

M&G (Lux) Investment Funds 1
Société d'Investissement à Capital Variable
Registered office: 49, Avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg: B 210615

6 July 2018

Dear Investor

Information for Investors in M&G (Lux) Investment Funds 1:

We are writing to you as an investor in M&G (Lux) Investment Funds 1 (the “M&G SICAV”), to notify you that with effect from Monday 1 October 2018 (the “Effective Date”), the management company of the M&G SICAV will change from M&G Securities Limited to M&G Luxembourg S.A.

Background:

On 29 March 2017, the UK Government gave the European Union (EU) formal notice of its intention to leave the EU, following the UK referendum on EU membership in June 2016. Under the terms of the relevant EU Treaty, the earliest the UK can leave the EU will be March 2019. After this date it is unknown if the UK's withdrawal from the EU will result in loss of access to the EU Financial Services Passports; consequently there remains a significant risk that M&G Securities Limited (“MGSL”) will no longer be able to utilise the existing passporting rights through which the company currently manages funds and services domiciled and distributed throughout the EU.

M&G's Brexit Program:

In response to this risk, and as a clear statement of M&G's intentions to continue its strong presence in the EU, M&G has undertaken a program to continue operations within the EU, which includes:

- the conversion of M&G's existing Luxembourg based Alternative Investment Fund Manager, M&G Luxembourg S.A., to a Super Management Company (“SMCo”), which has the necessary resources and regulatory permissions to act as the management company of all of M&G's EU domiciled funds including the M&G SICAV;
- The development and implementation of a robust and sustainable business operating model.

The change in management company is purely to address any potential issues associated with regulatory and / or legal changes introduced as part of Brexit. Whilst the management company is changing, the following will not change regarding the M&G SICAV:

- Investment Management: M&G Investment Management Limited will continue managing the portfolios of the M&G SICAV's funds and as a result there will be no change in investment objectives, policies or approaches described in the M&G SICAV's prospectus;
- Fund Administration: State Street Luxembourg S.C.A. will continue as the administrator of the M&G SICAV;
- Transfer Agency: RBC Investor Services Bank S.A (Luxembourg) will continue as the transfer agent of the M&G SICAV;

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- **Costs and Fees:** there will be no cost to the investor for the change in management company or any fee increase as a result of the change.

The SMCo will be staffed and operational in advance of the migration of the management company from MGSL to the SMCo on the Effective Date.

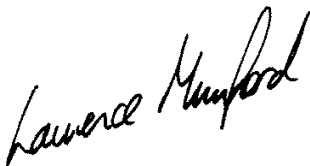
What is required by Investors:

As an investor in M&G SICAV you do not need to take any action regarding the change of management company.

Further information

If you do require further information of an operational nature, please do not hesitate to contact our **Customer Services** team by email at csmang@rbc.com or by telephone on **+352 2605 9944**. We are open from 09:00 to 18:00 CET Monday to Friday. For your security and to improve the quality of our service we may record and monitor telephone calls. For any other enquiries please call your usual M&G contact.

Yours faithfully



for and on behalf of the board of directors of M&G (Lux) Investment Funds 1