



# M&G and Dai-ichi Life Establish Long-term Strategic Partnership

30 May 2025

# Forward Looking Statement

This document 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.

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# M&G and Dai-ichi Life Establish Long-term Strategic Partnership



Asset Management



Partnership  
Opportunity  
Growth

*“Partnering with you to build a brighter and more secure future”*



Dai-ichi Life Holdings

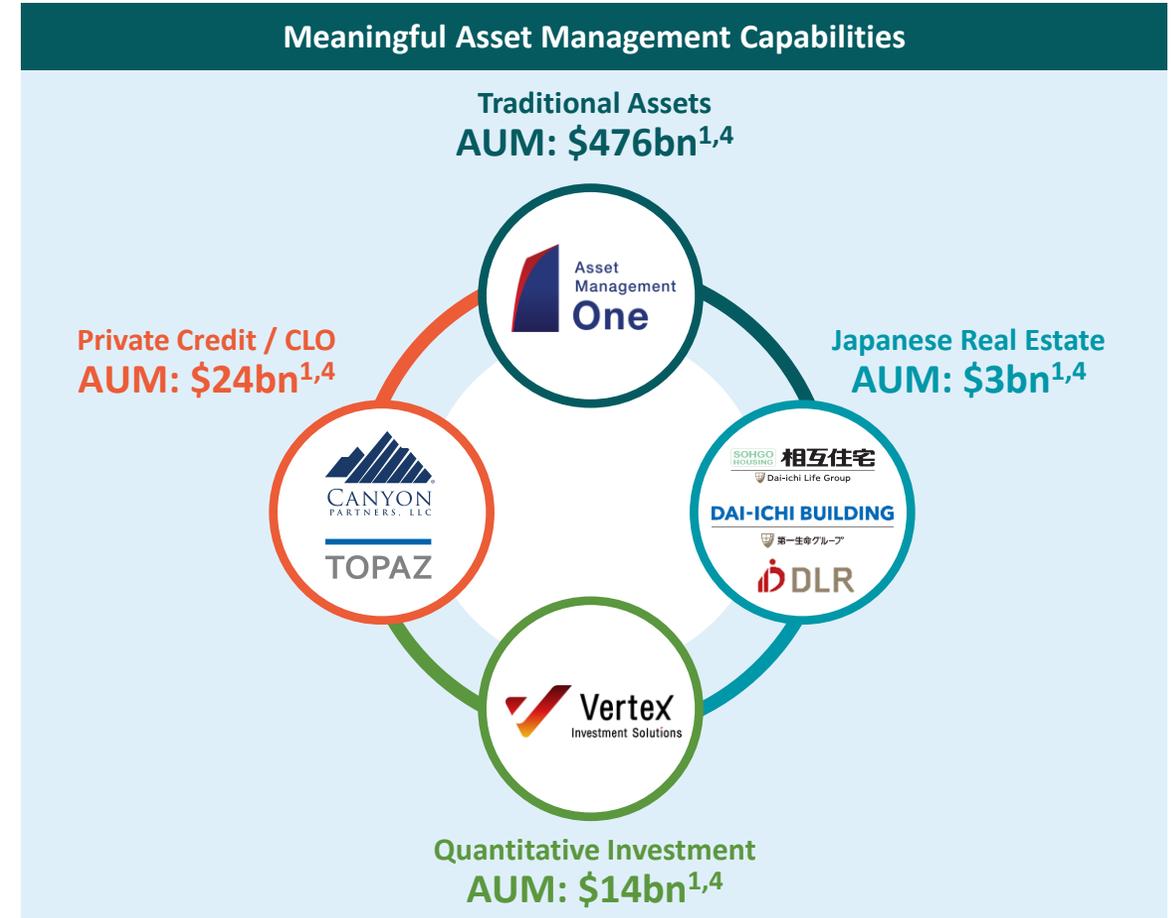
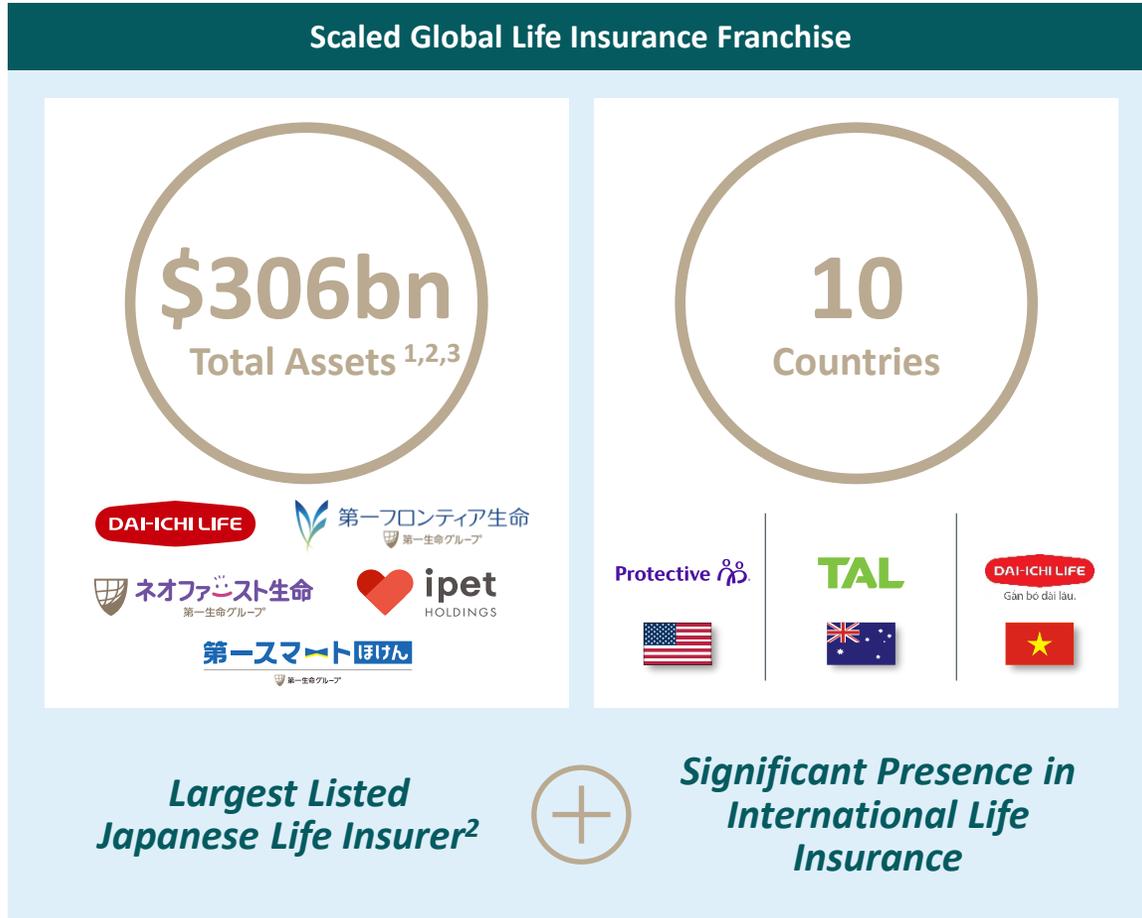


Life Insurance

*“Our purpose is to give everyone real confidence to put their money to work”*

# Overview of Dai-ichi Life

*Dai-ichi Life is the largest listed life insurance company in Japan, with a meaningful asset management franchise and an international life insurance business which has a significant presence across Asia-Pacific and North America*



Note: Company filings, FactSet as of 28 May 2025. Selected subsidiaries and countries shown.

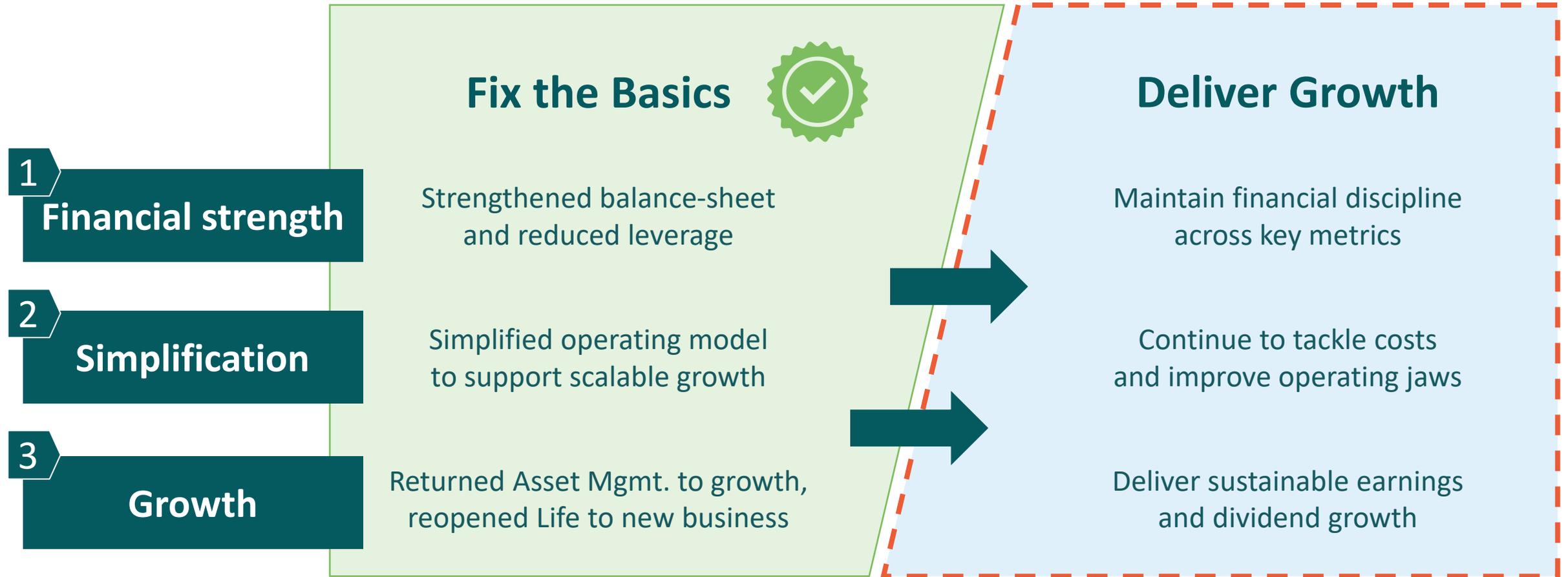
1. USD 1 = JPY 144.87 as of 28 May 2025.

2. As of FY2024: Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life. As of FY2023: ipet Holdings, and Dai-ichi Smart Small-amount and Short-term Insurance.

3. Sum of total assets of Japan life insurance subsidiaries.

4. Asset Management One (as of 3/30/2024), Vertex Investment Solutions (as of 6/30/2024), DLR (as of 1/4/2025), Canyon Partners (as of 1/7/2023).

# M&G's Journey: From Fixing to Growing the Business



# Overview of Commercial Terms

## Reinforcing our Ambition to Deliver Asset Management and International Growth

*M&G to become preferred asset management partner for Dai-ichi Life in Europe*

### Key Commercial Terms



- The partnership is expected to generate **at least \$6 billion in new business flows into funds managed by M&G** over the next five years, of which at least \$3 billion is intended to be in M&G's market-leading high-alpha strategies across public and private markets
- Of the \$6 billion new business flows, **half is expected to come from Dai-ichi Life's balance sheet, on an evergreen basis**. The other half will come from joint development opportunities, such as the distribution of M&G products by Dai-ichi Life
- **At least \$2 billion in new business flows for Dai-ichi Life** over five years, through a combination of balance sheet investments in, or distribution of, asset management products offered by Dai-ichi Life subsidiaries, and through Dai-ichi Life's distribution of jointly developed products

### Additional Areas of Partnership



- Dai-ichi Life will consider:
  - Distributing M&G products in Japan and Asia
  - Working together to develop new products
- M&G and Dai-ichi Life will also consider collaboration in life insurance in Europe and Japan
- Pursue opportunities to co-invest in new asset management capabilities

# Overview of Dai-ichi Life's Shareholding

## Significant Commitment and Alignment of Interests

### Investment in M&G



- Dai-ichi Life intends to acquire a c.15% shareholding in M&G, subject to regulatory approval
  - Achieved via on-market purchases with no change to M&G's ISC
- Creates significant alignment to capture long-term value creation opportunities across an array of strategic initiatives
- Agreement reflects the commitment from both parties to remain strategically aligned for the duration of the partnership

### Governance



- As a result of Dai-ichi Life's c.15% shareholding, subject to certain conditions having been met, Dai-ichi Life will have the right to appoint a director to the Board of M&G plc
  - It is expected that M&G will be an affiliate of Dai-ichi Life for Japanese accounting purposes<sup>1</sup>
- Dai-ichi Life will also have certain customary information rights in connection with its shareholding

### Contractual Restrictions



- Lock-up on share sales for 2 years following Dai-ichi Life reaching the 15% threshold, subject to customary exceptions;
- Standstill restriction not to acquire M&G shares above 19.99%, subject to customary exceptions; and
- Orderly market arrangement relating to disposals of shares
- The arrangements can be terminated by the parties in certain circumstances, including if the parties are no longer strategically aligned (in which event Dai-ichi Life's director nomination and information rights fall away)

1. Following M&G becoming an equity-method affiliate of Dai-ichi Life, audited earnings of M&G will be included in Dai-ichi Life's consolidated results.

# Summary



*At least \$ 6 billion of new business flows into M&G*

*At least \$ 3 billion in M&G's high-alpha strategies across public and private markets*

*c.15% shareholding in M&G by Dai-ichi Life*

*M&G to become preferred asset management partner for Dai-ichi Life in Europe*

*New potential sources of business flows in Japan and across Asia*

*Focus on growth, distribution and product development opportunities*

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