

M&G Investment Funds (12)

**Interim report and unaudited financial statements
for the six months ended 31 July 2025**

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Authorised Corporate Director's Report

The Authorised Corporate Director (ACD) of M&G Investment Funds (12) presents its interim report and unaudited financial statements for the six months ended 31 July 2025.

The unaudited financial statements of M&G Investment Funds (12), the Authorised Corporate Director's Reports including the portfolio statements, financial highlights and the unaudited financial statements and notes of each sub-fund are presented in their individual sections of this report as set out in the contents page.

Please note that an explanation of key investment terminology is available on our website at mandg.com/private-investor/glossary. A printed copy of the glossary is available upon request by calling customer services and administration as shown within the 'Investor information' section of this report.

Company information

M&G Investment Funds (12) is an umbrella Open-Ended Investment Company (OEIC) and contains two sub-funds, hereinafter referred to as 'funds' in the rest of this report. Each fund is a UK UCITS (Undertakings for Collective Investment in Transferable Securities) scheme as defined in the Collective Investment Schemes sourcebook, as issued (and amended) by the Financial Conduct Authority (FCA). This OEIC is an Investment Company with Variable Capital (ICVC) incorporated under the Open-Ended Investment Companies Regulations 2001. It is authorised and regulated by the FCA under the Financial Services and Markets Act 2000.

The Company was authorised on 2 November 2011. The M&G Global Strategic Value Fund was launched on 17 February 2012 and the M&G European ex-UK Fund was launched on 10 April 2025.

The Company's principal activity is to carry out business as an OEIC. The Company is structured as an umbrella company, and different funds may be established by the ACD from time to time with the agreement of the Depositary and approval from the FCA. The funds are operated separately and the assets of each fund are

managed in accordance with the investment objective and policy applicable to that fund.

As at 31 July 2025 none of the funds held shares of the other funds within this OEIC.

A shareholder is not liable for the debts of the Company and will never be liable to make any further payment to the Company after paying the purchase price of the shares.

Fund Managers

The following fund managers are employed by M&G FA Limited which is an associate of M&G Securities Limited.

M&G European ex-UK Fund

Richard Halle

M&G Global Strategic Value Fund

Richard Halle, Shane Kelly and Daniel White

ACD

M&G Securities Limited

10 Fenchurch Avenue, London EC3M 5AG, UK

Telephone: 0800 390 390 (UK only)

(Authorised and regulated by the Financial Conduct Authority. M&G Securities Limited is a member of the Investment Association and of The Investing and Saving Alliance)

Directors of the ACD

M Arona, N J Brooks*, C Dobson (non executive director), S C Ellis** (non executive director), P R Jelfs, M McGrade (non executive director), L J Mumford

* Resigned 30 June 2025.

** Appointed 12 March 2025.

Investment manager

M&G Investment Management Limited

10 Fenchurch Avenue, London EC3M 5AG, UK

(Authorised and regulated by the Financial Conduct Authority)

Authorised Corporate Director's Report

Registrar

SS&C Financial Services Europe Ltd
SS&C House, St. Nicholas Lane, Basildon
Essex SS15 5FS, UK
(Authorised and regulated by the Financial Conduct Authority)

Depositary

NatWest Trustee & Depositary Services Limited
House A, Floor 0, Gogarburn, 175 Glasgow Road
Edinburgh EH12 1HQ, UK
(Authorised and regulated by the Financial Conduct Authority)

Independent auditor

Ernst & Young LLP
Atria One, 144 Morrison Street, Edinburgh EH3 8EX, UK

Annual value assessment

An annual assessment report is available which shows the value provided to investors in each of M&G's UK-based funds. The assessment report evaluates whether M&G's charges are justified in the context of the overall service delivered to its investors. The latest report can be found on our website at mandg.com/investments/valueassessment

Climate-related Financial Disclosures (TCFD)

We have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD fund reports are designed to help you understand the impact these funds have on the climate and equally how climate change could influence the performance of these funds. The reports will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy and risk management that M&G has in place to manage the risks and opportunities related to climate change, please refer to the M&G Investments Management TCFD report.

These reports are available via the Sustainability Disclosures page on our website at mandg.com/footer/sustainability-disclosures

Important information

Since January 2025 the operating charge does not include the underlying charges for closed-ended-funds, such as investment trusts and real estate investment trusts. There is no change to what you are currently being charged, this is a presentational change to align with the latest industry guidance issued by the Investment Association.

On 10 April 2025 the M&G European ex-UK Fund was launched within M&G Investment Funds (12).

Please refer to the 'Investment review' section for further details on significant events during the period. Investment reviews may become quickly outdated in relation to ongoing economic and geopolitical events.

Investor information

The Prospectus, Instrument of Incorporation, Key Investor Information Documents, costs and charges illustration, the latest annual or interim investment report and financial statements as well as a list of purchases and sales are available free of charge on request from the following address. The Instrument of Incorporation can also be inspected at our offices or at the office of the Depositary.

Customer services and administration for UK clients:

M&G Securities Limited
PO Box 9039, Chelmsford CM99 2XG, UK

Please remember to quote your name and M&G client reference and sign any written communication to M&G. Failure to provide this will affect your ability to transact with us.

Telephone: 0800 390 390 (UK only)

For security purposes and to improve the quality of our service, we may record and monitor telephone calls. You will require your M&G client reference. Failure to provide this will affect your ability to transact with us.

Authorised Corporate Director's Report

Authorised Corporate Director's Responsibilities

The Authorised Corporate Director (ACD) is required to prepare annual and interim reports for the Company. The ACD must ensure that the financial statements, contained in this report, for each of the funds, are prepared in accordance with the Investment Association Statement of Recommended Practice for Financial Statements of UK Authorised Funds (SORP) and UK Financial Reporting Standards, and give a true and fair view of the net revenue or expenses and net capital gains or losses for the accounting period, and the financial position at the end of that period.

The ACD is required to keep proper accounting records, and to manage the Company in accordance with the Collective Investment Schemes sourcebook, as issued (and amended) by the FCA, the Instrument of Incorporation and the Prospectus, and to take reasonable steps for the prevention and detection of fraud or other irregularities. Additionally, the ACD is responsible for preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in operation.

Directors' statement

This report has been prepared in accordance with the requirements of the Collective Investment Schemes sourcebook, as issued and amended by the FCA.

M&G Securities Limited
26 September 2025

Financial statements and notes

The financial statements for M&G Investment Funds (12) comprise the individual financial statements for each fund and the notes below.

Notes to the financial statements

Accounting policies

There are no material events that have been identified that may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. The ACD has made an assessment of each fund's ability to continue as a going concern which is made as at the date of issue of these financial statements and considers liquidity, declines in global capital markets, investor intention, known redemption levels, expense projections and key service provider's operational resilience.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 January 2025. They are prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 10 April 2025 has been used.

Investment objective

The fund aims to provide a higher total return (capital growth plus income), net of the ongoing charge figure, than that of the FTSE World Europe ex UK Index, over any five-year period.

Investment policy

At least 80% of the fund's net asset value is invested directly in equity securities and equity-related instruments of medium and large market capitalisation companies across any sector that are incorporated, listed, domiciled or do most of their business in Europe, excluding the United Kingdom.

The fund may also invest in other transferable securities, money market instruments, cash and near cash for liquidity purposes, directly and via other funds (including funds managed by M&G).

Derivatives may be used for efficient portfolio management and hedging.

Investment approach

The fund employs a bottom-up stock picking approach to identify shares of European companies, excluding the United Kingdom, that the fund manager believes are undervalued. The fund manager seeks to identify companies that are mispriced, while trying to avoid companies whose share prices are unlikely to improve over time.

The fund's approach combines value-focused screening with rigorous qualitative analysis to ensure the fund has a consistent and disciplined value bias, without compromising on the robustness of the portfolio's construction.

The main drivers of returns are expected to be the value style and overall stock selection rather than any individual sector or stock.

Benchmark

FTSE World Europe ex UK Index

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.

For all share classes, the relevant benchmark used for comparison purposes will be shown in the KIID.

Risk profile

For details of the risks associated with this fund, please refer to the Prospectus.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.



The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period.

Authorised Corporate Director's Report

Investment review

For the period from 10 April 2025 (launch date of the fund) to 31 July 2025

Performance against objective

As the fund was launched less than 12 months ago, on 10 April 2025, this report does not include performance. It is too early to state whether the fund has met its objective, to provide a higher return (capital growth plus income), net of the ongoing charge figure, than that of the FTSE World Europe ex UK Index, over any five-year period.

Market review

The period under review began on an uncertain note following the announcement of tariff proposals by US President Donald Trump days earlier, which had led to concerns of a global recession. However, investors responded positively to subsequent news that there would be a temporary suspension of the tariffs. Investors were also encouraged by the possibility of trade deals and the European ex-UK stockmarket recovered strongly from the earlier volatility. A deal between the US and European Union was reached shortly before the 1 August 2025 deadline. Although the deal only reduced potential tariffs, rather than removing them completely, it made for a less uncertain environment.

Fund positioning

At least 80% of the fund's Net Asset Value is invested in equity securities and equity-related instruments of medium and large market capitalisation companies, across any sector, that are incorporated, listed, domiciled or do most of their business in Europe, excluding the United Kingdom.

The largest allocation by sector was to financials, where the fund has an overweight allocation, relative to the benchmark. Within financials, the fund has an above-index position in banks, with significant holdings including Austria's Erste Group Bank, Spain's Caixabank and Bank of Ireland Group. While the fund has a large allocation to industrial stocks, it has a below-index position. Notable industrial holdings include German defence company Rheinmetall, Germany's Daimler

Truck, a market leader in heavy trucks, and Cie de Saint-Gobain, a French producer of construction and high-performance materials.

Investment Activities

We apply a bottom-up stockpicking approach to find shares of companies that we believe are undervalued, while seeking to avoid companies whose share prices are unlikely to improve over time.

We started a new position in Denmark's Danske Bank, which we feel is a well-run and attractively priced bank. Danske earns the majority of its profits in Denmark, a more financially secure country than many others, in our opinion.

We also began a holding in Julius Baer, a Swiss banking and financial services firm. We think the company has undergone a cultural change and is dealing with the aftermath of some bad business decisions. In addition, there has been a significant management change. In our view, we were able to gain a well-positioned wealth management company at a good price.

Also joining the portfolio was Netherlands-based global investment group Prosus, which has a holding in Chinese technology and entertainment conglomerate Tencent and is attractively valued, in our opinion. We have been impressed by Prosus's recent Capital Market Day (or Investor Day) and feel the company could potentially be an exciting artificial intelligence (AI) investment.

Norwegian oil and gas company Var Energi was another new entrant to the portfolio. We feel Var is very undervalued and the company is relatively unknown.

We sold existing holdings in French bank Societe Generale and Luxembourg-based steel pipe manufacturer Tenaris in order to fund new purchases.

Outlook

The new US administration has announced plans to reduce military support for Europe and European policy makers have responded decisively, introducing additional measures to provide for their own security and defence. Most notably, newly installed German

Authorised Corporate Director's Report

Chancellor Friedrich Merz has announced a huge stimulus package to invest in infrastructure and defence.

We are encouraged by the prospect of fiscal stimulus in Germany, combined with the European Union's proposed €800 billion increase in defence spending over the coming years, and feel this will result in a material economic benefit to the region, most prominently defence companies.

In our opinion, many of the companies that are likely to do well in an environment of increased investment and improving economic activity can be found in the value space. Potential beneficiaries include banks, a classic 'value' category, which could profit from a broad economic recovery and increased lending. Additionally, industrial and materials businesses could stand to gain from both defence and infrastructure spending. Our overarching strategy is that European value stocks continue to look very attractively priced, despite recent gains.

Richard Halle

Fund manager

Employees of M&G FA Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 31.07.25 €'000	as at 31.07.25 %
Equities	108,883	99.71
Austria	3,925	3.59
48,756 Erste Group Bank AG	3,925	3.59
Belgium	2,796	2.56
7,345 Groupe Bruxelles Lambert NV	541	0.50
11,567 UCB SA	2,255	2.06
Denmark	3,874	3.55
40,428 Danske Bank AS	1,416	1.30
56,742 Novo Nordisk AS	2,458	2.25
Finland	4,278	3.92
172,994 Nokia OYJ	620	0.57
147,688 Nordea Bank Abp	1,892	1.73
161,531 Outokumpu OYJ	527	0.48
53,662 UPM-Kymmene OYJ	1,239	1.14
France	18,927	17.33
9,799 Arkema SA	596	0.55
9,477 BNP Paribas SA	755	0.69
99,811 Carrefour SA	1,247	1.14
25,591 Cie de Saint-Gobain SA	2,599	2.38
138,791 Engie SA	2,732	2.50
12,984 Fnac Darty SA	389	0.36
81,703 Getlink SE	1,293	1.18
6,908 Ipsen SA	718	0.66
2,455 Nexans SA	313	0.29
196,644 Orange SA	2,609	2.39
19,928 Sanofi SA	1,638	1.50
10,559 SEB SA	677	0.62
4,779 Sopra Steria Group	911	0.83
47,167 TotalEnergies SE	2,450	2.24
Germany	35,628	32.63
7,609 Allianz SE	2,636	2.41
25,264 BASF SE	1,097	1.00
26,541 Bayer AG	733	0.67

Portfolio statement

Investments (continued)

Holding	as at 31.07.25 €'000	as at 31.07.25 %
Equities (continued)		
Germany (continued)		
19,229 Bayerische Motoren Werke AG	1,615	1.48
12,098 Bilfinger SE	1,156	1.06
176,566 Ceconomy AG	778	0.71
76,090 Commerzbank AG	2,447	2.24
63,396 Daimler Truck Holding AG	2,722	2.49
162,009 Deutsche Lufthansa AG	1,199	1.10
4,770 Deutsche Post AG	188	0.17
35,860 Deutsche Telekom AG	1,132	1.04
130,397 E.ON SE	2,075	1.90
10,511 Fraport AG Frankfurt Airport Services Worldwide	683	0.63
16,857 Hornbach Holding AG & Co. KGaA	1,736	1.59
20,938 Infineon Technologies AG	737	0.67
13,472 LEG Immobilien SE	938	0.86
3,379 Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	1,933	1.77
1,206 Rheinmetall AG	2,095	1.92
82,424 RWE AG	2,966	2.72
2,196 SAP SE	559	0.51
21,939 Siemens AG	5,007	4.59
7,947 Siemens Energy AG	818	0.75
4,079 Volkswagen AG Preference Shares	378	0.35
Ireland	4,666	4.27
248,623 Bank of Ireland Group PLC	2,992	2.74
65,020 Ryanair Holdings PLC	1,674	1.53
Italy	3,563	3.26
42,528 Buzzi SpA	1,940	1.78
109,635 Eni SpA	1,623	1.48
Luxembourg	3,639	3.33
26,216 Aperam SA	662	0.61
110,226 ArcelorMittal SA	2,977	2.72
Netherlands	5,534	5.07
438,080 Havas NV	621	0.57

Portfolio statement

Investments (continued)

Holding	as at 31.07.25 €'000	as at 31.07.25 %
Equities (continued)		
Netherlands (continued)		
39,388 ING Groep NV	807	0.74
62,470 Koninklijke Ahold Delhaize NV	2,168	1.99
8,954 Koninklijke Philips NV	209	0.19
15,764 Prosus NV	792	0.72
41,380 Stellantis NV	323	0.30
27,479 STMicroelectronics NV	614	0.56
Norway	2,543	2.33
107,272 Storebrand ASA	1,339	1.23
199,417 Var Energi ASA	596	0.54
18,705 Yara International ASA	608	0.56
Spain	6,957	6.37
173,950 Banco Bilbao Vizcaya Argentaria SA	2,561	2.35
452,159 CaixaBank SA	3,739	3.42
8,499 Industria de Diseno Textil SA	361	0.33
65,865 Telefonica SA	296	0.27
Sweden	3,371	3.09
131,257 Electrolux AB	704	0.65
155,416 Securitas AB	2,031	1.86
99,960 Telefonaktiebolaget LM Ericsson	636	0.58
Switzerland	9,182	8.41
1,139 Barry Callebaut AG	1,204	1.10
20,744 Julius Baer Group Ltd.	1,233	1.13
9,211 Nestle SA	704	0.64
7,055 Novartis AG	721	0.66
10,511 Roche Holding AG	2,934	2.69
72,209 UBS Group AG	2,386	2.19
Total portfolio	108,883	99.71
Net other assets/(liabilities)	319	0.29
Net assets attributable to shareholders	109,202	100.00

All securities are on an official stock exchange listing except where referenced.

Portfolio statement

Top ten portfolio transactions for the period to 31 July 2025

Largest purchases	€'000
Siemens AG	4,694
Erste Group Bank AG	3,438
CaixaBank SA	3,398
Novo Nordisk AS	3,193
TotalEnergies SE	3,173
Bank of Ireland Group PLC	3,057
Roche Holding AG	2,964
ArcelorMittal SA	2,938
RWE AG	2,768
Engie SA	2,667
Other purchases	76,415
Total purchases	108,705

Largest sales	€'000
TotalEnergies SE	715
Carrefour SA	688
Rheinmetall AG	482
Societe Generale SA	441
Tenaris SA	193
Deutsche Post AG	190
Eni SpA	176
Novartis AG	97
BNP Paribas SA	92
Bilfinger SE	50
Other sales	49
Total sales	3,173

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

Financial highlights

Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

As different share classes have different attributes, for example charging structures and minimum investments, please be aware that their performance may be different.

For additional information, including monthly fund commentaries, fund facts, historic prices, distribution rates, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share class

As the fund has not yet operated for a 12-month period, the long-term performance figures have not been calculated. Please refer to 'Comparative tables' for the share class launch dates.

Comparative tables

'Operating charges' is calculated as a percentage of average net asset value and represents an annual rate. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current period figures.

Financial highlights

Sterling Class 'A' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	115
Number of shares	86,576
Closing NAV per share (UK p)	114.85
Operating charges (%)	0.95

Sterling Class 'E' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	87,081
Number of shares	65,431,928
Closing NAV per share (UK p)	115.10
Operating charges (%)	0.25

Sterling Class 'I' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	249
Number of shares	186,874
Closing NAV per share (UK p)	115.00
Operating charges (%)	0.55

Sterling Class 'L' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	13
Number of shares	10,045
Closing NAV per share (UK p)	115.07
Operating charges (%)	0.35

Sterling Class 'A' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	35
Number of shares	26,031
Closing NAV per share (UK p)	114.86
Operating charges (%)	0.95

Sterling Class 'E' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	21,324
Number of shares	16,021,498
Closing NAV per share (UK p)	115.11
Operating charges (%)	0.25

Sterling Class 'I' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	268
Number of shares	201,373
Closing NAV per share (UK p)	115.00
Operating charges (%)	0.55

Sterling Class 'L' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	13
Number of shares	10,040
Closing NAV per share (UK p)	115.07
Operating charges (%)	0.35

Financial highlights

Sterling Class 'PP' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	13
Number of shares	10,035
Closing NAV per share (UK p)	115.03
Operating charges (%)	0.45

Sterling Class 'PP' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	13
Number of shares	10,030
Closing NAV per share (UK p)	115.03
Operating charges (%)	0.45

Sterling Class 'R' Income shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	25
Number of shares	18,854
Closing NAV per share (UK p)	114.91
Operating charges (%)	0.80

Sterling Class 'R' Accumulation shares

The share class was launched on 10 April 2025.

	31.07.25
Closing NAV (€'000)	53
Number of shares	39,761
Closing NAV per share (UK p)	114.92
Operating charges (%)	0.80

Financial statements and notes

Financial statements

Statement of total return

for the period to 31 July	2025	
	€'000	€'000
Income		
Net capital gains/(losses)		3,218
Revenue	392	
Expenses	(41)	
Interest payable and similar charges	0	
Net revenue/(expense) before taxation	351	
Taxation	(60)	
Net revenue/(expense) after taxation		291
Total return before equalisation		3,509
Equalisation		1,800
Change in net assets attributable to shareholders from investment activities		5,309

Statement of change in net assets attributable to shareholders

for the period to 31 July	2025	
	€'000	€'000
Opening net assets attributable to shareholders		0
Amounts received on issue of shares	108,861	
Amounts paid on cancellation of shares	(5,116)	
		103,745
Dilution adjustments		148
Change in net assets attributable to shareholders from investment activities (see above)		5,309
Closing net assets attributable to shareholders		109,202

Financial statements and notes

Financial statements

Balance sheet

as at	31 July 2025 €'000
Assets	
Fixed assets	
Investments	108,883
Current assets	
Debtors	1,013
Cash and bank balances	61
Cash equivalents	703
Total assets	110,660
Liabilities	
Creditors	
Other creditors	(1,458)
Total liabilities	(1,458)
Net assets attributable to shareholders	109,202

Financial statements and notes

Notes to the financial statements

Accounting policies

The financial statements have been prepared in accordance with the 'Accounting policies' set out on page 4.

Distribution policy

In determining the amount available for distribution to Income shares, the annual charge is offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

Authorised Corporate Director's Report

For the purposes of these financial statements, the Prospectus dated 10 April 2025 has been used.

Investment objective

The fund aims to provide a higher total return (the combination of capital growth and income), net of the ongoing charge figure, than that of the MSCI ACWI Index over any five-year period.

Investment policy

At least 80% of the fund is invested directly in equity securities and equity related securities of companies across any sector and market capitalisations that are domiciled in any country, including emerging markets.

The fund may also invest in other transferable securities, cash and near cash directly and via collective investment schemes (including funds managed by M&G).

Derivatives may be used for investment purposes, efficient portfolio management and hedging.

Investment approach

The fund employs a disciplined approach to investment which concentrates on the analysis and selection of individual companies.

The investment approach focuses on identifying shares in cheap or out-of-favour companies that the fund manager believes are undervalued, while trying to avoid companies with problems that could prevent their share prices from improving over time.

The fund's approach combines a strict valuation screen and rigorous qualitative analysis. This ensures the fund concentrates on cheap stocks without compromising on characteristics such as financial strength or competitive advantages.

The main drivers of returns are expected to be the value style and overall stock selection rather than any individual sector or stock.

Benchmark

MSCI ACWI Index

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.

For each share class the benchmark will be denominated or hedged into the relevant share class currency. The benchmark for each share class will be shown in its respective KIID.

Risk profile

For details of the risks associated with this fund, please refer to the Prospectus.

The following table shows the risk number associated with the fund and is based on Sterling Class 'A' shares.



The above number:

- is based on the rate at which the value of the fund has moved up and down in the past and is based on historical data so may not be a reliable indicator of the future risk profile of the fund.
- is not guaranteed and may change over time and the lowest risk number does not mean risk free.
- has not changed during this period and has been effective since 21 January 2025.

Authorised Corporate Director's Report

Investment review

For the six months ended 31 July 2025

Performance against objective

Between 1 February 2025 (the start of the review period) and 31 July 2025, all share classes of the M&G Global Strategic Value Fund produced a positive total return (the combination of income and growth of capital) across its share classes.

The fund return was ahead of its benchmark, the MSCI ACWI Index, which gained 1.6% in the six-month period.

Over the longer term of five years, the fund has delivered positive returns and was ahead of the index, which returned 13.1% pa. Therefore, the fund has met its objective to provide a higher total return, net of the ongoing charge figure, than that of the MSCI ACWI Index over any five-year period.

For the performance of each share class, please refer to the 'Long-term performance by share class' table in the 'Financial highlights' section of this report.

Performance review

Global markets have been marked by changing macroeconomic trends, geopolitical uncertainties, and evolving investor sentiment over the period under review. While returns broadly have been positive, the markets experienced a highly volatile period.

During the initial period under review, financial markets were turbulent due to President Trump's tariff campaign, fiscal changes in Europe, and a new Chinese AI (artificial intelligence) model. Stock markets further plunged due to President Trump's early April tariff proposals, which imposed a 10% baseline tariff on imports, escalating fears of a global recession.

Recovery followed after a 90-day suspension of tariffs, with most equity markets regaining earlier losses.

Inflation remained above central bank targets, despite moderating. The US Federal Reserve held rates at 4.25%-4.5%, despite President Trump's call for cuts.

The Bank of England (BoE) reduced rates by 0.50% to 4.25%, while the European Central Bank (ECB) cut its deposit rate in three steps to 2.0%.

Against this backdrop, US equities initially fell due to tariff concerns and tech stock declines, but rebounded to record highs after a 90-day tariff delay and the beginning of trade talks, especially with China.

European equities started positively, lifted by Germany's stimulus prospects but dipped on US tariff announcements, and gradually recovered as fears of a trade war lessened, ending the period positively.

The fund's value style was a significant contributor to performance. In particular, the fund doesn't hold benchmark constituents Apple and Tesla. These are growth stocks that were under pressure in the period. No exposure to Apple was our largest individual relative contributor as the stock has been under pressure due to slowing iPhone sales, eroding market share in China and an underwhelming rollout of its AI services. Our above benchmark position (overweight) to data storage company Seagate and German defence company Rheinmetall (which was sold later in the period), and our off-benchmark position in industrial services provider Bilfinger contributed positively to our relative performance.

Not holding NVIDIA was our largest individual relative detractor as the company reported a strong earnings and demand outlook. The results lifted the overall tech sector sentiment, with Microsoft and Broadcom shares performing well. Having no exposure to Broadcom and our below benchmark position (underweight) to Microsoft also contributed negatively to relative performance. Other top negative contributors were our off-benchmark positions in apparel and footwear company VF and robotics company FBR.

At a sector level, consumer discretionary was the standout contributor for the fund's returns due to both sector allocation and favourable stock selection. Stockpicking in financials and consumer staples was also a strength. Communication services was the most notable sector detractor from relative performance, compounded by the impact of our stock selection.

Investment Activities

The fund's new positions in the period included Chinese search engine Baidu (incorporated in the

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Cayman Islands), beauty products manufacturer Coty, oil services company Halliburton, US healthcare company Bruker, defence technology company QinetiQ group, passenger railway company East Japan Railway, steel manufacturer ArcelorMittal, automobile manufacturer Toyota Motor, meat and food processing company WH Group, healthcare company Organon and industrial automation company Yaskawa Electric.

The fund exited technology conglomerate Meta Platforms, soft drinks maker Coca-Cola, Reinsurance Group of America, pharma company AstraZeneca, building products manufacturer Fletcher Building, chemicals company Johnson Matthey, mining company Perpetua Resources, Brazilian retailer Atacadao, multinational conglomerate Hitachi, NatWest Group and Rheinmetall.

Outlook

Moving into the second half of the fund's reporting year, considerable uncertainty dominates the investment environment. Trade tariffs remain a key focus, where ongoing trade policy instability could create a stagflationary effect and disruptions to prices and supply chains across different regions. Another significant development is the recently passed US tax-cut and spending bill, expected to deliver an immediate fiscal boost but also raises long-term risks as national debt levels are set to rise.

Meanwhile, Europe faces a complex landscape where each potential benefit is counterbalanced by new headwinds. Although a US-EU tariff agreement offers some optimism, concerns persist. Notably, Germany's draft budget signals significant fiscal stimulus, and the ECB has opted to hold interest rates in the most recent round, ending its current easing cycle.

We continue to monitor market events, particularly the new developments on tariffs and macroeconomic indicators that can impact consumer and corporate confidence, to build resilient portfolios for these uncertain times.

Richard Halle, Shane Kelly and Daniel White

Co-fund managers

Employees of M&G FA Limited which is an associate of M&G Securities Limited.

Please note that the views expressed in this Report should not be taken as a recommendation or advice on how the fund or any holding mentioned in the Report is likely to perform. If you wish to obtain financial advice as to whether an investment is suitable for your needs, you should consult a Financial Adviser.

Portfolio statement

Investments

Holding	as at 31.07.25 \$'000	as at 31.07.25 %	as at 31.01.25 %
Equities	544,262	95.69	97.63
Australia	623	0.11	0.98
193,590,624 FBR Ltd.	623	0.11	
44,355,349 Mineral Commodities Ltd. ^a	0	0.00	
Belgium	7,845	1.38	0.88
35,170 UCB SA	7,845	1.38	
Bermuda	4,614	0.81	0.92
1,250,000 African Minerals Ltd. ^a	0	0.00	
4,790,000 Kunlun Energy Co. Ltd.	4,614	0.81	
Brazil	0	0.00	0.43
Cayman Islands	22,889	4.02	2.89
57,336 Alibaba Group Holding Ltd. ADR	6,775	1.19	
120,318 Autohome, Inc. ADR	3,269	0.57	
430,450 Baidu, Inc.	4,629	0.81	
975,320 HUTCHMED China Ltd. ^b	3,505	0.62	
4,674,500 WH Group Ltd.	4,711	0.83	
Finland	4,977	0.88	1.10
188,410 UPM-Kymmene OYJ	4,977	0.88	
France	19,770	3.48	3.77
464,030 Carrefour SA	6,633	1.17	
36,433 Ipsen SA	4,330	0.76	
148,226 TotalEnergies SE	8,807	1.55	
Germany	29,788	5.24	4.76
44,020 Bilfinger SE	4,811	0.85	
135,420 Daimler Truck Holding AG	6,652	1.17	
65,042 Hornbach Holding AG & Co. KGaA	7,664	1.35	
258,936 RWE AG	10,661	1.87	
Hong Kong	12,462	2.19	1.76
777,400 AIA Group Ltd.	7,262	1.28	
932,200 Link REIT	5,200	0.91	
Indonesia	6,965	1.22	0.96
39,793,500 Telkom Indonesia Persero Tbk. PT	6,965	1.22	

Portfolio statement

Investments (continued)

Holding	as at 31.07.25 \$'000	as at 31.07.25 %	as at 31.01.25 %
Equities (continued)			
Ireland	25,113	4.42	4.20
671,233 AIB Group PLC	5,367	0.94	
944,004 Kenmare Resources PLC	4,064	0.72	
75,356 Medtronic PLC	6,922	1.22	
58,613 Seagate Technology Holdings PLC	8,760	1.54	
Israel	6,147	1.08	1.58
32,709 Check Point Software Technologies Ltd.	6,147	1.08	
Japan	70,240	12.35	10.31
270,400 East Japan Railway Co.	5,792	1.02	
7,462,800 NTT, Inc.	7,598	1.34	
286,500 ORIX Corp.	6,513	1.14	
423,900 Rohm Co. Ltd.	5,404	0.95	
431,400 Seven & i Holdings Co. Ltd.	5,749	1.01	
233,700 Taiyo Yuden Co. Ltd.	4,467	0.79	
269,500 Takeda Pharmaceutical Co. Ltd.	7,560	1.33	
896,000 Toray Industries, Inc.	6,211	1.09	
65,500 Toyota Industries Corp.	7,119	1.25	
217,400 Toyota Motor Corp.	3,923	0.69	
139,700 Ulvac, Inc.	5,234	0.92	
219,400 Yaskawa Electric Corp.	4,670	0.82	
Luxembourg	12,243	2.15	1.80
123,962 Aperam SA	3,582	0.63	
160,390 ArcelorMittal SA	4,956	0.87	
204,744 Tenaris SA	3,705	0.65	
Mexico	6,953	1.22	1.02
4,875,630 Fibra Uno Administracion SA de CV	6,953	1.22	
Netherlands	1,960	0.34	0.60
219,208 Stellantis NV	1,960	0.34	
New Zealand	0	0.00	0.15
South Korea	22,602	3.97	2.97
67,189 Kia Corp.	4,951	0.87	

Portfolio statement

Investments (continued)

Holding	as at 31.07.25 \$'000	as at 31.07.25 %	as at 31.01.25 %
Equities (continued)			
South Korea (continued)			
206,676 Samsung Electronics Co. Ltd.	10,592	1.86	
22,327 Samsung Fire & Marine Insurance Co. Ltd.	7,059	1.24	
Spain	11,054	1.94	1.55
361,099 Banco Bilbao Vizcaya Argentaria SA	6,081	1.07	
525,709 CaixaBank SA	4,973	0.87	
Sweden	10,163	1.79	1.87
476,124 Securitas AB	7,118	1.25	
418,702 Telefonaktiebolaget LM Ericsson	3,045	0.54	
Switzerland	6,699	1.18	1.27
177,182 UBS Group AG	6,699	1.18	
United Kingdom	59,986	10.55	15.94
918,296 BP PLC	4,888	0.86	
3,094,970 Centrica PLC	6,681	1.17	
3,080,720 Currys PLC	4,592	0.81	
374,133 Drax Group PLC	3,531	0.62	
313,550 GSK PLC	5,950	1.05	
257,477 Imperial Brands PLC	9,975	1.75	
755,052 QinetiQ Group PLC	4,970	0.87	
259,296 Smith & Nephew PLC	4,039	0.71	
221,515 Standard Chartered PLC	4,008	0.71	
2,019,308 Tesco PLC	11,352	2.00	
United States	201,169	35.37	35.92
53,188 3M Co.	7,799	1.37	
58,082 Alphabet, Inc.	11,395	2.00	
162,024 Bristol-Myers Squibb Co.	7,589	1.33	
144,644 Bruker Corp.	5,930	1.04	
124,967 Cisco Systems, Inc.	8,490	1.49	
101,507 Citigroup, Inc.	9,683	1.70	
139,722 Comcast Corp.	4,495	0.79	
518,916 Coty, Inc.	2,587	0.45	
25,298 Elevance Health, Inc.	7,423	1.31	

Portfolio statement

Investments (continued)

Holding	as at 31.07.25 \$'000	as at 31.07.25 %	as at 31.01.25 %
Equities (continued)			
United States (continued)			
185,992 Exelon Corp.	8,061	1.42	
155,340 Halliburton Co.	3,481	0.61	
63,745 Hartford Insurance Group, Inc.	7,949	1.40	
225,607 Highwoods Properties, Inc.	6,572	1.16	
236,636 Intel Corp.	4,775	0.84	
28,972 JPMorgan Chase & Co.	8,661	1.52	
120,481 Kroger Co.	8,347	1.47	
11,254 Microsoft Corp.	6,282	1.10	
132,920 Molson Coors Beverage Co.	6,561	1.15	
45,855 Oracle Corp.	11,701	2.06	
377,037 Organon & Co.	3,784	0.67	
53,445 Oshkosh Corp.	6,760	1.19	
81,308 PayPal Holdings, Inc.	5,691	1.00	
52,107 QUALCOMM, Inc.	7,714	1.36	
132,289 Southwest Airlines Co.	4,049	0.71	
46,142 Tapestry, Inc.	5,059	0.89	
190,123 Verizon Communications, Inc.	8,048	1.42	
416,379 VF Corp.	5,234	0.92	
114,869 Wells Fargo & Co.	9,292	1.63	
44,664 Western Digital Corp.	3,443	0.61	
168,249 Weyerhaeuser Co.	4,314	0.76	
Total portfolio	544,262	95.69	97.63
Net other assets/(liabilities)	24,525	4.31	2.37
Net assets attributable to shareholders	568,787	100.00	100.00

All securities are on an official stock exchange listing except where referenced.

The comparative sector weightings have been re-analysed to reflect changes to the sector classifications.

^a Suspended.

^b AIM quoted.

Portfolio statement

Top ten portfolio transactions for the six months to 31 July 2025

Largest purchases	\$'000
Bruker Corp.	6,312
Alphabet, Inc.	5,954
East Japan Railway Co.	5,539
Baidu, Inc.	5,010
Yaskawa Electric Corp.	4,534
ArcelorMittal SA	4,502
WH Group Ltd.	4,071
Toyota Motor Corp.	4,052
QinetiQ Group PLC	3,965
Halliburton Co.	3,814
Other purchases	46,481
Total purchases	94,234

Largest sales	\$'000
Rheinmetall AG	7,993
Coca-Cola Europacific Partners PLC	7,886
AstraZeneca PLC	5,304
NatWest Group PLC	5,135
Reinsurance Group of America, Inc.	4,111
Hitachi Ltd.	3,894
Standard Chartered PLC	3,535
BP PLC	3,468
Seagate Technology Holdings PLC	3,423
Alibaba Group Holding Ltd. ADR	3,122
Other sales	40,762
Total sales	88,633

Purchases and sales exclude the cost and proceeds of 'AAA' rated money market funds.

Financial highlights

Fund performance

Please note past performance is not a guide to future performance and the value of investments, and the income from them, will fluctuate. This will cause the fund price to fall as well as rise and you may not get back the original amount you invested.

As different share classes have different attributes, for example charging structures and minimum investments, please be aware that their performance may be different.

For additional information, including monthly fund commentaries, fund facts, historic prices, distribution rates, performance information (including a range of performance graphs) and other documents, please visit our website at mandg.com/investments

Long-term performance by share class

To give an indication of the performance of the fund, the following table shows the compound rate of return, per annum, over the period. Calculated on a price to price basis with income reinvested. Please refer to 'Comparative tables' for the share class launch dates.

Share class	Six months % ^a	Three years % pa	Five years % pa	Ten years % pa
Sterling				
Class 'A' Income	+4.8	+13.9	+15.0	+9.4
Class 'A' Accumulation	+4.8	+13.9	+15.0	+9.4
Class 'I' Income	+5.0	+14.4	+15.5	+10.0
Class 'I' Accumulation	+5.0	+14.3	+15.5	+10.0
Class 'R' Income	+4.8	+14.1	+15.2	+9.7
Class 'R' Accumulation	+4.9	+14.1	+15.2	+9.7
Benchmark	+1.6	+12.6	+13.1	+12.4

^a Not annualised.

Comparative tables

'Operating charges' is calculated as a percentage of average net asset value and represents an annual rate. Where there is a change in the charging structure, you may see variances in the 'operating charges' between the comparative and current period figures.

Financial highlights

Sterling Class 'A' Income shares

The share class was launched on 17 February 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	406,290	377,160	339,189
Number of shares	124,081,688	126,386,853	130,547,004
Closing NAV per share (UK p)	247.54	240.46	204.81
Operating charges (%)	1.30	1.30	1.30

Sterling Class 'I' Income shares

The share class was launched on 17 February 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	9,826	6,653	5,578
Number of shares	2,850,158	2,121,843	2,051,472
Closing NAV per share (UK p)	260.63	252.66	214.34
Operating charges (%)	0.90	0.90	0.90

Sterling Class 'R' Income shares

The share class was launched on 3 August 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	2,364	2,041	1,997
Number of shares	649,433	615,672	692,915
Closing NAV per share (UK p)	275.15	267.08	227.14
Operating charges (%)	1.15	1.15	1.15

Sterling Class 'A' Accumulation shares

The share class was launched on 17 February 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	4,932	4,423	3,243
Number of shares	1,207,998	1,209,819	1,050,280
Closing NAV per share (UK p)	308.67	294.58	243.41
Operating charges (%)	1.30	1.30	1.30

Sterling Class 'I' Accumulation shares

The share class was launched on 17 February 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	116,490	80,893	66,545
Number of shares	26,336,542	20,465,305	20,012,148
Closing NAV per share (UK p)	334.39	318.50	262.12
Operating charges (%)	0.90	0.90	0.90

Sterling Class 'R' Accumulation shares

The share class was launched on 3 August 2012.

	31.07.25	31.01.25	31.01.24
Closing NAV (\$'000)	28,885	26,295	22,568
Number of shares	6,291,122	6,400,865	6,513,888
Closing NAV per share (UK p)	347.11	331.02	273.11
Operating charges (%)	1.15	1.15	1.15

Financial statements and notes

Financial statements

Statement of total return

for the six months to 31 July	2025		2024	
	\$'000	\$'000	\$'000	\$'000
Income				
Net capital gains/(losses)		53,317		47,586
Revenue	10,615		9,536	
Expenses	(3,185)		(2,844)	
Interest payable and similar charges	0		(2)	
Net revenue/(expense) before taxation	7,430		6,690	
Taxation	(852)		(652)	
Net revenue/(expense) after taxation		6,578		6,038
Total return before distributions		59,895		53,624
Distributions		(9,159)		(8,411)
Change in net assets attributable to shareholders from investment activities		50,736		45,213

Statement of change in net assets attributable to shareholders

for the six months to 31 July	2025		2024	
	\$'000	\$'000	\$'000	\$'000
Opening net assets attributable to shareholders		497,465		439,120
Amounts received on issue of shares	34,492		6,638	
Amounts paid on cancellation of shares	(15,835)		(13,359)	
		18,657		(6,721)
Dilution adjustments		0		19
Change in net assets attributable to shareholders from investment activities (see above)		50,736		45,213
Retained distributions on Accumulation shares		1,920		1,419
Unclaimed distributions		9		0
Closing net assets attributable to shareholders		568,787		479,050

The opening net assets attributable to shareholders for 2025 differs to the closing position in 2024 by the change in net assets attributable to shareholders for the second half of the comparative financial year.

Financial statements and notes

Financial statements

Balance sheet

as at	31 July 2025 \$'000	31 January 2025 \$'000
Assets		
Fixed assets		
Investments	544,262	485,695
Current assets		
Debtors	2,059	3,529
Cash and bank balances	1,727	671
Cash equivalents	28,929	14,004
Total assets	576,977	503,899
Liabilities		
Creditors		
Distribution payable	(7,338)	(4,675)
Other creditors	(852)	(1,759)
Total liabilities	(8,190)	(6,434)
Net assets attributable to shareholders	568,787	497,465

Financial statements and notes

Notes to the financial statements

Accounting policies

The financial statements have been prepared in accordance with the 'Accounting policies' set out on page 4.

Distribution policy

In determining the amount available for distribution to Income shares, the annual charge is offset against capital, increasing the amount available for distribution whilst restraining capital performance to an equivalent extent.

