

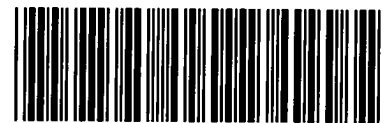
Registered number: 00633480

M&G Group Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2022

FRIDAY



AC3D4PJ5

A15

12/05/2023

#225

COMPANIES HOUSE

M&G Group Limited

Company Information

Directors	C B Chaloner J M B Daniels (resigned 4 April 2023) S A Fitzgerald A C M Morris J Pinto (appointed 4 April 2023) M Tosato R R Turnill
Company secretary	M&G Management Services Limited
Registered number	00633480
Registered office	10 Fenchurch Avenue London EC3M 5AG
Independent auditor	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

M&G Group Limited

Contents

	Pages
Directors' Report	4 - 7
Independent Auditor's Report to the Members of M&G Group Limited	8 – 11
Profit and Loss Account and Other Comprehensive Income	12
Balance Sheet	13
Statement of Changes in Equity	14-15
Notes to the Financial Statements	16-34

M&G Group Limited

Directors' Report For the Year Ended 31 December 2022

The Directors present their report and the audited financial statements for the year ended 31 December 2022.

Business review

M&G Group Limited (the "Company") is a member of the M&G plc group (the "Group"), the UK and international savings and investments business. The Company's immediate parent company is M&G Group Regulated Entity Holding Company Limited which is a direct subsidiary of M&G plc.

The Company along with its direct and indirect subsidiaries form the M&G Group. The M&G Group's principal activity is to provide asset management services in equities, public and private fixed income, real estate and other asset classes for its wholesale, institutional and internal clients. Internal clients refer to other entities that are part of the Group. The Company's principal activity is to act as a holding company and will continue to do so for the foreseeable future.

The profit before tax for the Company for the year was £77,245,000 (2021: £142,060,000). Further details of the results for the year are set out in the statement of Profit and Loss Account and Other Comprehensive Income shown on page 12.

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and Financial statements in accordance with applicable law regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

M&G Group Limited

**Directors' Report
For the Year Ended 31 December 2022**

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small companies exemption

The Company has taken the advantage of the exemption provided under 414(B) of the Companies Act 2006 and has not provided Strategic Report.

Results and dividends

The profit for the year, before taxation, amounted to £77,245,000 (2021: £142,060,000).

Dividends paid in the year amounted to £76,000,000 (2021: £142,000,000).

The Directors do not recommend the payment of further dividend.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

C B Chaloner
J M B Daniels (resigned 4 April 2023)
S A Fitzgerald
A C M Morris
J Pinto (appointed 4 April 2023)
M Tosato
R R Turnill

Political contributions

The Company made no political contributions during the year (2021: £nil)

Employee involvement

All staff were employed during the year by the immediate subsidiary company. Employment policies are described in the annual report and financial statements of that company.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were accordingly in force during the course of the financial year ended 31 December 2022 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties, power or office.

M&G Group Limited

Directors' Report For the Year Ended 31 December 2022

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements.

The Company's primary activity is that of a holding company, and therefore the Company's significant cash flows relate to the receipt and payment of dividends. As dividends are only declared to the extent that sufficient income has been received, the Directors consider the risk to operating as a going concern as remote.

Additionally, from a liquidity perspective, the Company is party to the M&G Group's Contingency Funding Plan which enables the Company to access funding in a stressed scenario.

For the above reasons the Directors continue to adopt the going concern basis in preparing the financial statements.

Engagement with Stakeholders

Engagement with Company's key stakeholder groups helps foster and maintain relationships and forms an important part the wider Company's operation.

Not all stakeholder engagement is reported directly to the Board or takes place directly with the Board. However, the output of engagement across the Company informs business level decisions and proposals, with an overview of developments and relevant feedback being reported to the Board and/or its Committees. The purpose of this is to ensure that the Board can understand and consider the views of relevant stakeholders when making decisions.

Clients

The client is at the heart of everything the Company does. Throughout 2022, the Company Board has focused specific attention on improved reporting surrounding client feedback and key performance indicators.

Regulators

It's vitally important that the Company continues to maintain strong regulatory relationships, communicating openly, working collaboratively and providing all global regulators with timely notification of issues. This approach included significant engagement from the Board and members of the Senior Executive team with our regulators on a range of key risks. The M&G Group Board receives a report on regulatory matters from the Chief Compliance Officer at every Board meeting and all relevant regulatory correspondence is made available to the Board in a timely manner.

Auditor

KPMG LLP resigned as the Group's and Company's auditor at the conclusion of the 2021 audit and PricewaterhouseCoopers LLP (PwC) were appointed as the Company's auditors with effect from the financial year ending 31 December 2022. Pursuant to a shareholder's resolution, the Company is not obliged to reappoint its auditor annually and PwC will assume office.

M&G Group Limited

**Directors' Report
For the Year Ended 31 December 2022**

This report was approved by the board and signed by order of the board.



Ian Bothamley

For and Behalf Of M&G Management Services Limited

Company Secretary

Date: 26 April 2023

Independent auditors' report to the members of M&G Group Limited

Report on the audit of the company financial statements

Opinion

In our opinion, M&G Group Limited's company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Balance Sheet as at 31 December 2022; Profit and Loss Account and Other Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We have no exceptions to report arising from this responsibility.

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

Companies Act 2006 exception reporting

Other required reporting

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Use of this report

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

- Understanding of management's internal controls designed to prevent and detect irregularities;
- Reviewing relevant meeting minutes including those of the Board and Audit Committee;
- Enquiring with those charged with governance including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, unbalanced journal entries and entries posted with unusual amounts, where any such journal entries were identified; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

Other matter

We have reported separately on the group financial statements of M&G Group Limited for the year ended 31 December 2022.

A handwritten signature in black ink, appearing to read 'Thomas Robb', with a stylized flourish at the end.

Thomas Robb (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
26 April 2023

M&G Group Limited

**Profit and Loss Account and Other Comprehensive Income
For the Year Ended 31 December 2022**

	Note	2022 £000	2021 £000
Revenue	4	39	19
Operating Profit		<u>39</u>	<u>19</u>
Income from shares in group undertakings	5	76,000	142,000
Interest receivable and other similar income	6	1,208	41
Interest payable and similar charges	7	(2)	—
Profit on ordinary activities before tax		<u>77,245</u>	<u>142,060</u>
Tax on profit on ordinary activities	8	(237)	(11)
Profit for the financial year		<u><u>77,008</u></u>	<u><u>142,049</u></u>
Profit and other comprehensive income for the financial year		<u><u>77,008</u></u>	<u><u>142,049</u></u>

All of the amounts above are in respect of continuing operations.

The notes on pages 16 to 34 form part of these financial statements.

M&G Group Limited
Registered number: 00633480

Balance Sheet
As at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	10	104,475	39,475
		<u>104,475</u>	<u>39,475</u>
Current assets			
Debtors	11	56,546	55,554
Cash at bank and in hand		157	111
		<u>56,703</u>	<u>55,665</u>
Creditors	12	(208)	(178)
Net current assets		<u>56,495</u>	55,487
Net assets		<u><u>160,970</u></u>	<u><u>94,962</u></u>
Capital & Reserves			
Called up share capital	13	10,100	100
Share premium account		143,000	88,000
Profit and loss account		7,870	6,862
Total Equity		<u><u>160,970</u></u>	<u><u>94,962</u></u>

The financial statements on pages 12 to 15 were approved and authorised for issue by the board and were signed on its behalf by:

S A Fitzgerald

S A Fitzgerald
Director

Date: 26 April 2023

The notes on pages 16 to 34 form part of these financial statements.

M&G Group Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2022**

	Note	Share capital	Share premium account	Profit and loss account	Total equity
		£000	£000	£000	£000
At 1 January 2022		100	88,000	6,862	94,962
Profit for the year		—	—	77,008	77,008
Total comprehensive income for the year		—	—	77,008	77,008
Dividends		—	—	(76,000)	(76,000)
Issue of share capital	13	10,000	55,000	—	65,000
At 31 December 2022		10,100	143,000	7,870	160,970

The notes on pages 16 to 34 form part of these financial statements.

M&G Group Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2021**

	Share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 January 2021	100	88,000	6,813	94,913
Profit for the year	—	—	142,049	142,049
Total comprehensive income for the year	—	—	142,049	142,049
Dividends	—	—	(142,000)	(142,000)
At 31 December 2021	100	88,000	6,862	94,962

The notes on pages 16 to 34 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

1. Accounting policies

1.1 Basis of preparation of financial statements

M&G Group Limited (the "Company") is a private limited company by shares, incorporated and domiciled in England and Wales, United Kingdom.

The financial statements have been prepared under the historical cost convention except that the following assets and liabilities are stated at their fair value: derivative financial instruments and financial instruments classified as fair value through the profit or loss, and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

In preparing the financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The preparation of financial statements in compliance with FRS 101 can require the use of certain critical accounting estimates, however, the Directors do not consider there to be any critical accounting estimates or judgements in the preparation of the Company's financial statements.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

1.2 Financial reporting standard 101 – reduced disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: paragraph 79(a)(iv) of IAS 1
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements in IAS 24 to disclose compensation of Key Management Personnel; and
- the requirements of IAS 24 to disclose transactions with a management entity that provides key management personnel services to the Company.

The Company is a subsidiary undertaking of M&G plc which is the ultimate parent company incorporated in England and Wales. Consolidated financial statements are prepared by M&G plc and copies of these are available to the public and may be obtained from the registered office at 10 Fenchurch Avenue, London, EC3M 5AG.

**Notes to the Financial Statements (continued)
For the Year Ended 31 December 2022**

1. Accounting policies (continued)

1.2 Financial reporting standard 101 – reduced disclosure exemptions (continued)

As the consolidated financial statements of M&G plc include the equivalent disclosures the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.3 Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements.

The Company's primary activity is that of a holding company, and therefore the Company's significant cash flows relate to the receipt and payment of dividends. As dividends are only declared to the extent that sufficient income has been received, the Directors consider the risk to operating as a going concern as remote.

Additionally, from a liquidity perspective, the Company is party to the M&G Group's Contingency Funding Plan which enables the Company to access funding in a stressed scenario.

For the above reasons the Directors continue to adopt the going concern basis in preparing the financial statements.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be easily measured.

1.5 Income from shares in group undertaking

Dividend income is recognised in the Profit and Loss account on the date the Company's right to receive payment is established. Interim dividends are recognised when paid and final dividends are recognised as a liability when they are approved by the members.

1.6 Interest receivable and other similar income

Interest receivable is recognised in profit or loss on an accrual basis.

1.7 Interest payable and similar charges

Interest payable is interest on the loan from the subsidiary company. Interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax will be provided where there are temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The calculation of the total tax charge inherently involves a degree of estimation and judgement. The positions taken in tax returns, where applicable tax regulation is subject to interpretation, are recognised in full in the determination of the tax charge included in the financial statements if the Company considers it is probable that the taxation authority will accept those positions. Otherwise, the Company considers an uncertain tax position to exist and a provision is recognised to reflect that a taxation authority, upon review of the positions, could alter the tax returns. From recognition the provision is measured based on management's judgement and estimate of the likely amount of the liability or recovery. This is achieved by providing for the single best estimate of the most likely outcome or the weighted average expected value where there are multiple possible outcomes, taking into account external advice where appropriate. Each uncertain tax treatment is considered separately or together as a group, depending on management's judgement as to which approach better predicts the resolution of the uncertainty. It is assumed that tax authorities will examine the uncertain tax treatments and they have full knowledge of all related information. The judgments and estimates made to recognise and measure the effect of uncertain tax positions are reassessed whenever circumstances change or when there is new information that affects those judgments.

1.9 Financial instruments

(i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.9 Financial instruments (continued)

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

(a) Classification

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment by investment basis.

(a) Classification

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit and loss.

Investments in associates and subsidiaries are accounted for at cost less impairment.

Cash at bank and in hand

Cash at bank and in hand comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Financial liabilities and equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2022

1. Accounting policies (continued)

1.9 Financial instruments (continued)

Financial liabilities and equity (continued)

- where the instrument will or may be settled in the group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the group's own equity instruments or is a derivative that will be settled by the group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the group's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

(b) Subsequent measurement and gains and losses

- Financial assets at fair value through profit and loss these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
- Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Financial liabilities are classified as measured at amortised cost and are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss.

Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. Loss allowances are measured at an amount equal to lifetime expected credit losses, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit loss. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

1. Accounting policies (continued)

1.9 Financial instruments (continued)

Impairment (Continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less

than 12 months) The maximum period considered when estimating expected credit losses is the maximum contractual period over which the group is exposed to credit risk.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

1.10 Adopted IFRS not yet applied

The following new accounting pronouncements that are relevant to the Company have also been issued and are not yet effective. All of the below have been adopted by the UK Endorsement Board as at 31 December 2022, except for Amendments to IAS 1 presentation of Financial Statements Classification of Liabilities as Current or Non-Current.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice;
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates;
- Amendments to IAS 12 Income Taxes - Deferred Tax related to Asset and Liabilities arising from a Single Transaction.

The Company is not expecting these pronouncements to have a significant impact on the Company's financial statements.

M&G Group Limited

**Notes to the Financial Statements (continued)
For the Year Ended 31 December 2022**

2. Auditor's remuneration

	2022	2021
	£000	£000
Audit of these financial statements	16	8
	<u>16</u>	<u>8</u>

Amounts receivable by the Company's auditor in respect of the audit of the Company's financial statements are payable by M&G FA Limited, the immediate subsidiary company.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, M&G plc.

3. Directors' remuneration

	2022	2021
	£000	£000
		Restated
Directors' emoluments	2,054	700
Amounts receivable under long term incentive schemes	—	542
Company contributions to defined contribution pension schemes	—	1
	<u>2,054</u>	<u>1,243</u>

Directors' emoluments for the year ended 31 December 2021 have been restated, to exclude the value of incentive plan awards settled via shares. This restatement changes to the total directors' emoluments from £1,803,000 to £1,243,000. There is no impact on the primary statements.

The aggregate of remuneration in respect of the Company and its subsidiaries, and amounts receivable under long term incentive schemes of the highest paid director was £1,216,273 (2021: £658,003). They are a member of the defined benefit scheme, under which their accrued pension at the year-end was £79,333. During the year, the highest paid director did not exercise share options.

Retirement benefits are accruing to the following number of directors under:

	2022	2021
	No.	No.
Defined contribution schemes	1	1
Defined benefit schemes	1	1

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Directors' remuneration (continued)			
		2022	2021
		No.	No.
The number of directors for whom shares were received or receivable under long term incentive schemes was		2	4
4. Revenue			
	Note	2022	2021
		£000	£000
Guarantee Income	9	39	19
		<u>39</u>	<u>19</u>
5. Income from shares in group undertakings			
		2022	2021
		£000	£000
Dividends received from subsidiaries		<u>76,000</u>	142,000
		<u>76,000</u>	<u>142,000</u>
6. Interest receivable and similar income			
	Note	2022	2021
		£000	£000
Interest on intercompany balance with subsidiary company	11	<u>1,208</u>	41
		<u>1,208</u>	<u>41</u>
7. Interest payable and similar charges			
		2022	2021
		£000	£000
Finance cost		1	—
Unrealised foreign exchange loss		1	—
		<u>2</u>	<u>—</u>

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

8. Taxation

	2022	2021
	£000	£000
Corporation tax		
Current tax on profits for the year	237	11
Total current tax	237	11
Taxation on profit on ordinary activities	237	11

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022	2021
	£000	£000
Profit on ordinary activities before tax	77,245	142,060
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	14,677	26,991
Effects of:		
Non-taxable income	(14,440)	(26,980)
Total tax charge for the year	237	11

Factors that may affect future tax charges

On 3 March 2021, the UK Government announced a proposal to increase the rate of UK corporation tax from 19% to 25% with effect from 1 April 2023. Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future. We expect that, in line with the rate increase proposed, there will be an increase to our effective tax rate for periods from 2023 onwards.

9. Guarantees

As part of the transaction to acquire a controlling interest in MandG Investments Southern Africa (Pty) Limited ('MGSA') (previously known as Prudential Portfolio Managers (South Africa) (Pty) Limited ('PPMSA')) the Company provided a guarantee in respect of an existing loan facility between Thesele, the seller of the MGSA shares, and Nedbank, a third party bank, amounting to ZAR 220m. The guarantee is secured on 7% of the shares that Thesele retains in MGSA.

The guarantee revenue is receivable over the course of 5 years and derived by using a discounted cash flow method with an appropriate discounted rate applied.

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

10. Investments

	Investments in subsidiary companies £000	Total £000
Cost		
At 1 January 2022	39,475	39,475
Additions	65,000	65,000
At 31 December 2022	104,475	104,475
Net book value		
At 31 December 2022	104,475	104,475
At 31 December 2021	39,475	39,475

Investments in subsidiaries

10 (a) Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Subsidiaries	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
M&G FA Limited	10 Fenchurch Avenue, London, EC3M 5AG	1048359	Ordinary shares	100%	100%

10 (b) Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
M&G Alternatives Investment Management Limited	10 Fenchurch Avenue, London, EC3M 5AG	2059989	Ordinary Shares	100%	100%
M&G Financial Services Limited	10 Fenchurch Avenue, London, EC3M 5AG	923891	Ordinary shares	100%	100%
Prudential Unit Trusts Limited	10 Fenchurch Avenue, London, EC3M 5AG	1796126	Ordinary shares	100%	100%
M&G Investments (Hong Kong) Limited	6th Floor, Alexandra House, 18 Charter road central hongkong	1730458	Ordinary shares	100%	100%
M&G Investments (Singapore) Pte. Ltd.	138 Market Street, Level 35 Capitagreen, Sinagapore, 048946	201131425R	Ordinary shares	100%	100%
M&G Investments Japan Co., LTD.	3-1 Toranomon, 4 Chome Minato-ko, Tokyo	010401 124078	Common stock	100%	100%
M&G Investments (Australia) Pty Ltd	Level 16, Grosvenor Place, 225 George Street, Sydney, Australia, NSW 2	629 169 160	Ordinary shares	100%	100%
M&G Investment Management Limited	10 Fenchurch Avenue, London, EC3M 5AG	936683	Ordinary shares	100%	100%
M&G Lux (Global Funds) S.A.	16 Boulevard Royal, Luxembourg, L-2449, Luxembourg	B272806	Ordinary shares	100%	—%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
M&G Luxembourg S.A.	16 Boulevard Royal, L-2449, Luxembourg	B170483	Ordinary shares	100%	100%
M&G Investments (Americas) Inc.	251 Little Falls Drive, Wilmington, DE, 19801	6843211	Ordinary shares	100%	100%
M&G Management Services Limited	10 Fenchurch Avenue, London, EC3M 5AG	5286403	Ordinary shares	100%	100%
M&G Nominees Limited	10 Fenchurch Avenue, London, EC3M 5AG	3469213	Ordinary shares	100%	100%
M&G Platform Nominees Limited	10 Fenchurch Avenue, London, EC3M 5AG	9581702	Ordinary shares	100%	100%
M&G International Investments Nominees Limited	10 Fenchurch Avenue, London, EC3M 5AG	4195540	Ordinary shares	100%	100%
M&G General Partner Inc.	190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands	151319	Ordinary shares	100%	100%
PPM Managers GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC452033	Ordinary shares	100%	100%
M&G Securities Limited	10 Fenchurch Avenue, London, EC3M 5AG	90776	Ordinary shares	100%	100%
M&G SIF Management Company (Ireland) Limited	78 Sir John Rogerson's Quay, Dublin 2	511747	Ordinary shares	100%	100%
M&G SFF (CIP GP) Sàrl	51 Avenue J.F. Kennedy, L-1855, Luxembourg, Luxembourg	B220304	Ordinary shares	100%	100%
M&G International Investments Switzerland AG	Bahnhofstrasse 100, Zurich, Switzerland	CHE-286.542.158	Ordinary shares	100%	100%
M&G Investments (USA) Inc	251 Little Falls Drive, Wilmington, DE, 19801	7520082	Common stock	100%	100%
RADS GAMMA LIMITED	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC662801	Ordinary shares	100%	100%
RADS OMEGA LIMITED	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC662796	Ordinary shares	100%	100%
M&G Catalyst Sustainable Agriculture GP Member No 1 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC752887	Ordinary shares	100%	—%
M&G Catalyst Sustainable Agriculture GP Member No 2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC752888	Ordinary shares	100%	—%
M&G Founders 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	4401042	Ordinary shares	100%	100%
M&G (Guernsey) Limited	Dory Court, St Peter Port, Guernsey	21432	Ordinary shares	100%	100%
The First British Fixed Trust Company Limited	10 Fenchurch Avenue, London, EC3M 5AG	255830	Ordinary shares	100%	100%
Stableview Limited	10 Fenchurch Avenue, London, EC3M 5AG	5506654	Ordinary shares	100%	100%
Prudential GP Limited	Craigforth, Stirling, FK9 4UE	SC206683	Ordinary shares	100%	100%
PPM Capital (Holdings) Limited	10 Fenchurch Avenue, London, EC3M 5AG	3852755	Ordinary shares	100%	100%
M&G (Lux) Reserved Investment Funds (2) GP Sarl	51 Avenue J.F. Kennedy, L-1855, Luxembourg, Luxembourg	B219359	Ordinary shares	100%	100%
Prudential Loan Investments GP S.a.r.l	Rue Hildegard von Bingen 1, 1282 Luxembourg, Luxembourg	B212677	Ordinary shares	100%	100%
Prudential Credit Opportunities GP S.a.r.l	Rue Hildegard von Bingen 1, 1282 Luxembourg, Luxembourg	B210013	Ordinary shares	100%	100%
M&G Trustee Company Limited	10 Fenchurch Avenue, London, EC3M 5AG	1863305	Ordinary shares	100%	100%
responsAbility Investments AG	Zollstrasse 17 Zürich ZH 8005	CHE-110.061.297	Ordinary shares	93%	—%
M&G IMPPP 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	4382172	Ordinary shares	100%	100%
responsAbility America Latina SAC	Av. 28 de Julio 753 Miraflores Provincia de Lima 15074	12603021	Ordinary shares	100%	—%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
responsAbility India Business Advisors Pvt. Ltd	31 Green Acre Union Park Road Number 5 Mumbai, Mumbai Suburban MH 400052	U74120MH2011P TC222484	Ordinary shares	100%	—%
responsAbility Ventures I Services AG	Zollstrasse 17 Zürich ZH 8005	CHE 116.008.143	Ordinary shares	100%	—%
responsAbility Africa Ltd	Merchant Square, Block D 5th Floor Riverside Drive, Rivers P.O. Box 293 Nairobi Kenya 00623 Kenya	CPR/2010/ 34319	Ordinary shares	100%	—%
responsAbility Thailand Ltd	1102, 11th Floor, 62 Thaniya BTS Building Silom Road, Suriyawongse, Bangrak Bangkok 10500	1.05558E+11	Ordinary shares	100%	—%
responsAbility Agriculture (GP), Sarl	15 Bd Friedrich Wilhelm Raiffeisen, Boulevard Friedrich Wil Luxembourg Luxembourg 1224	B211804	Ordinary shares	100%	—%
responsAbility Georgia LLC	4 Tamar Chovelidze St, Tamar Chovelidze Street Tbilisi Tbilisi 0108	405339931	Ordinary shares	100%	—%
responsAbility France SAS	5 Rue du Helder Paris, Département de Paris IDF 75009	523 326 056	Ordinary shares	100%	—%
responsAbility BOP Sarl	5 Rue Jean Monnet Luxembourg Luxembourg 2180	B132075	Ordinary shares	100%	—%
MandG Investments Southern Africa (Pty) Ltd	PO Box 44813, Claremont 7735, South Africa	1993/004503/07	Ordinary shares and A class shares	50%	50%
M&G Alternatives GP Sarl	8, rue Lou Hemmer, L-1748 Findel	B240017	Ordinary shares	100%	100%
M&G PFI 2018 GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10954144	Ordinary shares	100%	100%
M&G PFI 2018 GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10954003	Ordinary shares	100%	100%
PPM Ventures (Asia) Limited	Gloucester Tower, 15 Queens Road, Central Hong Kong	663554	Ordinary shares	100%	100%
MandG Investments Life South Africa (RF) Limited	7th Floor, Protea Place 30 Dreyer Street Claremont 7708 South Africa	2008/013338/06	Ordinary shares	50%	50%
MandG Investment Managers (Pty) Limited	7th Floor, Protea Place 30 Dreyer Street Claremont 7708 South Africa	2013/051515/07	Ordinary shares	50%	50%
MandG Investments Unit Trusts South Africa (RF) Limited	7th Floor, Protea Place 30 Dreyer Street Claremont 7708 South Africa	1999/05242/06	Ordinary shares	50%	50%
MandG Investments (Namibia) (Pty) Limited	Unit 3, 2nd Floor, Ausspann Plaza Dr Agostinho Neto Road Ausspannplatz Windhoek Namibia	1996/185	Ordinary shares	50%	50%
MandG Investments Unit Trusts (Namibia) Limited	Unit 3, 2nd Floor, Ausspann Plaza Dr Agostinho Neto Road Ausspannplatz Windhoek Namibia	2007/609	Ordinary shares	50%	50%
M&G PFI 2018 GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306178	Limited Liability Partnership Capital	100%	100%
Infracapital SLP Limited	10 Fenchurch Avenue, London, EC3M 5AG	5455461	Ordinary shares	100%	100%
Infracapital GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	5455448	Ordinary shares	100%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
Infracapital F1 GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	9180200	Ordinary shares	100%	100%
Infracapital Employee Feeder GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC347134	Ordinary shares	100%	100%
Infracapital GP 1 LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC395042	Limited Liability Partnership Capital	100%	100%
Infracapital Employee Feeder GP 1 LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO305006	Limited Liability Partnership Capital	100%	100%
Infracapital DF II Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC389185	Ordinary shares	100%	100%
Infracapital F2 GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	9180249	Ordinary shares	100%	100%
Infracapital F2 GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	9183883	Ordinary shares	100%	100%
Infracapital Partners II Subholdings GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC578127	Ordinary shares	100%	100%
Infracapital DF II GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO305002	Limited Liability Partnership Capital	100%	100%
Infracapital SLP EF II GP LLP	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ	SO305007	Limited Liability Partnership Capital	100%	100%
Infracapital Partners III Subholdings GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	11347638	Ordinary shares	100%	100%
Infracapital Partners III Subholdings GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	11347641	Ordinary shares	100%	100%
Infracapital Partners III GP S.à r.l	6, rue Eugene Ruppert, L-2453 Luxembourg	B217179	Ordinary shares	100%	100%
London Stone Investments F3 I Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC583847	Ordinary shares	100%	100%
London Stone Investments F3 II Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC583856	Ordinary shares	100%	100%
Infracapital Partners III Subholdings (Euro) GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC422333	Limited Liability Partnership Capital	100%	100%
Infracapital Partners III Subholdings (Sterling) GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC422334	Limited Liability Partnership Capital	100%	100%
London Stone Investments F3 SP GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306261	Limited Liability Partnership Capital	100%	100%
London Stone Investments F3 Employee Feeder GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306260	Limited Liability Partnership Capital	100%	100%
Infracapital Partners IV GP S.a.r.l.	5 Heienhaff, senningerberg, L-1736, Luxembourg	B270031	Ordinary Shares	100%	100%
Prudential Greenfield GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	9183905	Ordinary shares	100%	100%
Prudential Greenfield GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	9183939	Ordinary shares	100%	100%
Prudential Greenfield GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC394904	Limited Liability Partnership Capital	60%	100%
Digital Infrastructure Investment Partners GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10713853	Ordinary shares	100%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
Digital Infrastructure Investment Partners SLP GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10715067	Ordinary shares	100%	100%
Digital Infrastructure Investment Partners SLP GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10715126	Ordinary shares	100%	100%
Digital Infrastructure Investment Partners GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC416887	Limited Liability Partnership Capital	65%	65%
Digital Infrastructure Investment Partners SLP GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306056	Limited Liability Partnership Capital	100%	100%
Infracapital Greenfield Partners I Subholdings GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC578139	Ordinary shares	100%	100%
Infracapital Greenfield Partners 1 SLP GP1 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC554629	Ordinary shares	100%	100%
Infracapital Greenfield Partners 1 SLP GP2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC554631	Ordinary shares	100%	100%
Infracapital Greenfield Partners I GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	9901632	Ordinary shares	100%	100%
Infracapital Greenfield Partners 1 SLP EF GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO305944	Limited Liability Partnership Capital	100%	100%
Infracapital Greenfield DF GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306200	Limited Liability Partnership Capital	100%	100%
Infracapital Greenfield Partners I Employee Feeder LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL030887	Limited Partner Capital	73%	73%
Infracapital Greenfield Partners I SLP LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL029954	Limited Partner Capital	37%	37%
Infracapital Greenfield Partners I SLP2 LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL032352	Limited Partner Capital	100%	100%
Infracapital Greenfield Partners II Subholdings GP1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	12338577	Ordinary shares	100%	100%
Infracapital Greenfield Partners II Subholdings GP2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	12338790	Ordinary shares	100%	100%
Infracapital Greenfield Partners II GP S.à r.l	6 rue Eugène Ruppert, L-2453, Luxembourg	B231185	Ordinary shares	100%	100%
London Green Investments II SLP2 GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC648887	Ordinary shares	100%	100%
London Green Investments II SLP GP1 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC648885	Ordinary shares	100%	100%
London Green Investments II SLP GP2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC648886	Ordinary shares	100%	100%
Infracapital Greenfield Partners II Subholdings (Euro) GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC429843	Limited Liability Partnership Capital	100%	100%
Infracapital Greenfield Partners II Subholdings (Sterling) GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC429842	Limited Liability Partnership Capital	100%	100%
London Green Investments II SLP2 LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL034195	Limited Partner Capital	100%	100%
London Green Investments II SLP1 Employee Feeder GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306860	Limited Partner Capital	100%	100
Infracapital Greenfield Partners II Subholdings Nominee Limited	10 Fenchurch Avenue, London, EC3M 5AG	12401417	Ordinary shares	100%	100%
Falan GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC463668	Ordinary shares	100%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
GGE GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC504237	Ordinary shares	100%	100
Infracapital Sisu GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC521443	Ordinary shares	100%	100
Genny GP 2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC547302	Ordinary shares	100%	100
Genny GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC536481	Ordinary shares	100%	100%
Green GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC569021	Ordinary shares	100%	100%
ICP(Finch)GP1Limited	10 Fenchurch Avenue, London, EC3M 5AG	13716580	Ordinary shares	100%	100%
ICP(Finch)GP2Limited	10 Fenchurch Avenue, London, EC3M 5AG	13716590	Ordinary shares	100%	100
Infracapital (Bio) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC516021	Ordinary shares	100%	100
Infracapital (Churchill) GP 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	11460502	Ordinary shares	100%	100%
Infracapital (Gigaclear) GP 1 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC602700	Ordinary shares	100%	100%
Infracapital (Gigaclear) GP 2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC602698	Ordinary shares	100%	100%
Genny GP 1 LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC414130	Limited Liability Partnership Capital	100%	100%
ICP (Finch) GP LLP	First Floor , 85 Great Portland Street, London, United Kingdom, W1W 7LT	OC439806	Limited Liability Partnership Capital	100%	—%
Pesca GP LLP	First Floor , 85 Great Portland Street, London, United Kingdom, W1W 7LT	OC442242	Limited Liability Partnership Capital	100%	—%
Infracapital (Churchill) GP LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC423386	Limited Liability	100%	100%
Infracapital (Gigaclear) GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306478	Limited Liability Partnership Capital	100%	100%
MOLE GP 1 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC664317	Ordinary shares	100%	100%
MOLE GP 2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC664318	Ordinary shares	100%	100%
Infracapital (IT PPP) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC550062	Ordinary shares	100%	100%
Infracapital (Sense) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC553170	Ordinary shares	100%	100%
Infracapital (AIRI) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC553164	Ordinary shares	100%	100%
George Digital GP 2 Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC577098	Ordinary shares	100%	100%
George Digital GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC576789	Ordinary shares	100%	100%
Infracapital (GC) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC500778	Ordinary shares	100%	100%
Infracapital (Belmond) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC576332	Ordinary shares	100%	100%
Infracapital (Novos) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC636445	Ordinary shares	100%	100%
Infracapital (Leo) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC611979	Ordinary shares	100%	100%
Infracapital (TLSB) GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC486888	Ordinary shares	100%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
Mole GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306971	Limited Liability Partnership Capital	100%	100%
George Digital GP 1 LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO306174	Limited Liability Partnership Capital	100%	100%
M&G Real Estate Limited	10 Fenchurch Avenue, London, EC3M 5AG	3852763	Ordinary shares	100%	100%
M&G Real Estate Asia Holding Company Pte. Ltd	138 Market Street, Level 35 Capitagreen, Singapore, 048946	201543062C	Ordinary shares	67%	67%
M&G RE ESPANA, 2016, S.L	Plaza de Colon, Torre II, Planta 14, 28046 Madrid	B8767696	Ordinary shares	100%	100%
M&G RPF GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	8407747	Ordinary shares	100%	100%
M&G European Enhanced Value GP S.à r.l.	16, boulevard Royal, L-2449, Luxembourg	B262105	Ordinary shares	100%	—%
M&G European Living Property Fund (GP) S.à r.l	16 Boulevard Royal Luxembourg L-2449 Luxembourg	B262005	Ordinary shares	100%	—%
M&G UK Property GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	8462545	Ordinary shares	100%	100%
M&G Real Estate France SAS	8 avenue Hoche 75008 Paris France	893 124 842	Ordinary shares	100%	—%
Prudential Property Investment Managers Limited	10 Fenchurch Avenue, London, EC3M 5AG	8732334	Ordinary shares	100%	100%
M&G Shared Ownership GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	12416522	Ordinary shares	100%	100%
M&G Real Estate UKEV (GP) LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	OC418419	Limited Partner Capital	50%	50%
M&G RE UKEV (GP1) LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC420581	Limited Liability Partnership Capital	100%	100%
M&G UKEV (SLP) General Partner LLP	10 Fenchurch Avenue, London, EC3M 5AG	OC420257	Limited Liability Partnership Capital	100%	100%
M&G Real Estate Asia Pte. Ltd	138 Market Street, Level 35 Capitagreen, Singapore, 048946	200610218G	Ordinary shares	67%	67%
M&G Real Estate Japan Co. Ltd	Shiroyama Trust Tower, Tokyo, Japan	0100-01-148048	Common stock	67%	67%
M&G UK Property Nominee 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	8494699	Ordinary shares	100%	100%
M&G RE UKEV 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	11163869	Ordinary shares	100%	100%
M&G Real Estate Korea Co. Ltd	Kyobo Building, 1 Jongno, Jongno-gu, Seoul, 110-714, Korea	110111-4931831	Common stock	67%	67%
M&G UK Property Nominee 2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	8494704	Ordinary shares	100%	100%
M&G UKEV (SLP) LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL032565	Limited Partner Capital	80%	75%
M&G RPF Nominee 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	8409413	Ordinary shares	100%	100%
M&G RPF Nominee 2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	8410027	Ordinary shares	100%	100%
M&G Real Estate Funds Management Sarl	16 Boulevard Royal, L-2449, Luxembourg	B175545	Ordinary shares	100%	100%
M&G UK Shared Ownership Limited	10 Fenchurch Avenue, London, EC3M 5AG	12199619	Ordinary shares	100%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
M&G European Secured Property Holding Company S.à.r.l.	16 Boulevard Royal Luxembourg L-2449 Luxembourg	B193079	Ordinary shares	100%	100%
Canada Property Holdings Limited	10 Fenchurch Avenue, London, EC3M 5AG	4415746	Ordinary shares	100%	100%
Embankment GP Limited	10 Fenchurch Avenue, London, EC3M 5AG	10747140	Ordinary shares	100%	100%
Highcross Leicester (GP) Limited	Kings Place, 90 York Way, London, N1 9GE	10530428	Ordinary shares	50%	50%
M&G RED II Employee Feeder GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC430540	Ordinary shares	100%	100%
M&G RED III Employee Feeder GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC434132	Ordinary shares	100%	100%
Selly Oak Shopping Park (General Partner) Limited	10 Fenchurch Avenue, London, EC3M 5AG	11104396	Ordinary shares	100%	100%
Canada Property (Trustee) No. 1 Limited	180 Dundas Street West, Suite 1200, Toronto ON MSG 1 ZB, Canada	1060750-9	Ordinary shares	100%	100%
Embankment Nominee 1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10749686	Ordinary shares	100%	100%
M&G RED II SLP GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC430535	Ordinary shares	100%	100%
M&G RED III SLP GP Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC434193	Ordinary shares	100%	100%
Selly Oak Shopping Park (Nominee 1) Limited	10 Fenchurch Avenue, London, EC3M 5AG	11105117	Ordinary shares	100%	100%
Embankment Nominee 2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	10750266	Ordinary shares	100%	100%
Selly Oak Shopping Park (Nominee 2) Ltd	10 Fenchurch Avenue, London, EC3M 5AG	11105380	Ordinary shares	100%	100%
Ox GP LLP	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, United Kingdom	SO307059	Limited Liability Partnership Capital	100%	100%
M&G RED II GP Limited	La Plaiderie Chambers La Plaiderie, St Peter Port, Guernsey, GY1 1WG	55378	Ordinary shares	100%	100%
M&G RED III GP Limited	La Plaiderie Chambers La Plaiderie, St Peter Port, Guernsey, GY1 1WG	55393	Ordinary shares	100%	100%
Ox GP 1 Limited	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, United Kingdom	SC677634	Ordinary shares	100%	100%
Sustainable Multi Asset Balanced Fund	10 Fenchurch Avenue, London, EC3M 5AG	IC 160	Class L shares	31%	100%
Sustainable Multi Asset Cautious Fund	10 Fenchurch Avenue, London, EC3M 5AG	IC 160	Class L shares	49%	100%
Sustainable Multi Asset Growth Fund	10 Fenchurch Avenue, London, EC3M 5AG	IC 160	Class L shares	67%	100%
M&G (Lux) Emerging Markets Corporate ESG Bond Fund	49, Avenue J.F. Kennedy, L - 1855 Luxembourg	B210615	SICAV Shares	57%	55%
M&G (Lux) Global Enhanced Equity Premia Fund	49, Avenue J.F. Kennedy, L - 1855 Luxembourg	B210615	SICAV Shares	99%	100%
M&G Emerging Markets Monthly Income Fund	10 Fenchurch Avenue, London, EC3M 5AG	IC000552	Class L shares	72%	98%
M&G (Lux) Sustainable Optimal Income Bond Fund	49, Avenue J.F. Kennedy, L - 1855 Luxembourg	B210615	SICAV Shares	98%	—%
Sustainable Global Corporate Bond Fund	10 Fenchurch Avenue, London, EC3M 5AG	IC000841	SICAV Shares	99%	—%
M&G Shared Ownership REIT PLC	10 Fenchurch Avenue, London, EC3M 5AG	12596933	Ordinary shares	100%	100%
Greenpark (Reading) Nominee No.1 Limited	10 Fenchurch Avenue, London, EC3M 5AG	6562317	Ordinary shares	—%	100%
Greenpark (Reading) Nominee No.2 Limited	10 Fenchurch Avenue, London, EC3M 5AG	6562424	Ordinary shares	—%	100%
Holborn Bars Nominees Limited	10 Fenchurch Avenue, London, EC3M 5AG	2334947	Ordinary shares	—%	100%

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

Subsidiaries and Associates	Registered Office	Registered Number	Class of Equity Held	Ownership %	
				2022	2021
IGP Realisations I GP LLP	Unit 2 Spinnaker Court 1c Becketts Place, Hampton Wick, Kingston Upon Thames, KT1 4EQ	OC403293	Limited Liability Partnership Capital	—%	100%
Infracapital GP 2 LLP	Unit 2 Spinnaker Court 1c, Becketts Place, Hampton Wick, Kingston Upon Thames, KT1 4 EQ	OC395043	Limited Liability Partnership Capital	—%	100%
Infracapital SLP II LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL008358	Limited Partner Capital	40%	40%
PPM Managers Partnership CI VII (A) LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL013387	Limited Partner Capital	25%	25%
Prudential Greenfield SLP GP LLP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SC304997	Limited Liability Partnership Capital	—%	100%
Greenpark (Reading) General Partner Limited	C/O Mazars Llp 1st Floor, 2 Chamberlain Square, Birmingham, B3 3AX	6529374	Ordinary shares	100%	100%
M&G International Investments SA	16 Boulevard Royal, L-2449, Luxembourg	B213164	Ordinary shares	—%	100%
M&G PFI Carry Partnership 2016 LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL028237	Limited Partner Capital	25%	25%
M&G RED II SLP LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL011176	Limited Partner Capital	28%	28%
M&G RED III SLP LP	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SL011512	Limited Partner Capital	25%	25%
Infracapital SLP EF II Limited	50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ	SO305007	Ordinary Shares	100%	100%
M&G Offshore UK Inflation Linked Corp Bond Fund Limited	Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT	IC000841	Class A Shares	100%	100%

11. Debtors

	2022	2021
	£000	£000
Amounts owed by group undertakings	56,400	55,370
Guarantee fee debtors	146	184
	<u>56,546</u>	<u>55,554</u>

Included within Guarantee fee debtors are amounts due after more than one year of £80,000 in respect of the guarantee referred to in Note 9.

The amounts owed by the group undertaking represents an unsecured revolving pay-in-kind loan.

M&G Group Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

12. Creditors

	2022	2021
	£000	£000
Corporation tax	63	4
Guarantee financial liability	145	174
	208	178

Included within Guarantee financial liability are amounts payable after more than one year of £96,000 in respect of the guarantee referred to in Note 9.

13. Called up share capital

	2022	2021
	£000	£000
Allotted, called up and fully paid		
40,400,004 (2021 - 400,004) Ordinary shares shares of £0.25 each	10,100	100

14. Related parties

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 relating to the disclosure of transactions with other wholly owned subsidiary undertakings of the M&G plc Group. There are no other transactions with related parties.

15. Immediate and ultimate parent company

The Company's immediate parent company is M&G Group Regulated Entity Holding Company Limited.

The Company is a subsidiary undertaking of M&G plc which is the ultimate parent company incorporated in England and Wales. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is M&G plc. Copies of the M&G plc consolidated financial statements can be obtained from the Company Secretary at 10 Fenchurch Avenue, London, EC3M 5AG.