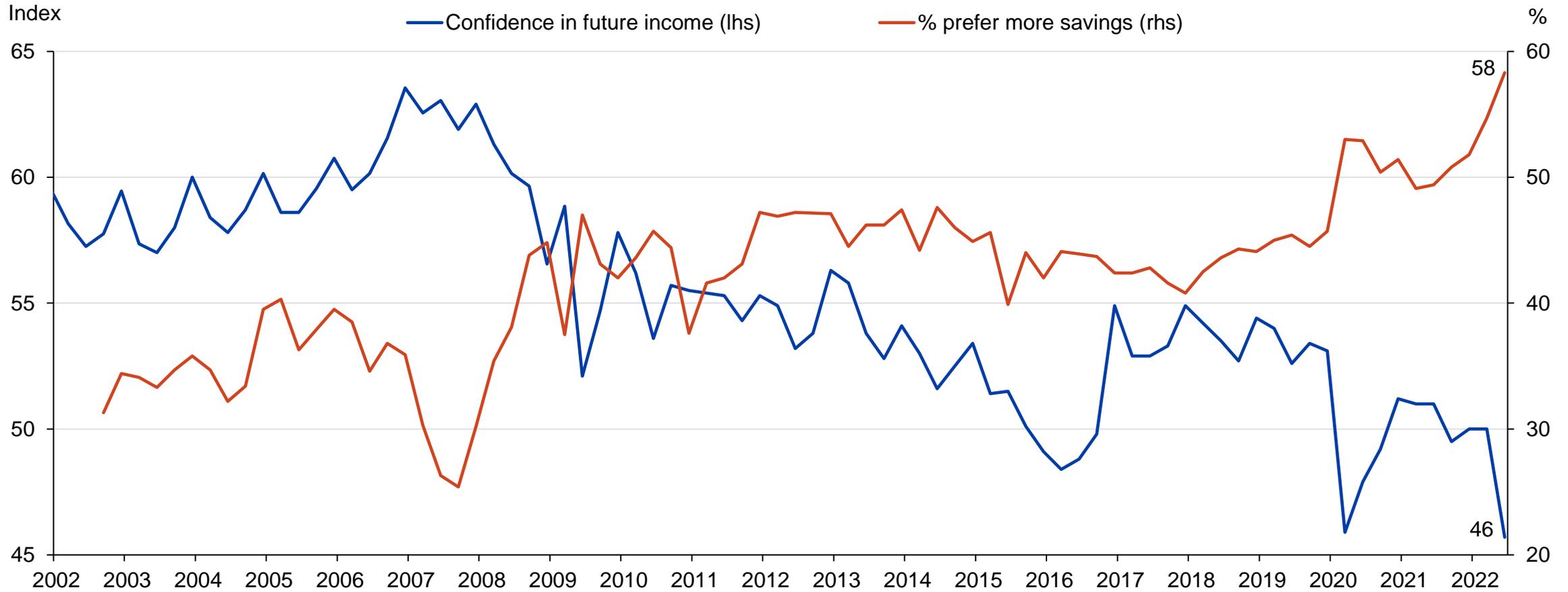


Newly started floor space: residential properties



Chinese prefer saving to investing or spending

PBOC Urban Depositor Survey



China

Conclusion

Early Q4 China trading near valuation levels of Global Financial Crisis nadir – what was priced in?

- The big one?
 - Politics trumps economics – Xi doesn't care about the economy? Debt time bomb
- Severance from the international financial and economic system?
- Taiwan?
 - Cold war to Hot war?
- In the last 3 months – positive progress made on all of the above items
- Valuation recovered from distressed levels, but still undemanding
- 2023 – we believe, no inflation issue, easy base effects, opening tail winds, depressed valuation....



M&G Asian Fund

Fund facts

| Fund name | M&G Asian Fund |
|-------------------------------|---|
| Fund manager: | David Perrett |
| Launch date (manager tenure): | 30 August 1996 (since 2 December 2019) |
| Fund size: | £166.7 million |
| Investment objective: | The fund aims to provide a combination of capital growth and income, net of the ongoing charge figure, that is higher than the MSCI AC Asia Pacific ex Japan Index over any five-year period. |
| Typical number of holdings: | 50-80 |
| Benchmark*: | MSCI AC Asia Pacific ex Japan Index |
| Valuation currency: | USD |
| Fund structure: | UK OEIC – UCITS |
| Pricing/dealing frequency: | Daily |



Morningstar Rating™

Ratings as at 30.11.22. The Morningstar Overall Rating based on the fund's Sterling Class I shares. Ratings should not be taken as recommendation.

*The benchmark is a target which the fund seeks to outperform. The 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 fund 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.

Performance in sterling

M&G Asian Fund

Past performance is not a guide to future performance

| | 2022 % | 2021 % | 2020 % | 2019 % | 2018 % | 2017 % | 2016 % | 2015 % | 2014 % | 2013 % |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| M&G Asian Fund | 1.4 | 7.5 | 8.1 | 15.4 | -9.7 | 15.5 | 28.1 | -4.7 | 7.0 | 5.2 |
| MSCI AC Asia Pacific ex Japan Index* | -6.8 | -1.8 | 19.0 | 14.9 | -8.3 | 25.4 | 27.7 | -3.9 | -3.9 | 1.7 |

| | 3 months % | 6 months % | YTD 2022 % | 1 year % | 2 years % | 3 years % | 5 years % | Since tenure 2-12-2019 % |
|---|---------------|---------------|---------------|-------------|--------------|--------------|--------------|--------------------------------|
| M&G Asian Fund | 6.9 | 3.4 | 1.4 | 1.4 | 4.4 | 5.6 | 4.2 | 6.2 |
| MSCI AC Asia Pacific ex Japan Index* | 4.1 | -1.0 | -6.8 | -6.8 | -4.3 | 2.9 | 2.8 | 3.9 |
| IA Asia Pacific Excl Japan Sector Average | 3.4 | -0.9 | -7.8 | -7.8 | -3.2 | 4.0 | 3.3 | 4.8 |
| Quartile ranking | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 |

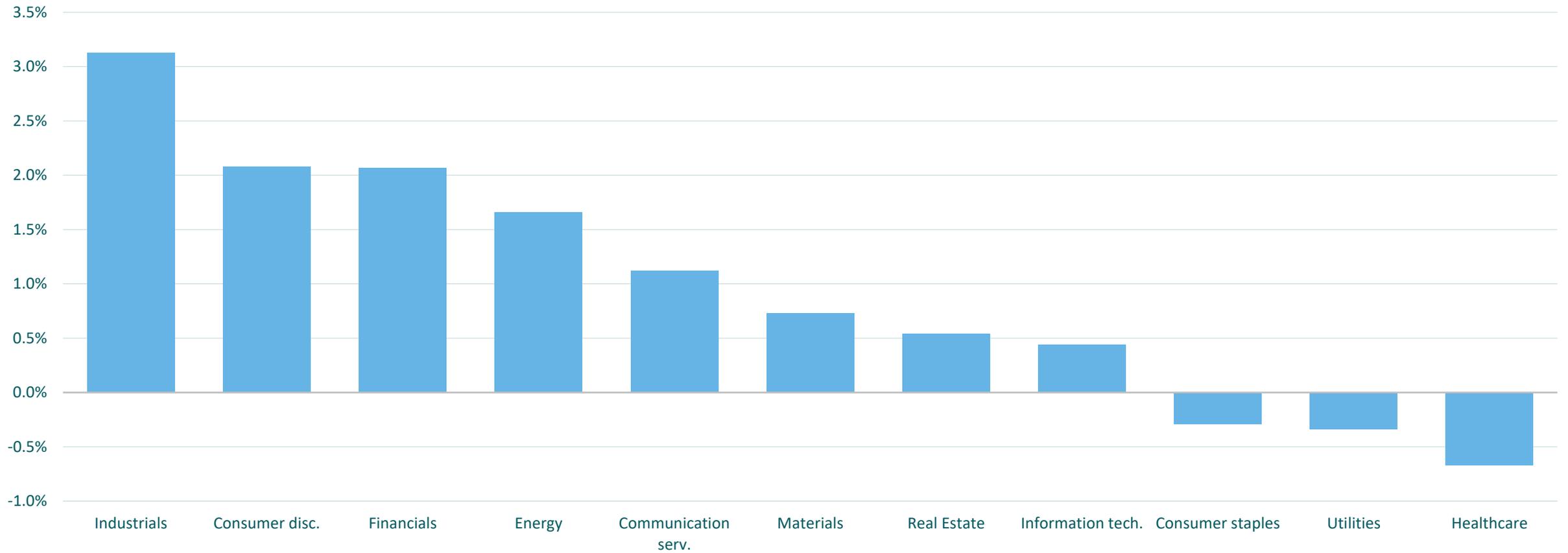
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The fund is actively managed. The fund manager has complete freedom in choosing which investments to buy, hold and sell in the fund. The fund's holdings may deviate significantly from the benchmark's constituents.

Performance attribution – sector level

M&G Asian Fund – 12 months to 31 December 2022

Past performance is not a guide to future performance.



Performance drivers – stock level

M&G Asian Fund– 12 months to 31 December 2022

Past performance is not a guide to future performance

Top 10 Contributors

| Stock name | Relative weight % | Contribution to performance % |
|-----------------------------|-------------------|-------------------------------|
| Pacific Basin Shipping | 2.4 | 1.33 |
| Yangzijiang ShipBuilding | 1.1 | 1.00 |
| Bank Mandiri | 1.7 | 0.87 |
| Cenovus Energy | 0.7 | 0.69 |
| Brilliance China Automotive | 0.3 | 0.54 |
| AMCOR | 2.2 | 0.51 |
| Sun Hung Kai Properties | 1.4 | 0.50 |
| SEA* | -0.4 | 0.48 |
| Woodside Energy | 0.4 | 0.44 |
| DBS | 1.5 | 0.43 |
| Total | | +6.77 |

Bottom 10 Contributors

| Stock name | Relative Weight % | Contribution to performance % |
|---------------------------------|-------------------|-------------------------------|
| SK Hynix | 1.2 | -0.43 |
| Samsung Electronics | 1.9 | -0.39 |
| Hutchmed China | 0.4 | -0.37 |
| Tech Mahindra | 0.9 | -0.35 |
| Commonwealth Bank of Australia* | -1.7 | -0.27 |
| Arbe Robotics | 0.4 | -0.26 |
| SK Square | 0.5 | -0.26 |
| Pinduoduo | -0.4 | -0.23 |
| Hutchmed China ADR | 0.6 | -0.21 |
| Naver | 0.3 | -0.20 |
| Total | | -2.99 |

Transactions

M&G Asian Fund – 2022

| 2022 | New purchases | | Complete sales | |
|-----------|------------------------------|-----------------------|---|---------------------------------|
| January | JD.Com | | China Resource Power Greatview Aseptic Packaging | Zihu ADR GT Capital Holdings |
| February | Dongyue Shinhan Financial | | Far East Horizon HollySys | |
| March | Yum China | | | |
| April | | | China Unicom | |
| May | Supreme Industries | Techtronic Industries | China Telecom | China Mobile |
| June | | | Taiwan Cement | |
| July | Mineral Resources | | Japfa | Baoshan Iron & Steel |
| August | Axis Bank | | | |
| September | Samsung Electro Mechanics | SKC | Shinhan Financial Lendlease | SATS |
| October | Brilliance | | | |
| November | Malaysian Pacific Industries | Bank Rakyat | | |
| December | Anz Group | Samsung Life | SK Square | |

Top 10 overweight holdings

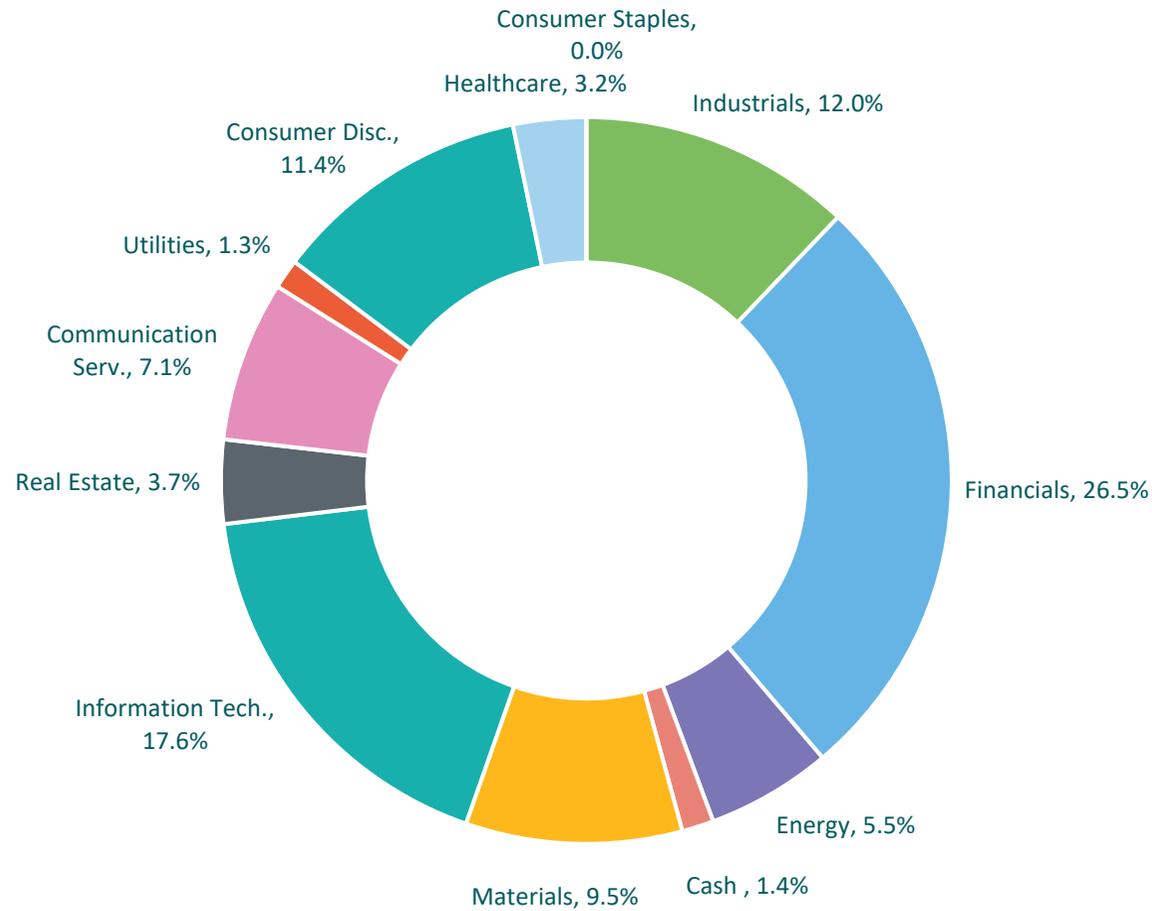
M&G Asian fund

| | Fund % | MSCI AC Asia ex Japan Index % | Relative % |
|---|--------|-------------------------------|------------|
| Amcor | 2.3 | 0.0 | 2.3 |
| Pacific Basin Shipping | 2.3 | 0.0 | 2.3 |
| Housing Development Finance Corporation | 3.0 | 0.8 | 2.2 |
| Cosco Shipping Ports | 2.1 | 0.0 | 2.0 |
| Sinopec Kantons Holdings | 1.8 | 0.0 | 1.8 |
| Jd.com | 2.6 | 0.9 | 1.7 |
| DBS | 2.3 | 0.7 | 1.6 |
| Miniso Group Holding | 1.5 | 0.0 | 1.5 |
| Bank Mandiri (Persero) TBK PT | 1.6 | 0.2 | 1.4 |
| Yangzijiang Shipbuilding Holdings | 1.4 | 0.0 | 1.4 |

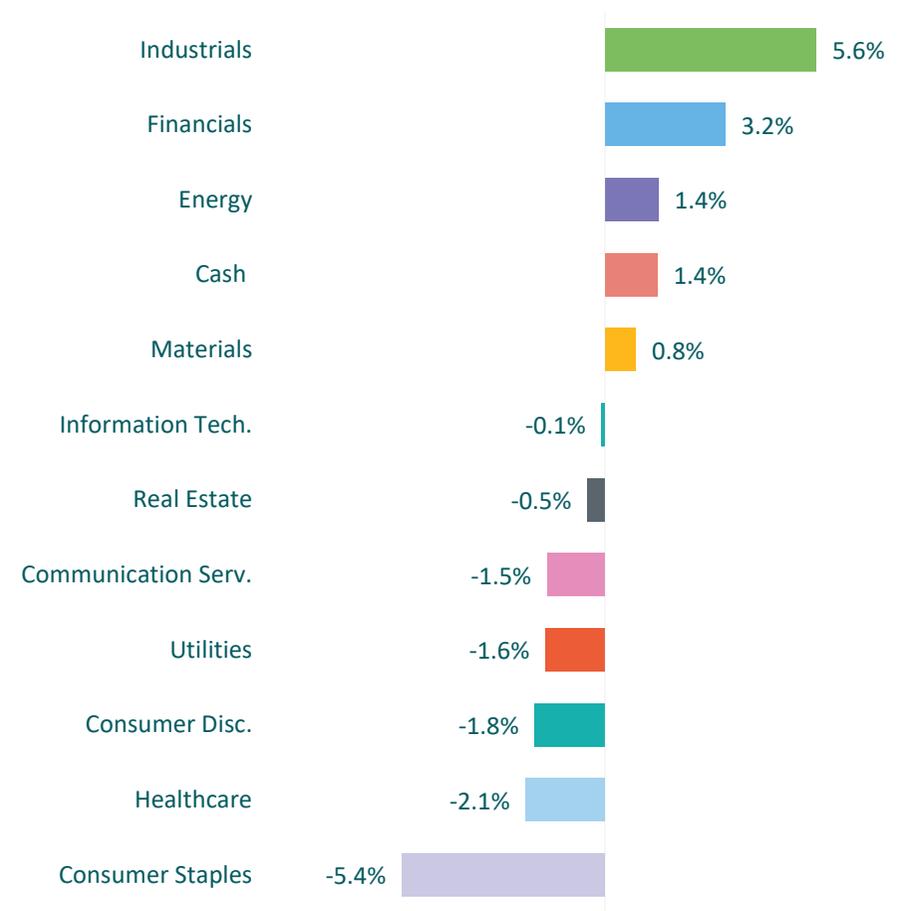
Sector breakdown

M&G Asian fund

Absolute fund weighting, %



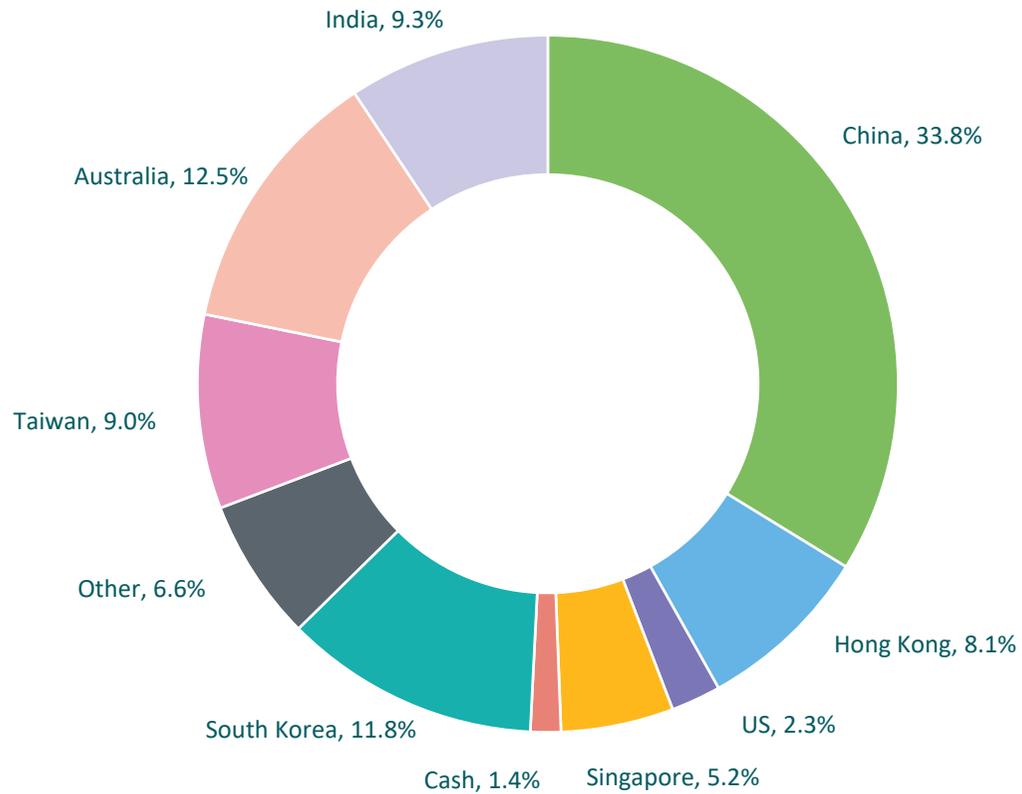
Relative to MSCI AC Asia Pacific ex Japan Net Return Index, %



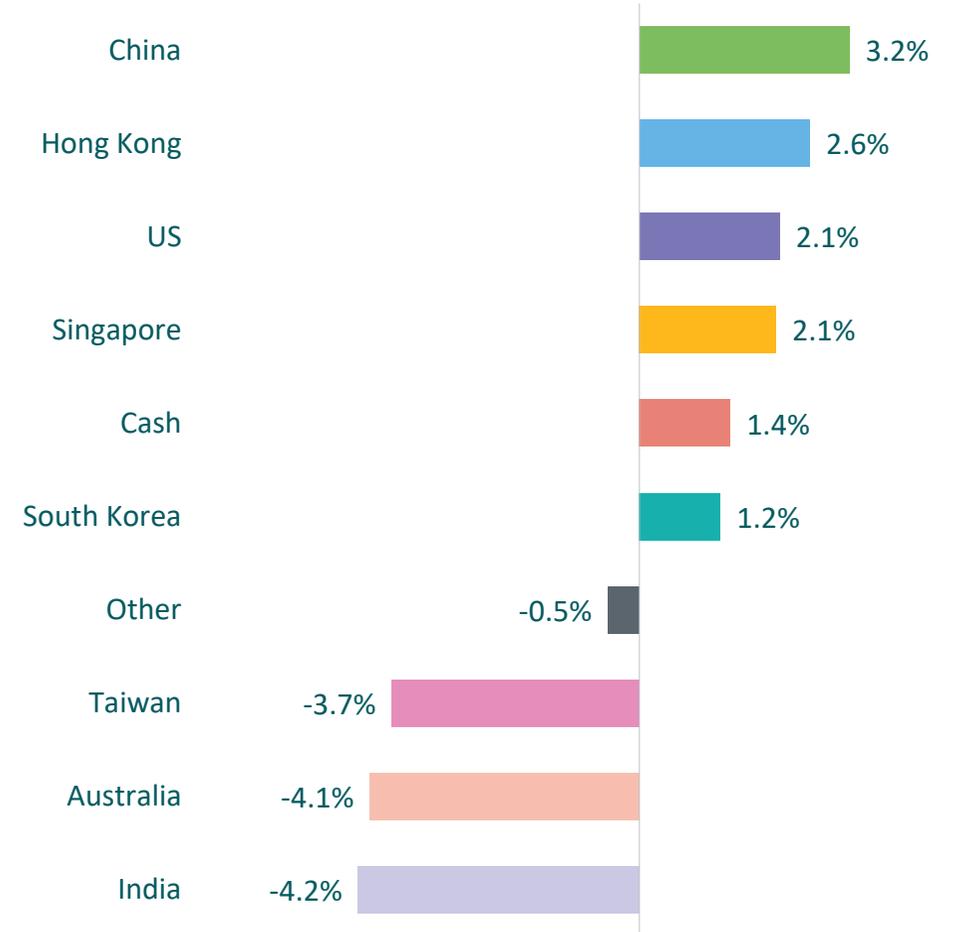
Country breakdown

M&G Asian fund

Absolute fund weighting %



Relative to MSCI AC Asia Pacific ex Japan Index %



 **M&G** Appendix
Investments

Stock picking: differentiated idea generation

Core universe in action



Initial analysis:
2022

- Market leading global power tool manufacturer, leveraging our research in power tools sector across the region
- Market darling that typically traded at valuation levels that seemingly priced perfection
- Ownership opportunity created by market worries of US housing market recession
- Understanding R&D scale benefits vs peers
- Deep analysis of cordless leadership and margin accretive battery installed base
- Market underestimating TTI's scale benefits vs peers and the annuity value of its established battery ecosystem



Initial analysis:
2020

- A new company for the team in 2020
- Detailed reading to understand company journey
- Leveraged Chinese and Japanese steel perspective – allowing high quality interaction with C Suite
- BSL has a large auto focused EAF operation in N America, so Japanese automaker perspective incredibly helpful
- Strong ESG partner
- Valuation attractive with market overly worried of margin fade



Initial analysis:
2007 (IPO)

- Valuable perspective on the journey since listing
- Lean operator that has remained profitable through the most difficult of operating conditions
- Leverage operating metrics and competitiveness vs Korean peers
- Strong view on medium demand trends from our shipping industry knowledge
- Grew position as company began to fill out its orderbook
- Recently took advantage of confusion tied to its finance company spin off to grow our position



Initial analysis:
2018

- Deep dive analysis of the broking industry in 2018
- Industry tainted by boom and bust of 2015/16
- Market overlooking regulatory reform and a material business shift to fund management in its business mix
- Regional work on wealth management highlighted structural growth opportunities as countries becomes wealthier
- GF trading at 0.5 times book, MSD PE and dividend yield; Regional peers trade at multiples of these valuations

Stock picking: differentiated idea generation

Core universe in action



Initial analysis:
2020

- Two main business lines silicones and fluorides – both well known via previous research
- Expertise in fluorides have led to leadership in hydrogen fuel cell component manufacturing
- Sharp price fall after rally driven by fluoride product price hike, caused by tight supply amid surging EV battery demand
- Investment case centres on Dongyue’s technological, supply chain and customer advantages
- Market continues to trade stock as a cyclical commodity supplier while we think the company can dominate as a leader over the longer term
- Valuation attractive



Initial analysis:
2008

- Kantons is a small cap involved in oil and gas trading held across our China and regional funds. Covered stock since 2008
- Headline numbers impacted by write-downs at European storage facility
- Depreciation on key pipeline now fully exhausted which has reduced cost by c10%
- Progress on LNG vessel business which is growing earnings, improving efficiency and gradually paying down loans
- Large cash position cHK\$5bn
- While looking for return of cash risks of relative illiquidity and poor investment decision on Batam project



BRILLIANCE

Initial analysis:
2007

- Covered (but did not own) company before large accounting fraud discovered in 2020. Shares were suspended for c18 months
- Risk of delisting has now subsided, shares trading again at a meaningful discount to pre-scandal levels
- Brilliance owns 25% stake in BMW Brilliance Auto (BBA), a JV with BMW who own the remaining 75%
- They have exclusive production rights in China until 2040 and recently got approval to produce the X5 locally. Market underappreciates value of JV
- Plentiful excess cash on balance sheet, negative EV and we remain confident of dividend prospects

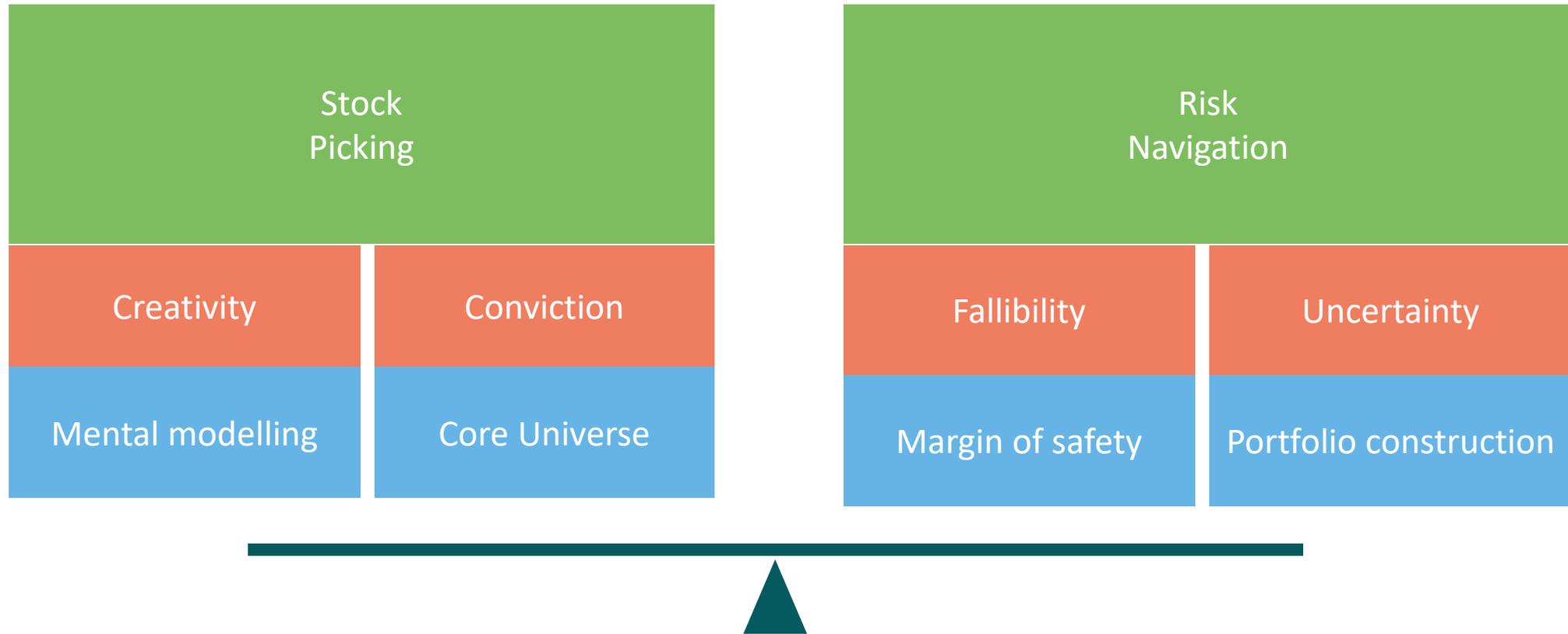


Initial analysis:
2002

- Indonesian bank team know very well through long coverage period. Held at different times
- Key was understanding recent acquisition of ultra-micro and pawn lending business
- Given Rakyat’s scale and bolstered by acquisitions there is an opportunity for the business to grow structurally in a profitable niche i.e. only scale player serving micro borrowers
- Trading on c.14x 2023 earnings which is a fairly full valuation but manageable given growth outlook

Investment programme

Balancing stock picking and risk management



Expected value framework

Ideas born out of research

| Expected Values and Factor Data | | Specific Comments: 1 Only change blue cells. 2 *Target prices* for each scenario should include DPS where relevant. 3 Probabilities are difficult to assume, 50/25/25 unless strong rationale otherwise. 4 The CID underwrites the portfolio. Agree all changes to Exp(V) with him. 5 Review all Exp(V) in universe once per month. No change is fine, but re-underwrite frequently. | BDP(B3&," EQUITY", "FX_LAST") | 12m Total Return Scenarios | | | | | | | Implied Returns | | | | | Scenario Likelihood | | |
|---------------------------------|-----------|---|-------------------------------|----------------------------|------|--------|------------|------------|------------|---------|-----------------|-------|--------|--------|--------|---------------------|-----|------|
| Analyst | Ticker | Name | M&G Cluster | Update | Days | Spot | Base | Up | Down | Exp(V) | Base | Up | Down | Exp(V) | U/D | Base | Up | Down |
| JZ | 000393 CH | MIDEA GROUP CO LTD-A | Appliances | 1-Nov-22 | 38 | 41.02 | 74.68 | 86.00 | 40.64 | 69.00 | 82% | 110% | (1%) | 68% | 118 | 50% | 25% | 25% |
| VP | 000660 KS | SK HYNIX INC | Semis | 6/Dec/22 | 3 | 83000 | 130,000.00 | 150,000.00 | 90,000.00 | 125,000 | 57% | 81% | 8% | 51% | (9.6) | 50% | 25% | 25% |
| VL | 002158 CH | SHANGHAI HANBELL PRECISE -A | | 4/Nov/22 | 35 | 27.76 | 40.60 | 56.00 | 21.50 | 39.68 | 46% | 102% | (23%) | 43% | 4.5 | 50% | 25% | 25% |
| VL | 002645 CH | JIANGSU HUAHONG TECHNOLOG-A | | 7/Nov/22 | 32 | 14.88 | 20.40 | 27.80 | 11.90 | 20.13 | 37% | 87% | (20%) | 35% | 4.3 | 50% | 25% | 25% |
| VP | 005930 KS | SAMSUNG ELECTRONICS CO LTD | Tech Conglo | 6/Dec/22 | 3 | 59700 | 82,500.00 | 95,000.00 | 58,000.00 | 79,500 | 38% | 59% | (3%) | 33% | 20.8 | 50% | 25% | 25% |
| VP | 035420 KS | NAVER CORP | Internet | 6/Dec/22 | 3 | 169000 | 335,000.00 | 415,000.00 | 245,000.00 | 332,500 | 98% | 146% | 45% | 97% | (3.2) | 50% | 25% | 25% |
| VP | 035720 KS | KAKAO CORP | Spec Chemicals | 6/Dec/22 | 3 | 50300 | 82,000.00 | 120,000.00 | 65,000.00 | 87,250 | 63% | 139% | 29% | 73% | (4.7) | 50% | 25% | 25% |
| VL | 1072 HK | DONGFANG ELECTRIC CORP LTD-H | | 6/Nov/22 | 33 | 12.06 | 20.06 | 26.64 | 12.47 | 19.81 | 66% | 121% | 3% | 64% | (35.6) | 50% | 25% | 25% |
| NC | 1138 HK | COSCO SHIPPING ENERGY TRAN-H | Marine | 6/Dec/22 | 3 | 5.79 | 8.00 | 11.00 | 5.00 | 8.00 | 38% | 90% | (14%) | 38% | 6.6 | 50% | 25% | 25% |
| NC | 1199 HK | COSCO SHIPPING PORTS LTD | Ports | 6/Dec/22 | 3 | 3.99 | 7.00 | 8.50 | 5.50 | 7.00 | 75% | 113% | 38% | 75% | (3.0) | 50% | 25% | 25% |
| DP | 1299 HK | AIA GROUP LTD | Financials HK China | 31/Oct/22 | 39 | 63.35 | 81.58 | 87.00 | 52.00 | 75.54 | 29% | 37% | (18%) | 19% | 2.1 | 50% | 25% | 25% |
| NC | 144 HK | CHINA MERCHANTS PORT HOLDING | Ports | 17/Nov/22 | 22 | 9.31 | 17.00 | 21.00 | 13.00 | 17.00 | 83% | 126% | 40% | 83% | (3.2) | 50% | 25% | 25% |
| JZ | 168 HK | TSINGTAO BREWERY CO LTD-H | Drinks | 1-Nov-22 | 38 | 59.05 | 71.20 | 80.00 | 38.00 | 65.10 | 21% | 35% | (36%) | 10% | 1.0 | 50% | 25% | 25% |
| NC | 1766 HK | CRRC CORP LTD - H | Industrial Machinery | 6/Dec/22 | 3 | 2.42 | 3.75 | 5.00 | 2.25 | 3.69 | 55% | 107% | (7%) | 52% | 15.2 | 50% | 25% | 25% |
| NC | 1801 JP | TAISEI CORP | Construction | 16/Sep/22 | 84 | 4055 | 5,000 | 6,250 | 3,750 | 5,000 | 23% | 54% | (8%) | 23% | 7.2 | 50% | 25% | 25% |
| VL | 189 HK | DONGYUE GROUP | | 4/Nov/22 | 35 | 7.53 | 12.78 | 5.60 | 18.48 | 12.41 | 70% | (26%) | 145% | 65% | 0.2 | 50% | 25% | 25% |
| VP | 1910 HK | SAMSONITE INTERNATIONAL SA | Retail | 6/Dec/22 | 3 | 16.72 | 19.00 | 23.00 | 12.00 | 18.25 | 14% | 38% | (28%) | 9% | 1.3 | 50% | 25% | 25% |
| JZ | 1928 HK | SANDS CHINA LTD | Casino | 1-Nov-22 | 38 | 14.76 | 9.60 | 22.80 | 0.00 | 10.50 | (35%) | 54% | (100%) | (29%) | 0.5 | 50% | 25% | 25% |
| NC | 1959 JP | KYUDENKO CORP | Construction | 27/Oct/22 | 43 | 3160 | 4,000 | 5,250 | 2,250 | 3,875 | 27% | 66% | (29%) | 23% | 2.3 | 50% | 25% | 25% |
| DP | 2 HK | CLP HOLDINGS LTD | Utility | 31/Oct/22 | 39 | 53.95 | 65.10 | 81.90 | 50.79 | 65.72 | 21% | 52% | (6%) | 22% | 8.9 | 50% | 25% | 25% |
| JZ | 2020 HK | ANTA SPORTS PRODUCTS LTD | Retail | 1-Nov-22 | 38 | 71.65 | 78.27 | 107 | 63.74 | 81.74 | 9% | 49% | (11%) | 14% | 4.4 | 50% | 25% | 25% |
| SG | 2154 JP | BENEXT-YUMESHIN GROUP CO | Business Services | 8/Dec/22 | 1 | 1883 | 2,460 | 2,865 | 1,650 | 2,359 | 31% | 52% | (12%) | 25% | 4.2 | 50% | 25% | 25% |
| VP | 2229 JP | CALBEE INC | Food | 6/Dec/22 | 3 | 2983 | 2,800 | 3,300 | 2,430 | 2,833 | (6%) | 11% | (19%) | (5%) | 0.6 | 50% | 25% | 25% |
| JZ | 2232 HK | CRYSTAL INTERNATIONAL GROUP | Manufacturing | 1-Nov-22 | 38 | 2.03 | 5.08 | 7.68 | 2.00 | 4.96 | 150% | 278% | (1%) | 144% | 188 | 50% | 25% | 25% |
| VP | 2267 JP | YAKULT HONSHA CO LTD | Food | 6/Dec/22 | 3 | 8240 | 7,000 | 8,000 | 6,250 | 7,063 | (15%) | (3%) | (24%) | (14%) | (0.1) | 50% | 25% | 25% |
| VP | 2303 TT | UNITED MICROELECTRONICS CORP | Internet | 6/Dec/22 | 3 | 39.1 | 45.00 | 60.00 | 35.00 | 46.25 | 15% | 53% | (10%) | 18% | 5.1 | 50% | 25% | 25% |
| JZ | 2313 HK | SHENZHOU INTERNATIONAL GROUP | Manufacturing | 1-Nov-22 | 38 | 56.15 | 72.85 | 115 | 38.80 | 74.88 | 30% | 105% | (31%) | 33% | 3.4 | 50% | 25% | 25% |
| VP | 2330 TT | TAIWAN SEMICONDUCTOR MANUFAC | Semis | 6/Dec/22 | 3 | 390 | 650 | 800 | 525 | 656 | 67% | 105% | 35% | 68% | (3.0) | 50% | 25% | 25% |
| JZ | 2331 HK | LI NING CO LTD | Retail | 1-Nov-22 | 38 | 43.25 | 62.92 | 110 | 39.73 | 68.92 | 45% | 155% | (8%) | 59% | 19.0 | 50% | 25% | 25% |
| NC | 2343 HK | PACIFIC BASIN SHIPPING LTD | Marine | 6/Dec/22 | 3 | 1.99 | 4.50 | 5.50 | 3.00 | 4.38 | 126% | 176% | 51% | 120% | (3.5) | 50% | 25% | 25% |
| VP | 2408 TT | NANYA TECHNOLOGY CORP | Semis | 6/Dec/22 | 3 | 54.1 | 65.00 | 80.00 | 50.00 | 65.00 | 20% | 48% | (8%) | 20% | 6.3 | 50% | 25% | 25% |
| VP | 2413 JP | M3 INC | Internet | 6/Dec/22 | 3 | 4455 | 4,500 | 5,500 | 3,250 | 4,438 | 1% | 23% | (27%) | (0%) | 0.9 | 50% | 25% | 25% |
| JZ | 27 HK | GALAXY ENTERTAINMENT GROUP L | Casino | 1-Nov-22 | 38 | 37.75 | 36.00 | 54.40 | 14.40 | 35.20 | (5%) | 44% | (62%) | (7%) | 0.7 | 50% | 25% | 25% |
| VP | 2801 JP | KIKKOMAN CORP | Food | 6/Dec/22 | 3 | 8160 | 6,500 | 8,500 | 5,200 | 6,675 | (20%) | 4% | (36%) | (18%) | 0.1 | 50% | 25% | 25% |
| JZ | 291 HK | CHINA RESOURCES BEER HOLDING | Drinks | 1-Nov-22 | 38 | 40.2 | 62.51 | 91.13 | 40.12 | 64.07 | 55% | 127% | (0%) | 59% | 637 | 50% | 25% | 25% |
| NC | 293 HK | CATHAY PACIFIC AIRWAYS | Airlines | 22/Sep/22 | 78 | 7.25 | 9.50 | 11.00 | 8.00 | 9.50 | 31% | 52% | 10% | 31% | (5.0) | 50% | 25% | 25% |
| VL | 300470 CH | SINOSEAL HOLDING CO LTD-A | | 7/Nov/22 | 32 | 44.21 | 48.90 | 64.40 | 35.90 | 49.53 | 11% | 46% | (19%) | 12% | 2.4 | 50% | 25% | 25% |
| VP | 3105 TT | WIN SEMICONDUCTORS CORP | Semis | 6/Dec/22 | 3 | 122.5 | 175 | 215 | 140 | 176 | 43% | 76% | 14% | 44% | (5.3) | 50% | 25% | 25% |

Team operating model

Underwriting valuation scenarios

Fundamental scenarios: leveraging mental modelling

| | CoE | CoE (FRS) | | CoE Jun 23 | | | MTP (FY6.25) | "Aspirat ion" | FQ1 20; FQ2 20; FQ3 20; FQ4 20 | | | | | | | |
|-------------------------------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|---------------------------|--------------------------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|
| JPYbn | Jun-20 | Jun-21 | Jun-22 | Jun-23 | Jun-24 | Jun-25 | "Plan" | ##### Dec-19 ##### Jun-20 | | | | | | | | |
| Revenue (bn) | 81.8 | 77.8 | 95.1 | 148.0 | 148.0 | 156.6 | 164.0 | 169.7 | 186.3 | 204.8 | 200.0 | 250.0 | 20.4 | 20.5 | 21.7 | 19.3 |
| Machinery, Electronics, IT Software | | 49.1 | 69.8 | 70.6 | 80.0 | 79.8 | 79.8 | 90.2 | 101.9 | | | | 10.7 | 10.8 | 11.3 | 11.1 |
| Construction | | 8.7 | 37.7 | 36.9 | 40.0 | 39.9 | 43.9 | 48.2 | | | | | | | | |
| Manufacturing | | 8.7 | 10.0 | 9.7 | 12.0 | 10.7 | 11.7 | 12.9 | | | | | 2.4 | 2.4 | 2.2 | 2.1 |
| Overseas | | 28.4 | 29.0 | 38.2 | 29.5 | 39.3 | 40.5 | 41.7 | | | | | 7.3 | 7.3 | 8.2 | 6.8 |
| Revenue (bn) % YoY | | | | 65% | 8% | 8% | 10% | 10% | | | | | | | | |
| Machinery, Electronics, IT Software | | | | 44% | 13% | 13% | 13% | 13% | | | | | | | | |
| Construction | | | | 323% | 8% | 8% | 10% | 10% | | | | | | | | |
| Manufacturing | | | | 12% | | 10% | 10% | 10% | | | | | | | | |
| Overseas | | | | 34% | | 3% | 3% | 3% | | | | | | | | |
| BENEXT | 81.76 | | | | | | | | | | | | | | | |
| Yumeshin (Sep year end) | 58.67 | 80.0 | | | | | | | | | | | | | | |
| Engineers Numbers | | | | | | | | | | | | | | | | |
| Machinery, Electronics, IT Software | | | | | | | | | | | | | 6,259 | 6,761 | 6,948 | 7,344 |
| Machinery and Electronics | | | | | | | | | | | | | 4,748 | 4,767 | 4,693 | 4,851 |
| IT | | | | | | | | | | | | | 1,511 | 1,994 | 2,255 | 2,491 |
| Construction | | | | | | | | | | | | | 5,900.0 | 5,912.0 | 5,882.0 | 5,455.1 |
| Manufacturing | | | | | | | | | | | | | | | | 2,093.1 |
| Overseas | | | | | | | | | | | | | | | | |
| Utilisation rate | | | | | | | | | | | | | | | | |
| Machinery, Electronics, IT Software | | | | | | | | | | | | | 95.8% | 95.2% | 96.4% | 93.2% |
| Construction | | | | | | | | | | | | | 95.2% | 95.7% | 93.9% | 90.9% |
| Manufacturing | | | | | | | | | | | | | | | | |
| Overseas | | | | | | | | | | | | | | | | |
| OLD Details: | | | | | | | | | | | | | | | | |
| Implied work year # hours | 2,013 | | | | | | | | | | | | | | | |
| Revenue Growth % YoY | | | | | | | | | | | | | | | | |
| BENEXT | 0.2% | 16.3% | | 64.7% | 15.0% | 15.0% | 15.0% | | | | | | | | | |
| Yumeshin | 17.7% | -2.1% | 4.0% | | | | | | | | | | | | | |
| Gross Profit | 15.8 | | | | | | | | | | | | | | | |
| GPM % | 19.3% | | | | | | | | | | | | | | | |
| EBITDA | 5.9 | 8.0 | 10.0 | 11.0 | 13.6 | 14.7 | 17.1 | 19.6 | 16.0 | 25.0 | 1.6 | 1.8 | 1.7 | 0.4 | 0.4 | 0.4 |
| Machinery, Electronics, IT Software | | 6.6 | 6.5 | 7.7 | 7.7 | 9.0 | 10.4 | 12.0 | | | | | | | | |
| Construction | | 1.5 | 5.6 | 5.9 | 5.9 | 6.5 | 7.3 | 8.2 | | | | | | | | |
| Manufacturing | | 0.6 | 0.5 | 0.6 | 0.6 | 0.7 | 0.8 | 0.9 | | | | | | | | |
| Overseas | | 0.9 | 0.7 | 0.9 | 1.1 | 1.4 | 1.7 | | | | | | | | | |
| Adj | | -1.6 | (3.3) | -2.2 | -2.5 | -2.8 | -3.1 | | | | | | | | | |
| EBITDA Margins % | | 8.4% | 6.8% | 8.7% | 8.6% | 9.2% | 9.6% | 8.0% | 10.0% | | | | | | | |
| Machinery, Electronics, IT Software | | 13.4% | 9.3% | 10.9% | 11.3% | 11.5% | 11.8% | | | | | | | | | |
| Construction | | 17.4% | 14.9% | 16.0% | 16.2% | 16.7% | 17.0% | | | | | | | | | |
| Manufacturing | | 7.1% | 5.0% | 6.1% | 6.3% | 6.5% | 6.8% | | | | | | | | | |
| Overseas | | 3.2% | 2.4% | 2.2% | 2.8% | 3.5% | 4.0% | | | | | | | | | |
| Adj | | -2.2% | -1.4% | -1.5% | -1.5% | -1.5% | -1.5% | | | | | | | | | |

Valuation Scenarios: leveraging EQ and 'emotional time travel'

| Expected Value Scenarios | | Feb-22 | | | € 12.00 | | | | | | | | | |
|---|-----------|--|-------|-------------|-------------|----------------|--------|---------|----------------|----------------|----------------------|----------|--------------------|--------------|
| Period | Scenarios | EPS | PER | Probability | Share Price | Capital Return | DPS | Div Yld | B/back (JPYbn) | B/back p/share | Total Return p/share | TR Yield | Total Payout Ratio | Total Return |
| Jun-23 | Base Case | ¥90 | 20.0x | 50.0% | ¥1,800 | (0.8%) | ¥48 | 2.6% | | ¥0 | ¥48 | 2.6% | 53.3% | 1.8% |
| | Bear Case | ¥80 | 16.0x | 25.0% | ¥1,280 | (29.5%) | ¥45 | 2.5% | | ¥0 | ¥45 | 2.5% | 56.3% | (27.0%) |
| | Bull Case | ¥100 | 20.0x | 25.0% | ¥2,000 | 10.2% | ¥50 | 2.8% | | ¥0 | ¥50 | 2.8% | 50.0% | 12.9% |
| | Weighted | | | | | ¥1,720 | (5.2%) | ¥48 | 2.6% | | ¥0 | ¥48 | 2.6% | |
| Jun-25 | Base Case | ¥150 | 20.0x | 50.0% | ¥3,000 | 65.3% | ¥60 | 3.3% | | ¥0 | ¥60 | 3.3% | 40.0% | 68.6% |
| | Bear Case | ¥110 | 15.0x | 25.0% | ¥1,650 | (9.1%) | ¥50 | 2.8% | | ¥0 | ¥50 | 2.8% | 45.5% | (6.3%) |
| | Bull Case | ¥200 | 18.0x | 25.0% | ¥3,600 | 98.3% | ¥60 | 3.3% | | ¥0 | ¥60 | 3.3% | 30.0% | 101.7% |
| | Weighted | | | | | ¥2,813 | 55.0% | ¥58 | 3.2% | | ¥0 | ¥58 | 3.2% | |
| Scenario Notes: | | | | | | | | | | | | | | |
| Jun-23 | Base Case | | | | | | | | | | | | | |
| | Bear Case | | | | | | | | | | | | | |
| | Bull Case | | | | | | | | | | | | | |
| Jun-25 | Base Case | Assumes no M&A, 2.5 mil shares p.a. buybacks. Better than plan, don't reach aspiration | | | | | | | | | | | | |
| | Bear Case | | | | | | | | | | | | | |
| | Bull Case | Assumes aspirational plan, still no M&A. | | | | | | | | | | | | |
| Expected Value Scenarios | | Nov-22 | | | € 12.67 | | | | | | | | | |
| Period | Scenarios | EPS | PER | Probability | Share Price | Capital Return | DPS | Div Yld | B/back (JPYbn) | B/back p/share | Total Return p/share | TR Yield | Total Payout Ratio | Total Return |
| Jun-23 | Base Case | ¥95 | 20.0x | 50.0% | ¥1,900 | 4.7% | ¥48 | 2.6% | | ¥0 | ¥48 | 2.6% | 50.5% | 7.3% |
| | Bear Case | ¥85 | 16.0x | 25.0% | ¥1,360 | (25.1%) | ¥45 | 2.5% | | ¥0 | ¥45 | 2.5% | 52.9% | (22.6%) |
| | Bull Case | ¥100 | 20.0x | 25.0% | ¥2,000 | 10.2% | ¥50 | 2.8% | | ¥0 | ¥50 | 2.8% | 50.0% | 12.9% |
| | Weighted | | | | | ¥1,790 | (1.4%) | ¥48 | 2.6% | | ¥0 | ¥48 | 2.6% | |
| Jun-25 | Base Case | ¥150 | 20.0x | 50.0% | ¥3,000 | 65.3% | ¥60 | 3.3% | | ¥0 | ¥60 | 3.3% | 40.0% | 68.6% |
| | Bear Case | ¥110 | 16.0x | 25.0% | ¥1,760 | (3.0%) | ¥50 | 2.8% | | ¥0 | ¥50 | 2.8% | 45.5% | (0.3%) |
| | Bull Case | ¥180 | 20.0x | 25.0% | ¥3,600 | 98.3% | ¥65 | 3.6% | | ¥0 | ¥65 | 3.6% | 36.1% | 101.9% |
| | Weighted | | | | | ¥2,840 | 56.5% | ¥59 | 3.2% | | ¥0 | ¥59 | 3.2% | |
| 3.0% 3.7% 3.9% 2.0% 2.5% 3.4% 2.3% 0.3% | | | | | | | | | | | | | | |

MSCI ESG score

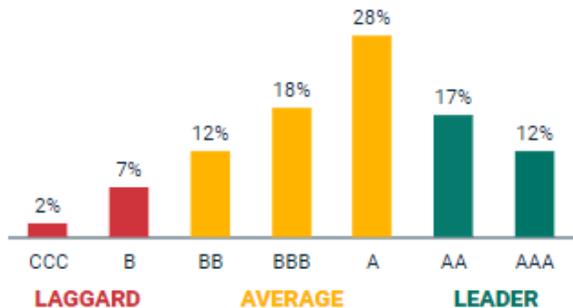
M&G Asian Fund

MSCI
ESG RATINGS



ESG Rating distribution of fund holdings

29% of the fund's holdings receive an MSCI ESG Rating of AAA or AA (ESG Leaders) and 9% receive an MSCI ESG Rating of B or CCC (ESG Laggards).

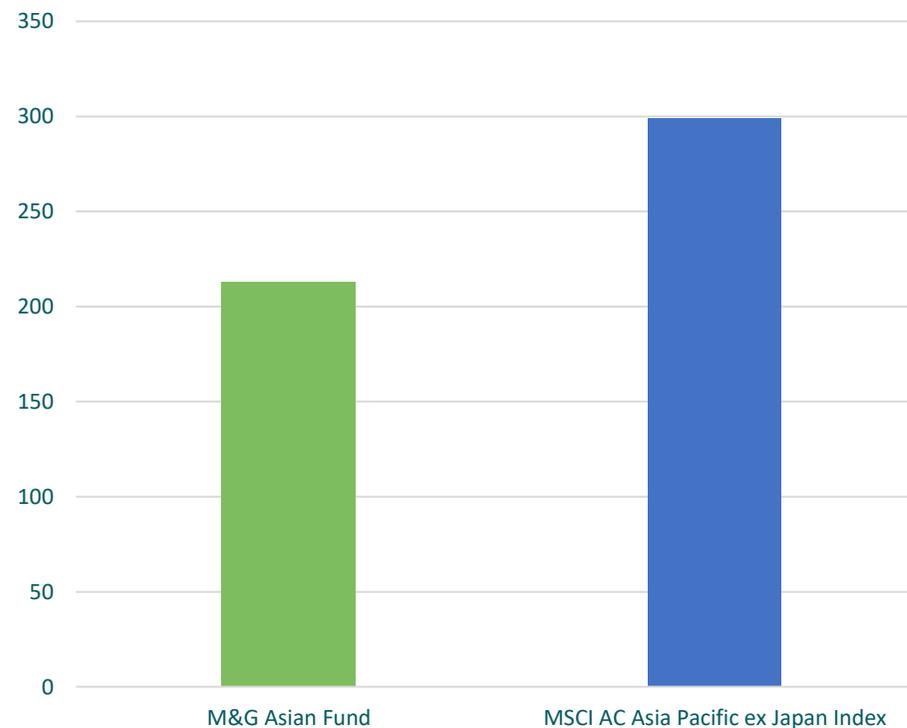


Peer and global rank

The fund ranks in the 26th percentile within the Equity Asia Pacific ex Japan peer group and in the 35th percentile within the global universe of approximately 34,000 funds in coverage.



Weighted Average Carbon Intensity



How do we define ESG Integration?

We endorse the UNPRI definition for ESG Integration

“The explicit and systematic inclusion of ESG issues in investment analysis and investment decisions.”

Put another way, ESG integration is the analysis of all material factors in investment analysis and investment decisions, including environmental, social, and governance factors.

M&G ESG integration DOES mean:

- ESG risks and opportunities are identified and evaluated, with material financial factors incorporated into the investment thesis
- ESG considerations, including specific climate-related assessments, are systematically integrated into the research and investment process
- Evidence is captured of research and investment integration

M&G ESG integration DOES NOT mean:

- We are prohibited from investing in certain sectors, countries, and companies
- Every ESG issue must be assessed and valued for every investment
- Every investment decision is affected by ESG issues
- Major changes to the investment process are necessary
- Portfolio returns are sacrificed to perform ESG integration techniques

How do we integrate ESG?

Collaboration to drive informed investment decision-making and sustainable outcomes



Research Integration

- ESG fully-embedded into our research capability
- Proprietary ESG Scorecard, Climate Dashboard
- Evidencing research & engagement



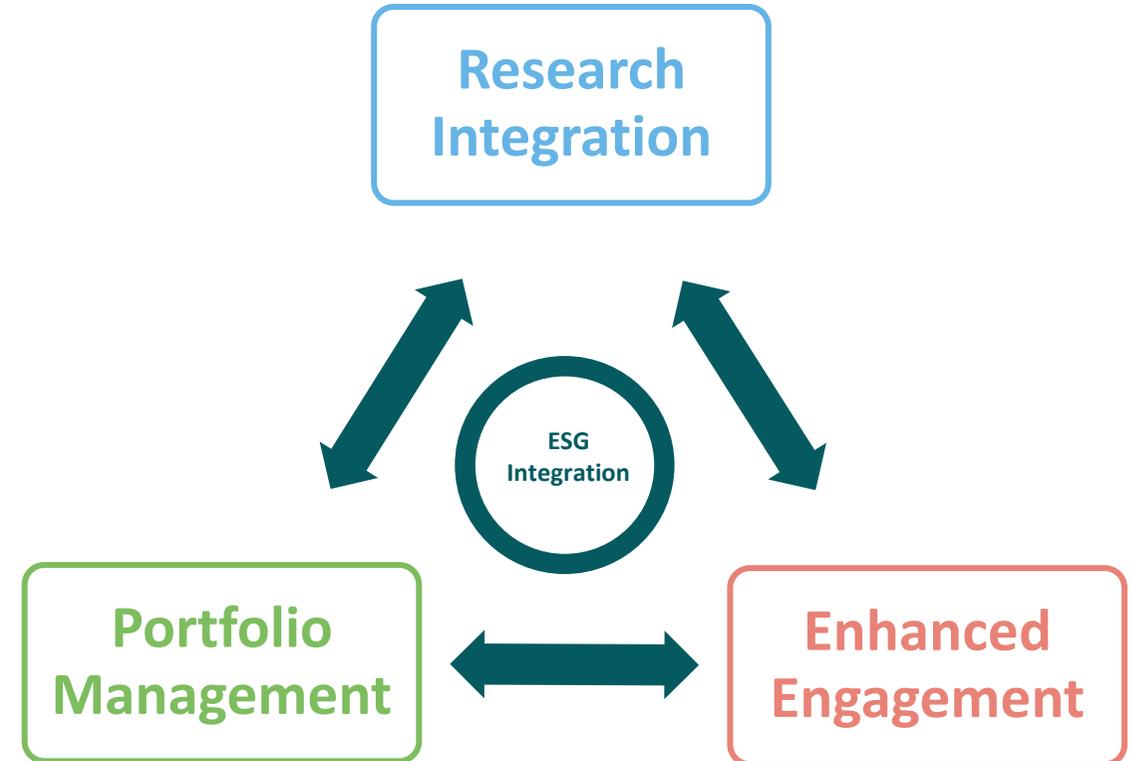
Enhanced Engagement

- Thematic research and engagement
- Climate Engagement priority '100' list
- Collaborative engagements: Climate Action 100+ (CA100+)
- Rigorous engagement framework
- Ongoing monitoring



Portfolio Management

- ESG portfolio construction analytics
- ESG pre-trade modelling
- Regular ESG portfolio reviews
- Collaborative cross-team engagement



M&G's Stewardship & Sustainability team



 **M&G**
Investments

Team

David Perrett

Biography



- David joined the M&G Equity team in September 2019 as the co-Head of Asia Pacific Equity Investments. He is the fund manager for the M&G Asian Fund, as well as the deputy fund manager of the M&G Japan Fund and M&G Japan Smaller Companies Fund.
- David began his investment career in 1991 in the graduate scheme with Prudential Portfolio Managers in London before becoming the Asian Equity Strategist the following year. Later, as the regional strategist and regional director for Prudential Portfolio Managers (Hong Kong and Singapore), he worked with the CEO to introduce a new investment process.
- In 2001, David became the Chief Investment Officer, Life & Institutional for Prudential Asset Management (Hong Kong), managing a large team of investment professionals and assets across the Asia Pacific region.
- From 2004, David was the Managing Director and Portfolio Manager for the Fundamental Investment Group (FIG) of UBS Securities. Responsible for directly investing UBS's proprietary capital across the Asia Pacific region via an absolute return, fundamentally driven long-short strategy. He subsequently moved to UBS O'Connor Asia ex Japan Long-Short Equity strategy within the same role following restructuring in UBS Securities in 2012.
- David co-founded Port Meadow Capital Management in 2014, where he ran pan Asian long-short equity strategies for institutional clients.
- He graduated from the London School of Economics with a Bachelor of Science, Economics and also holds a Master of Science, Economics from the University of London.

Carl Vine

Biography



- Carl joined the M&G Equity team in September 2019 as the co-Head of Asia Pacific Equity Investments. He is the fund manager of both the M&G Japan Fund and M&G Japan Smaller Companies Fund, as well as the deputy fund manager for the M&G Asian fund. drawing from his 22 years of investment experience in Japan.
- In the early 2000s, Carl led UBS's purchase of 15% of Isuzu as part of a major corporate restructuring. He also led UBS' investment in Sojitz, catalysing a significant financial restructuring and corporate turnaround. In 2005, he helped structure and finance the largest MBO in Japanese history at World Corporation. These and other distinguished investments have left Carl with an unusually high level of board and main-bank experience in a Japanese context. This experience brings significant depth to M&G Japanese investment franchise.
- Carl began his investment career in 1997 with Prudential Portfolio Managers. After completing the graduate training scheme, he took on a hybrid role serving both the Global Asset Allocation team as a Japan strategist and the Japanese Equity team as an analyst. Initially based in London, he was seconded to Tokyo in 1999.
- In 2000 Carl joined UBS Securities in Tokyo where he established the Fundamental Investment Group (FIG), a new proprietary investment business, pursuing a Japan-focussed, long-short equity strategy. In 2004, Carl relocated to Hong Kong and expanded the investment mandate across the Asia Pacific region. As well as regional long-short investing, Carl led his team to invest in several landmark principal-investments in the Japanese Equity, Mezzanine and M&A loan markets.
- In 2008, Carl joined SAC Capital Advisors in Hong Kong as Managing Director. As an anchor Portfolio Manager for this new regional business, he helped lead the business to significant growth. He was the Asia member of the global investment committee.
- Carl co-founded Port Meadow Capital Management in 2014. As Chief Investment Officer, he ran the company's pan-Asian long-short equity portfolio.
- He graduated from Oxford University having read Politics, Philosophy & Economics.

Dr. Ryohei Yanagi

Consultant for Japanese corporate engagement



- Signed with M&G in May 2020 as the Japanese Corporate Governance and Engagement Consultant
 - Chief Finance Officer and Head of Investor Relations at Eisai Pharmaceuticals
 - Voted best CFO in Japan's healthcare sector by Institutional Investor for four years in a row
 - Ranked in the Top 10 CFOs by Forbes Japan
 - Visiting Professor at Toyo University and Visiting Lecturer at Waseda University Graduate School of Accountancy teaching and researching Corporate Governance, Financial Strategy and Investor Relations
- Dr Yanagi is at the fulcrum of Corporate Governance in Japan
 - He was one of the drafting members of METI's "Ito Review" (Japanese version of Kay Review), which later became the Japanese Corporate Governance Code. He advises the TSE on corporate disclosure, governance and IFRS adoption. He has been a member of the ICGN Disclosure and Transparency Committee since September 2017
 - He has written and published several books on corporate governance, corporate finance, and investor relations in Japan. He has worked and cooperated closely with the Asian Corporate Governance Association, of which M&G is a member of
- Dr. Yanagi holds a Ph.D. in economics from Kyoto University, Japan. He also obtained an MBA with distinction from Thunderbird Graduate School of Global Management, Arizona, USA

M&G Asia Pacific Team

Biographies



Vikas Pershad
Fund Manager

Vikas joined M&G in 2019 as a Fund Manager in the Asia Pacific team, having previously worked for Port Meadow Capital Management. Prior to that, Vikas was a Portfolio Manager in UBS O'Connor, most recently in Hong Kong, and previously Chicago. Before this, Vikas held various fund manager and analyst roles in Veda Investment, Hound Partners, TPG-Axon Capital, and Madison Dearborn Partners, based in Hong Kong and United States. He started his career as an Analyst with Merrill Lynch & Co within the Mergers and Acquisitions Group. Vikas graduated from the University of Virginia with a Bachelor of Arts in 1999 (Echols Scholar). Vikas also holds a Master of Public Policy from Harvard University, Kennedy School of Government.



Nicholas Cunningham
Senior Analyst

Nicholas joined M&G in 2019 as a Senior Analyst in the Asia Pacific team, having previously worked for Port Meadow Capital Management. Prior to that, Nicholas was a Senior Analyst for the Macquarie Securities Group in Tokyo, where he was responsible for establishing Japan transportation and infrastructure equity coverage. He started his career in Macquarie Funds Group in Sydney. Nicholas graduated from the University of Western Australia in 2005 with a Bachelor of Laws, Bachelor of Economics and a Diploma in Modern Language, where he also spent time as an exchange student in China in 2004 and Japan in 2009.



John Wadle
Senior Analyst

John joined M&G in 2020 as a Senior Analyst in the Asia Pacific team, based in Hong Kong. He has over 30 years of experience as an analyst focusing on the financial sector in Asia, most recently being an Asia Pacific financials strategist in BNP Paribas. Prior to this, he has held various senior positions in major banks such as JP Morgan and UBS, before working as dedicated financials sector specialist in Sculptor Capital Management (formerly known as Och-Ziff Capital Management).



Eleanor Kim
Analyst

Eleanor joined M&G in 2019 as an Analyst in the Asia Pacific team, having previously worked for Port Meadow Capital Management. Prior to that, she was an Investment Analyst at DA Capital based in Singapore. Eleanor also worked for Equity Capital Markets team at Credit Suisse, based in Hong Kong and the Strategic Acquisition Finance team for Societe Generale, based in New York. She started her career as an Analyst in Natixis Capital Markets. Eleanor graduated from Boston College with a dual degree in Economics and Finance.



Jamie Zhou
Senior Analyst

Jamie joined M&G in 2020 as a Senior Analyst in the Asia Pacific Team, with a focus on the consumer sector. Jamie is located in Hong Kong, and joined from Bos Valen Asset Management where he held a similar role. Prior to that, he was a Senior Analyst in Macquarie Securities Group. Jamie has also held analyst roles in China Small Caps based in Shanghai and Aon Hewitt based in Vancouver. Jamie graduated from the University of British Columbia in 2006 and is a CFA charter holder.



Sabrina Gleeson
Analyst

Sabrina started on the M&G Investments Graduate Scheme in September 2016. She has completed rotations across a number of areas of the business including the Japan Fund, Private Funds Investment, Prudential Capital, Real Estate Income and Global Emerging Markets Fund. Sabrina Graduated from the University of Oxford with a First Class BA Hons in Geography in 2015 and has passed level 3 exam for the CFA Charter.

M&G Asia Pacific Team

Biographies



Valentina Luo
Analyst

Valentina joined M&G in 2019 as an Analyst in the Asia Pacific team, having previously worked for Port Meadow Capital Management. Prior to that, she was a reporter for Nikkei Asian Review based in China, covering Chinese economy and finance. Before this, Valentina has been a reporter for the Daily Telegraph and a Market Researcher for Nielsen. Valentina graduated from Saïd Business School of Oxford University with an MBA in 2017. She also holds a double bachelor degree from Peking University in Economics and Psychology.



Sunny Romo
Investment Director

Sunny Romo is the investment specialist covering M&G's Asian Pacific and Global Value equity ranges. She joined M&G in June 2018 from Insight Investment, where she maintained their institutional relationships with Asian investors. Prior to that, Sunny spent nine years at Asset Management One as their Equities Trader specialising in Japan, and later in EMEA Sales covering Japanese products. Sunny is a committee member of the Pension and Lifetime Savings Central London Group. She is also a CAIA charter holder.



Erinn Liu
Analyst

Erinn joined M&G in 2022 as a junior analyst in the Asia Pacific Team, with a focus in Greater China. Prior to M&G, Erinn was a Partner/Chief Financial Officer for an online vocational training group in Beijing, where she led the finance department and also spearheaded business development across the region. Prior to that, Erinn worked at J.P. Morgan's Hong Kong office in Equity Sales, covering Asia institutional clients. Erinn graduated from Cornell University College of Engineering with a Bachelor of Science in 2018.



Greg Moore
Head of Asia Equity Trading

Greg joined M&G in 2019 as the head of Asian trading, having previously being one of the founding members of Port Meadow Capital Management. Prior to that, he was a Vice President at Instinet Pacific Services (Hong Kong), playing a key role in integrating Instinet's execution services with Nomura Securities. Greg began his trading career as a Trader for BGC Partners (Hong Kong). Greg was a member of the initial launch for BGC Partners Asian Equity business. Greg graduated from the University of Western Ontario with a Bachelor of Management and Organizational Studies in 2006. He also holds Masters of Business Administration from the University of Western Ontario, Richard Ivey School of Business.



Madalina Black
ESG Co-ordinator

Madalina Black joined the Asia Pacific team in July 2021 as Equities ESG Coordinator. She joined M&G in March 2017 and previously worked in M&G's Broker Relationship team. Prior to M&G, Madalina spent time working in various industries (publishing, mining and retail). Madalina has a bachelor degree in Human Genetics from the university of Nottingham and an MSc in Science, Culture and Communication from the University of Bath.



Joanne Ong
Senior Trader, Asia

Joanne joined M&G as Senior Trader located in Asia, working as part of the Asia Pacific team. Most recently, Joanne was with Janus Henderson Investors, as Senior Equity Trader. Her experience lies in trading equities, futures and swaps for institutional and hedge funds. Prior to that, Joanne was with IIFL Securities, Capital International, trading equities for institutional funds for 9 years, as well as Goldman Sachs Asset Management where she set up the trading desk and managed all trading functions for Asia ex-Japan funds. Joanne holds a Bachelor of Science (Economics) from National University of Singapore and a Graduate Diploma in Financial Management from Singapore Institute of Management.

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