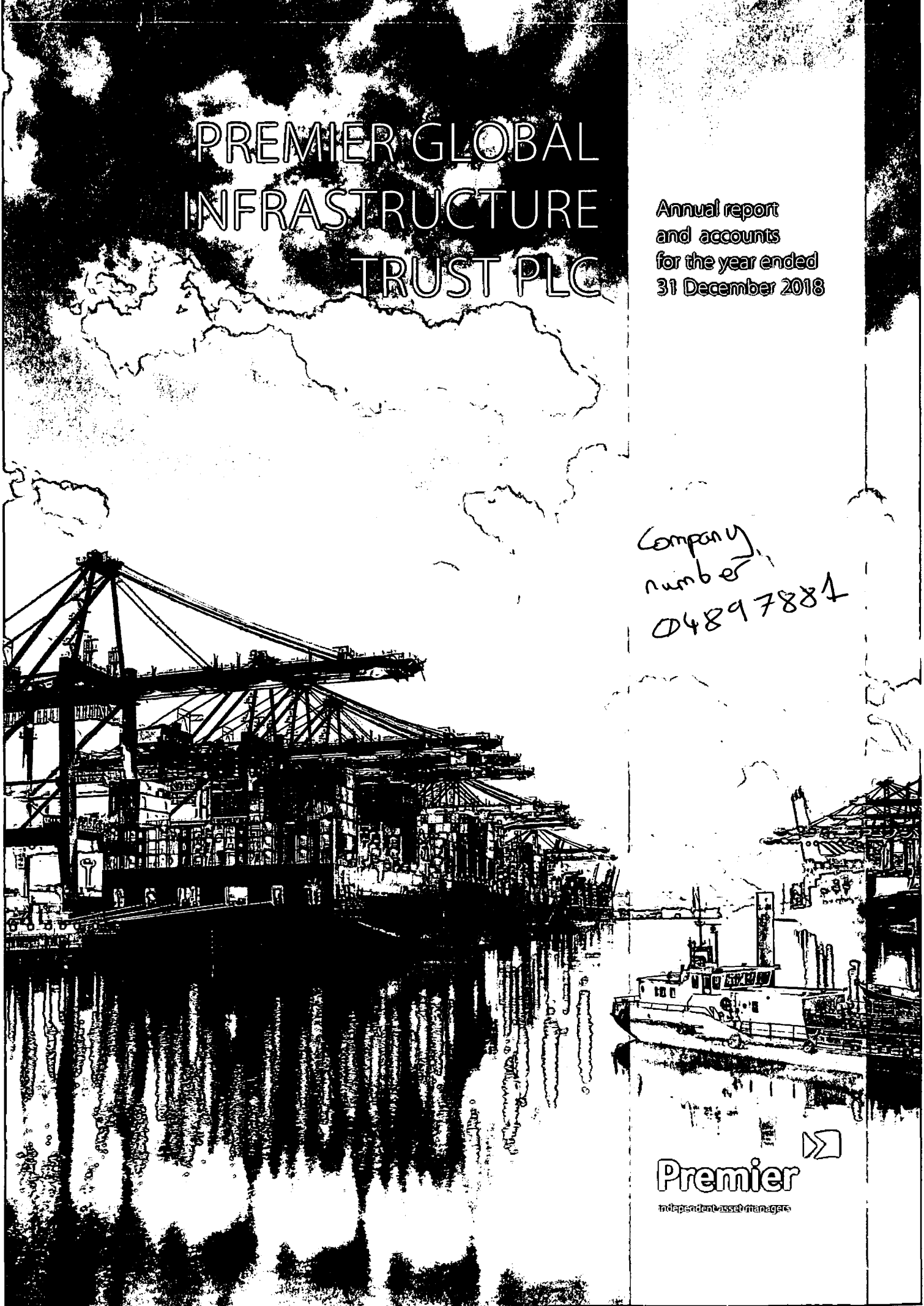


SEPARATOR SHEET





PREMIER GLOBAL INFRASTRUCTURE TRUST PLC

Annual report
and accounts
for the year ended
31 December 2018

Company
number
04897884


Premier

independent asset managers

Financial Calendar 2019

Company's year end	31 December
Annual results announced	March
Annual General Meeting	25 April 2019
Company's half year end	30 June
Half year results announced	August
Dividend payments	At the end of March, June, September and December

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Investment Objectives

The investment objectives of Premier Global Infrastructure Trust PLC are to achieve a high income from, and to realise long term growth in the capital value of its portfolio. The Company seeks to achieve these objectives by investing principally in the equity and equity-related securities of companies operating primarily in the energy and water sectors, as well as other infrastructure investments.

Company Summary

Group

Premier Global Infrastructure Trust PLC (the "Company") and its wholly-owned subsidiary PGIT Securities 2020 PLC.

Capital Structure

Ordinary Shares (1p each)

18,088,480

The Ordinary Shares are entitled to all of the Company's net income available for distribution by way of dividends. On a winding-up, they will be entitled to any undistributed revenue reserves and any surplus assets of the Company after the Zero Dividend Preference Shares ("ZDPs"/ZDP Shares) accrued capital entitlement and payment of all liabilities. The Ordinary Shareholders have the right to receive notice of, to attend and to vote at all general meetings of the Company. The Ordinary Shares are qualifying investments for ISAs.

Zero Dividend Preference Shares (1p each) Issued by PGIT Securities 2020 PLC

24,073,337

The 2020 ZDP Shares ("2020 ZDPs/ZDPs") will have a final capital entitlement of 125.6519p on 30 November 2020, equivalent to a gross redemption yield of 4.75%, subject to there being sufficient capital in the Company. The 2020 ZDPs are qualifying investments for ISAs.

Company Details

Investment Manager

Premier Fund Managers Ltd ("PFM Ltd"), is a subsidiary of Premier Asset Management PLC ("PAM PLC"). PAM PLC had approximately £6.4bn of funds under management at 31 December 2018. PFM Ltd is authorised and regulated by the Financial Conduct Authority ("FCA"). The Company's portfolio is managed by James Smith and Claire Long. On 20 January 2015 the Company appointed Premier Portfolio Managers Limited ("PPM") as its Alternative Investment Fund Manager. PPM has delegated the portfolio management of the Company's portfolio of assets to PFM Ltd.

Secretary

Premier Portfolio Managers Ltd provides the company secretarial and administrative services.

Management Fee

0.75% per annum of the assets under management, charged 40% to revenue and 60% to capital.

Company Highlights

for the year to 31 December 2018

	31 December 2018	31 December 2017	% change
Total Return Performance			
Total Assets Total Return ¹	(11.0%)	1.7%	
FTSE Global Core Infrastructure 50/50 Total Return Index ²	2.7%	8.9%	
FTSE All-World Index Total Return ² (GBP)	(3.5%)	13.8%	
FTSE All-Share Index Total Return ² (GBP)	(9.5%)	13.1%	
Ongoing charges ³	1.7%	1.8%	
Ordinary Share Returns			
Net Asset Value per Ordinary Share (cum income) ⁴	112.55p	165.07p	(31.8%)
Mid-market price per Ordinary Share ²	102.00p	146.25p	(30.2%)
Discount to Net Asset Value	(9.4%)	(11.4%)	
Revenue Return per Ordinary Share	10.33p	11.59p	(10.9%)
Net dividends declared per Ordinary Share	10.20p	10.00p	2.0%
Net Asset Value Total Return ⁵	(25.4%)	(0.9%)	
Share Price Total Return ²	(23.3%)	(4.3%)	
Zero Dividend Preference Share Returns			
Net Asset Value per Zero Dividend Preference Share ⁴	114.95p	109.74p	4.7%
Mid Market Price per Zero Dividend Preference Share ²	116.50p	115.50p	0.9%
Premium to Net Asset Value	1.3%	5.2%	
Hurdle Rates⁸			
Ordinary Shares			
Hurdle rate to return the share price of 102.00p at 30 November 2020 ⁶	2.2%		
Zero Dividend Preference Shares			
Hurdle rate to return the redemption share price for the 2020 ZDPs of 125.6519p at 30 November 2020 ⁶	(18.7%)		
Balance Sheet			
Gross Assets less Current Liabilities (excluding Zero Dividend Preference Shares)	£48.0m	£56.3m	(14.7%)
Zero Dividend Preference Shares	(£27.7m)	(£26.4m)	4.5%
Equity Shareholders' Funds	£20.4m	£29.9m	(31.8%)
Gearing on Ordinary Shares ⁷	2.36x	1.88x	
Zero Dividend Preference Share Cover (non-cumulative) ⁶	1.49x	1.73x	

1. Based on opening and closing total assets plus dividends marked "ex-dividend" within the period. Source: PFM Ltd.

2. Source: Bloomberg.

3. Ongoing charges have been based on the Company's management fees and other operating expenses as a percentage of average gross assets less current liabilities over the year (excluding the ZDPs accrued capital entitlement).

4. Articles of Association basis.

5. Based on opening and closing NAVs with dividends marked "ex-dividend".

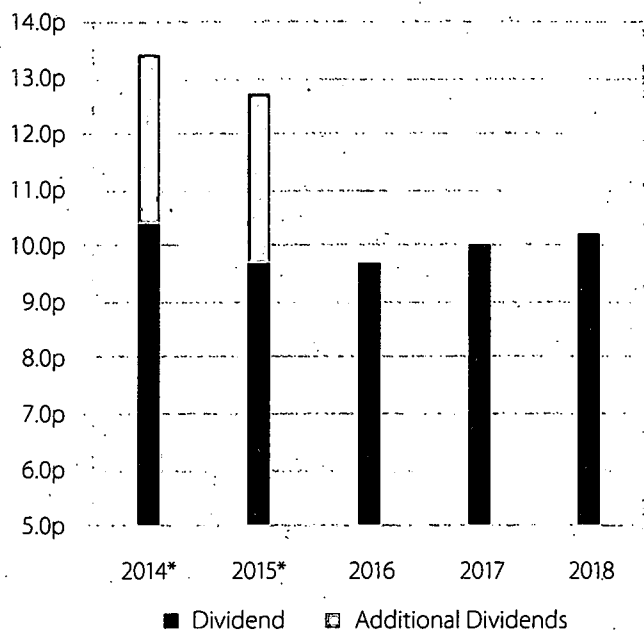
6. Source: JP Morgan Cazenove and PFM Ltd. Non-cumulative cover = Gross assets at year end less estimated wind up costs less management charges to capital divided by final repayment of ZDPs.

7. Based on Gross Assets less Current Liabilities divided by Equity Shareholders' Funds at the end of each year.

8. Hurdle rate definition can be found in the Glossary of Terms & Alternative Performance Measures on page 60.

Dividend and Share Price Performance

**Five year dividend chart
2014-2018**



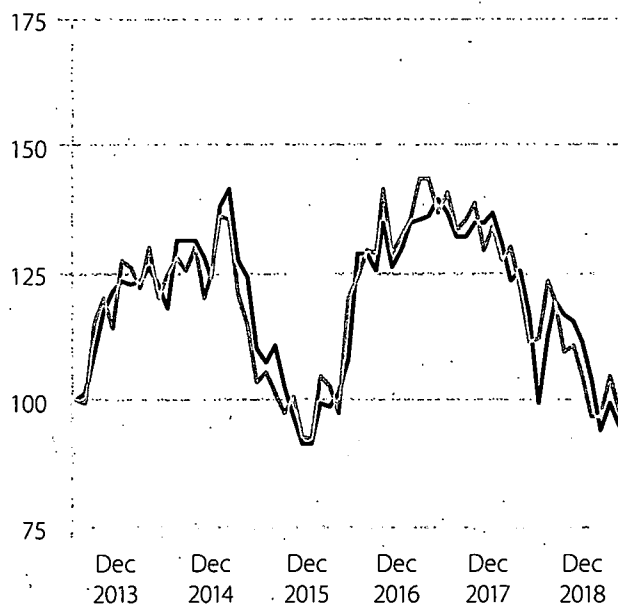
■ Dividend

□ Additional Dividends

*Includes additional dividends of 3.00p.

Source: Premier Fund Managers Limited

**Ordinary Shares five year performance chart
(rebased to 100)**

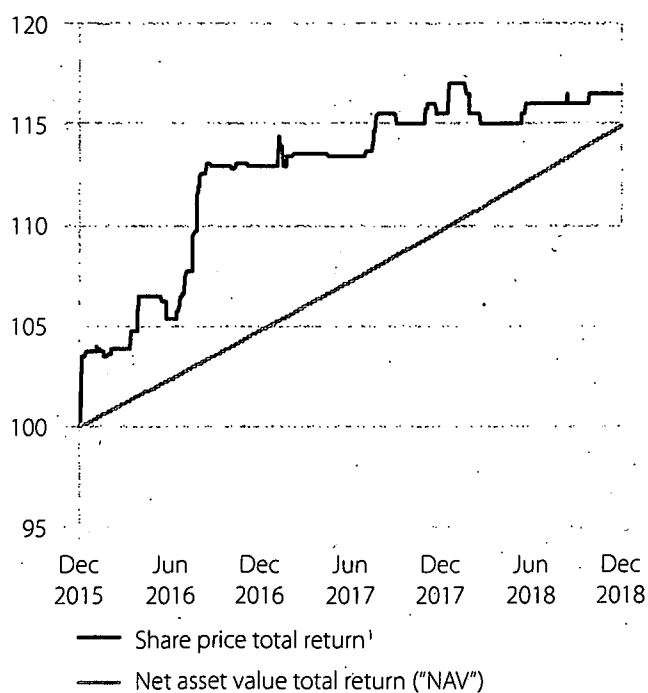


— Share price total return

— Net asset value total return ("NAV")

Source: AIC using Morningstar

**ZDP Shares three year performance chart[†] (since issuance)
(rebased to 100)**



— Share price total return[†]

— Net asset value total return ("NAV")

Sources: Bloomberg[†]/Premier Fund Managers Limited

[†]The 2020 ZDP Shares were issued on 31 December 2015 and performance is shown from the date of issue.

Chairman's Statement

for the year to 31 December 2018

Performance

This is my first statement as Chairman of Premier Global Infrastructure Trust plc ("the Company"/"Trust") and it is disappointing to report that 2018 was a difficult year for the Company. The Gross Assets total return, measuring the return to the portfolio including income generated, net of fees, currency hedging, and operating costs, was a negative 11.0%. The Trust's geared capital structure, together with the finance costs attributable to the Zero Dividend Preference ("ZDP") Shares magnified the loss, resulting in a 25.4% negative return to Net Assets. However, between the year end and 6 March (the last practical date prior to the signing of this statement), the NAV increased by 23.9% to 139.46p, and the share price by 20.1% to 122.50p, giving an encouraging start to 2019.

Shareholders will be aware that in 2017 the Trust refined its investment strategy to encompass investment in wider infrastructure assets, such as transportation, and at the same time changed its performance comparator index to the FTSE Global Core Infrastructure 50/50 Total Return Index ("Infrastructure Index"). During 2018 the Infrastructure Index returned a positive 2.7%.

It should be remembered that the Infrastructure Index is used for comparison purposes only and that the portfolio is structured entirely independently of the contents of any index. The key points of difference between the Trust's portfolio and the Infrastructure Index are firstly the Trust's significant exposure to Emerging Markets ("EM"), in which the Infrastructure Index holds a comparatively modest weighting. Secondly, the Infrastructure Index has an approximate 50% exposure to the US, an area in which the Company's portfolio is "underweight", with an exposure of less than half that of the Infrastructure Index.

2018 was a year in which EM assets fell heavily, while safe haven US assets performed relatively well. The Investment Managers hold EM assets for a combination of strong growth at modest valuation, and believe that much of the US infrastructure sector trades at levels which are unattractive to long term investors.

However, the markets disagreed with this view in 2018, with weakness afflicting EMs from the second quarter, while US assets performed relatively well. The poor performance of EMs can principally be attributed to a combination of the strength of the US Dollar, and a robust oil price (although it fell back sharply toward the end of the year), both of which have acted to drain liquidity from EMs. The trade dispute between the US and China, and also contagion risks resulting from specific issues in countries such as Turkey and Argentina added further to the malaise.

While the global economy has undoubtedly been a major headwind in the short term, we believe that fundamental company performance is more significant over the long term. Therefore it is important to note that the EM holdings within the portfolio continued to perform very well operationally, with companies reporting strong earnings growth which was not reflected in their weak share prices. As a Board we are aware that many shareholders hold this Trust so as to access stocks that

they otherwise would not be able to hold so we support the managers continued exposure to such companies.

The Board monitors the investment strategy of the Investment Managers very closely and has recently agreed with the Investment Managers some internal limits to stock positions to produce a more balanced portfolio, whilst maintaining the overall investment strategy.

Portfolio summary

The main regional weakness for the Trust in 2018 was in China, which represented 21% of the portfolio by the year end. This was caused by a combination of macro factors as discussed above, but also a rights issue by our largest Chinese investment, China Everbright International. Further details on this can be found in the Investment Managers' Report. Earnings growth across the portfolio's Chinese investments remained very strong during the year.

The Company's Brazilian holdings recovered strongly in the fourth quarter post the presidential election in which the more market friendly candidate, Jair Bolsonaro, prevailed. Prior to the election the Brazilian market had been weak.

In contrast to other EMs, India was a positive performer for the Company in 2018. In the second quarter, the holding in renewable energy company Mytrah was sold into a buyout, realising a 63% premium to the share price at the start of the year. OPG's shares had rather a rollercoaster year, falling sharply as they extracted themselves from their failed asset in Gujarat, but rallying sharply toward the end of the year as the company's plant in Chennai became increasingly profitable as coal prices fell.

The portfolio's North American investments are focused mainly on the North American pipeline and renewable energy sectors. However these sectors did not in the main participate in the modest strength seen in other North American infrastructure assets such as transportation or mainstream utilities. The renewables sector is mainly held for a high and growing yield. The increasing interest rate environment in the year had a dampening effect on the sector, although rather perversely, mainstream North American utilities seemed not to be particularly affected.

UK utilities had another difficult year as a result of perceived political risks. However, the Investment Managers feel that market prices more than discount the risks, and weightings have therefore been increased. UK utilities also trade on attractive yields, to the benefit of the Company's income account.

Currency

As mentioned above, the US Dollar was strong throughout 2018 as the Federal Reserve increased base interest rates. Sterling weakened by some 5.6% against the US Dollar, although was more level against an almost equally weak Euro.

EM currencies were also weak. Of most interest to the portfolio, the Chinese Renminbi was flat against Sterling, although the Brazilian Real fell 10.7%.

Chairman's Statement continued

One of the major risks to the Company's Net Assets is a possible rebound in the value of sterling from its current depressed level. The decision was made to remove much of this risk during 2018 by hedging a significant part of our exposure to currency risk in developed market currencies. Unfortunately however, this effectively meant that the Company did not participate in what would otherwise have been a positive translation effect of a weaker sterling.

At the time of writing, it is not clear where the UK is headed on Brexit. However if and when a satisfactory settlement is achieved then sterling has the potential to appreciate considerably, so the hedging position is being maintained.

ZDP Shares

The price of the ZDP Shares gained 0.9% to close the year at 116.50p. The ZDP Shares will mature in November 2020 at a value of 125.6519p; and at 31 December 2018 offered a yield to their maturity value of 4.0% per year. The asset cover of the ZDP Shares at the year-end was 1.49x.

Income and dividends

Income generation in 2018 has been less strong than 2017 falling by 10.0% as a result of largely one off factors. Firstly, the average rate of sterling against the US Dollar was almost 4% higher than the previous year, which acts to reduce income when translated into sterling. Secondly, in 2017 the Trust received some exceptional dividends from Romanian holdings, which had in effect been told to pay one off higher dividends by their Government. These holdings have now been sold. Thirdly, OPG power, after paying a cash dividend in 2017, paid their dividend in scrip format for 2018, which the Trust has taken to capital rather than income.

Despite this, the Investment Managers feel that the underlying income trend remains firmly upwards, and individual investments have continued to raise payments at a modest rate. With this in mind, your Board has declared a 4th interim dividend of 2.70p, which will be paid on 29 March 2019, to shareholders on the register at close of business on 8 March 2019. This brings the total dividend paid in respect of 2018 to 10.20p, a 2.0% increase on the dividend paid in respect of 2017.

Shareholders will recall the change in policy to pay a more even dividend through the year, first explained in the announcement of the Company's second interim dividend declared on 27 July 2018.

Board development

Kasia Robinski has indicated that she will not be standing for re-election at the forthcoming AGM. I would like to thank Kasia for her valuable contribution during her time on the Board.

We are nominating Melville Trimble for appointment to the Board at the AGM. Melville has many years experience in the investment trust industry and until recently was a Deputy Chair of the Association of Investment Companies and Chair of its Audit Committee.

Shareholder relations

The Board and Investment Managers welcome contact with existing and potential shareholders. The Company's AGM will be held on 25 April 2019 at the offices of Premier Fund Managers Limited, Eastgate Court, High Street, Guildford, Surrey, GU1 3DE, at 12.15 p.m. where a presentation will be given, and it is hoped that shareholders will be able to attend on this date.

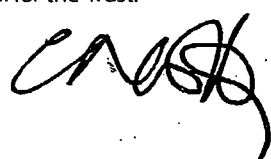
Shareholders can find additional details regarding your Company including factsheets and articles on topics relating to both the infrastructure sector and the Company on Premier's website at: www.premierfunds.co.uk.

Outlook

Despite the difficult year, the underlying performance of the portfolio remains encouraging. Markets have focused on macro concerns, while the real gains in the portfolio's operational and financial performance have largely gone unnoticed and unrewarded.

The Board has carefully considered the potential impact of Brexit on the Trust. Given that the Trust has only c. 3% of its assets invested in the EU, and its infrastructure investments in the UK are unlikely to be materially affected, we consider the impact of Brexit to be minimal.

The Company's portfolio is trading at a level which the Investment Managers believe to be very low, especially considering these positive underlying results. The Investment Managers focus on investing in companies that have strong potential for growth and steady or growing income streams. In what might be a difficult year for world markets, with increasing trade tensions, it is to be hoped that the value in the portfolio companies starts to be recognised within their respective markets. In the meantime, the year has started well for the Trust.


Gillian Nott OBE
Chairman

8 March 2019

Investment Managers' Report

for the year to 31 December 2018

Performance overview

2018 was a very disappointing year from the point of view of share price performance, with macro conditions hitting investor sentiment, particularly with regard to investment in emerging markets.

This was caused by several factors, firstly a tightening of liquidity from US interest rate rises and the reversal of quantitative easing. Emerging markets, particularly those with large US Dollar liabilities, were left exposed. In addition, US investors were incentivised by higher domestic rates to repatriate investment to the US, reducing demand for riskier emerging equities.

Secondly the steady deterioration of trade relations between the US and China acted to dampen enthusiasm for emerging markets, although it took until the end of the year before markets understood that tariffs were detrimental for both parties and not just China.

Thirdly, the slowdown in China's economy looks to be gathering pace, with the Chinese Government appearing to be reluctant to provide material stimulus.

These three macro trends could well last well into 2019, But in time we expect the US and China to reach an accommodation, while a slowing US economy should keep interest rate increases at a modest level.

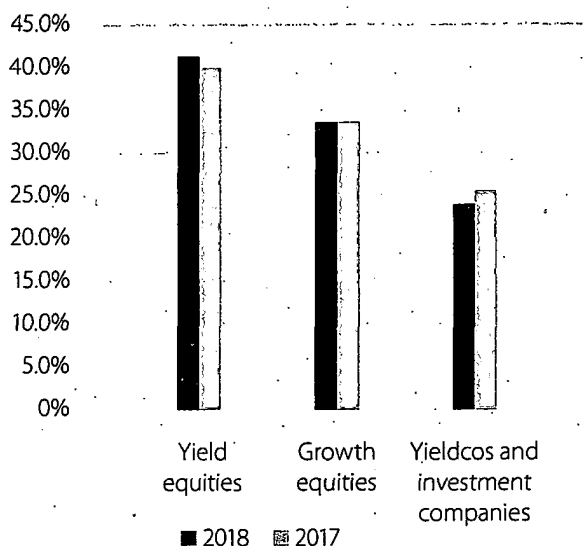
Despite the weak markets, the underlying earnings growth of the portfolio's investments continued to be very encouraging, and ironically often strongest in those companies whose share prices performed worst.

As a result of the combination of increased earnings and falling share prices, the portfolio can (again) be said to have become cheaper. According to Bloomberg, the Price / Earnings ratio (measuring the average share price of portfolio holdings divided by the earnings per share) of the portfolio was 10.7x by the year end, having started the year on 13.8x. 2018 could be said to be a year in which negative macro factors had a greater influence on performance than the positive micro factors.

Portfolio segmentation

As we discussed in the Investment Managers' Report for 2017, we segment the portfolio into three investment types:

PORTFOLIO CLASSIFICATION BY INVESTMENT TYPE



Source: PFM Ltd

Firstly, yield equities, being those companies held primarily for their yield, typically above 3.5%, represented by larger more mature incumbent businesses, usually in developed markets. Secondly growth equities, being those investments held primarily for capital rather than income returns, typically smaller companies located in emerging markets. Thirdly, yield companies ("yieldcos") and investment companies. Yieldcos are companies set up to own a portfolio of cash producing assets, and pay out a high proportion of their cash-flow as a dividend to shareholders. The Company may also invest in other investment companies in order to take advantage of a discount, or to access a particular specialist area.

During 2018 the yield equities element of the portfolio out-performed, being about level for the year. In contrast growth equities and yield companies under-performed.

Growth equities, tending to be emerging market based, had a difficult year, although underlying performance remains strong. Yield companies, mainly based in North America, under-performed as a result of the interest rate increases during the year.

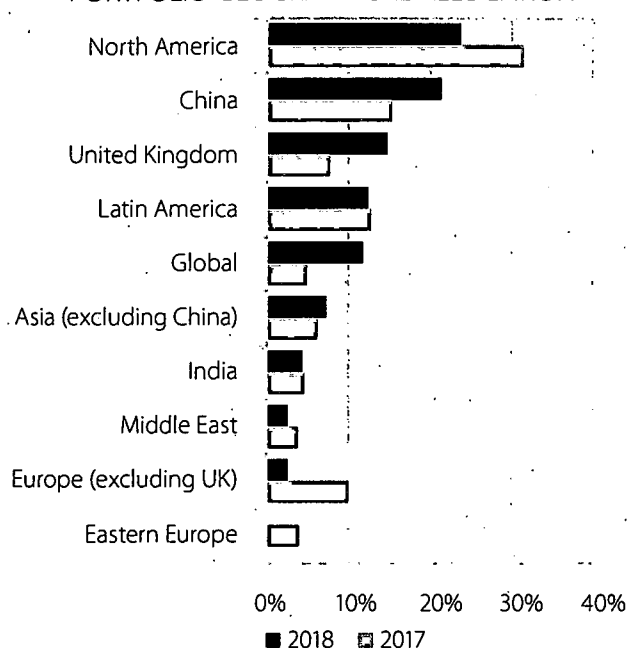
Overall, the relative weightings remain consistent with 2017 as the portfolio has been rebalanced to take advantage of price weakness in those areas which have under-performed.

Geographical segmentation

While there has been little movement in the balance of asset type held, there have been some material shifts in the geographical make up of the portfolio.

Investment Managers' Report continued

PORTFOLIO GEOGRAPHICAL ALLOCATION



Firstly, the allocation to North America has fallen from 31.5% at December 2017 to 23.7% at the end of 2018. This reflects our view that mainstream US utilities and infrastructure are fully valued. During the year the investments in utilities **Avangrid** and **Sempra Energy** were sold. These had been successful investments, but had reached a level where we felt more attractive opportunities were available.

This has been offset by an increase in investment in the UK, where the weighting rose from 7.6% to 14.7%. We believe that the well-publicised regulatory and political risks in the UK are over-stated, and a sharp fall in the sector at the start of the year afforded an attractive entry point to increase exposure to the sector. On the same lines, the exposure to the "Global" weighting (which comprises those companies with businesses spanning more than one region) increased from 4.9% to 11.7% as we re-acquired **National Grid**, which had fallen in value along with the other UK utilities.

European exposure has fallen sharply to almost nothing partly as a result of the sale of Italian toll road company **Atlantia**, fortunately prior to the collapse of the Morandi bridge in Genoa. Additionally the stake in Spanish renewable energy company **Saeta Yield** was sold into an offer for the company, realising a return of over 50% to the Trust over its period of ownership. We believe that European infrastructure and utilities are relatively high risk, and see few opportunities at present. Likewise the investments in Romania were also sold during the year, following adverse regulatory changes.

The exposure to China has increased from 15.2% to 21.3% as we have taken advantage of the continued fall in valuations, coupled with very strong fundamental attractions of the waste management, renewable energy, and gas distribution sectors.

Yield equities

Cia de Saneamento do Paraná ("Sanepar") remains the Trust's largest holding. The shares were weak in the first nine months of the year due to the pressure on emerging markets, and the uncertainty of the Brazilian presidential election in October. However following the victory of the pro-market candidate, Jair Bolsonaro, the shares rallied strongly in November and December to finish the year with a small gain. Earnings growth has been good through the year, in line with our expectations.

Also in Brazil, toll road company **Ecorodovias**, a new holding in the year, benefited from the election result, with the new Government expected to offer more new roads for private investment.

In the first quarter of 2018 we re-established holding in **National Grid**, a stock that we had sold in late 2016 / early 2017. However the build-up of perceived political risks has presented an attractive valuation point to re-enter the stock. Grid's US business is on an improving trend, and we believe is not fairly valued within the share price. Further we believe the nationalisation risks to their UK business are overblown given that the shares trade close to their regulated value. We believe any possible re-nationalisation would have to reflect this level, limiting the possible downside risk.

For similar reasons, **Pennon's** share price has also been rather depressed, and we added further to the position. We feel that the market undervalues their waste business, Viridor, and that, for the same reasons as with National Grid, nationalisation fears are overstated. Pennon's financial results have again been strong during the year, with an 18.6% increase in interim earnings. In addition to Pennon, we also started a holding in **Severn Trent**.

SSE has been a disappointment, and we have reduced the portfolio's exposure to the stock. SSE's proposed spinoff of its retail business has been abandoned, and the company warned on profits in September, citing poor conditions for renewable energy generation, and (we felt) a poorly explained loss in the trading division. However the shares look attractively valued despite this, so we have retained a more modest position.

There has been a dearth of new build generation of any scale in the UK in recent years, and we believe that in the longer term the UK will face a tighter demand and supply balance in the wholesale electricity market. We have therefore started a position in **Drax**, which as is well known, has converted three of its six generating units from coal to wood biomass, and in 2018 completed the conversion of their fourth unit.

The holding in US pipeline and utility company, **Enbridge**, has been increased, partly as a result of the company issuing shares to re-absorb one of its sponsored investment companies (which the Trust also held). Enbridge has benefitted from the rapid growth in North American oil and gas production, and reported strong earnings and dividend growth during the year. However the shares were weak as the market focussed on rather modest regulatory changes (which were subsequently reversed), combined with increased US interest rates dampening demand for higher yielding companies.

Investment Managers' Report continued

Growth equities

OPG Power Ventures, which fell sharply in 2017, had another difficult year in 2018. This was caused by a combination of high coal prices, and regulatory difficulties at their Gujarat plant. This culminated in them handing that plant back to its lenders, and de-consolidating the asset. Their March 2018 accounts reflected a large write off as a result. The interim results to September therefore reflected only the results for their Chennai plant, which has performed much better, having a superior regulatory framework and a higher tariff base. Further, coal prices moderated in the second half of 2018, transforming the profitability of the plant in the near term at least. The shares rallied strongly in the final part of the year, with the investment moving back into the top 10 holdings by year end.

OPG is now the Trust's only Indian investment. The holding in wind energy company **Mytrah**, was sold in the first half of the year following a management buyout at a solid 60% premium to its prior share price.

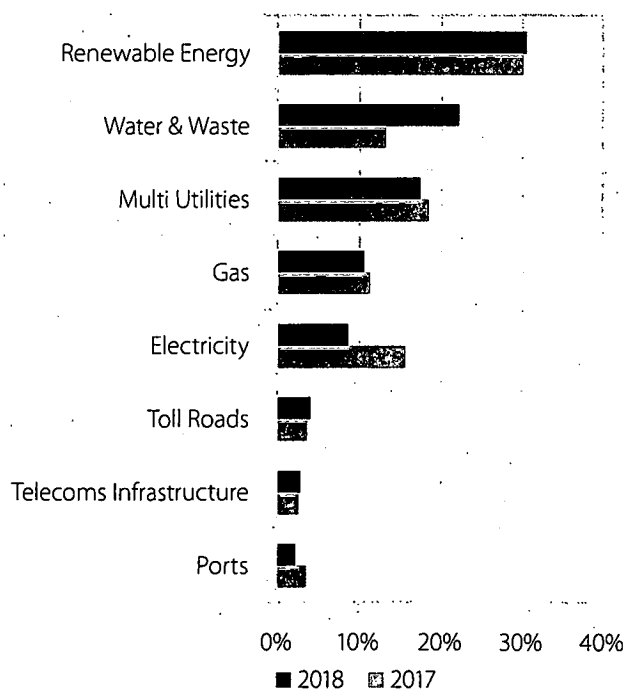
Much of the growth equities element of the portfolio is now centred on China, in particular in environmental sectors such as waste treatment, renewable energy and gas distribution. The companies held continue to perform exceptionally well operationally, and also in their financial results. However financial markets have remained on a downward trend.

China Everbright International, ("CEI") a waste to energy incineration business, continued to add capacity with first half waste volumes increasing by 65.2%. The company undertook a rights issue to fund new projects, announced alongside the strong first half results, and this had a predictably depressing effect on the share price. The Trust took up its rights, and we added further to the position in the soft market following, such that the investment represented 6.8% of the portfolio by year end, up from 5.0% at the end of 2017; this despite a share price fall of 35.5% over the year.

With a freshly capitalised balance sheet, and being the market and technology leader, we feel that CEI is uniquely placed to take advantage of what is expected to be a strong pipeline of new projects over coming years.

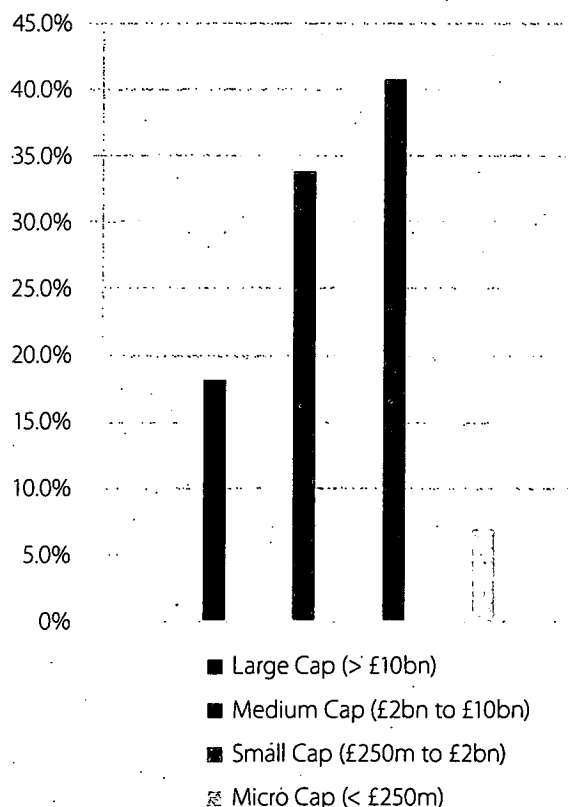
Renewable energy remains a key investment theme for the Trust in China. However we swapped part of the holding in **Huaneng Renewables** (from 4.2% at December 2017 to 1.6% at December 2018), for a new investment, **China Longyuan Power** with a year-end weighting of 4.0%. Both companies are growing well, with renewable energy generation growth in 2018 of 11.3% and 14.1% respectively. Interim earnings growth at both companies was strong, although the shares of each fell in a weak market, by 20.7% and 4.1% respectively.

PORTFOLIO CLASSIFICATION BY SECTOR



Source: PFM Ltd

PORTFOLIO MARKET CAPITALISATION PROFILE



Source: PFM Ltd

Investment Managers' Report continued

In gas distribution, **Beijing Enterprises Holdings** followed the pattern of other Chinese investments, recording a solid 13.0% gain in first half 2018 earnings, but seeing its share price fall 10.6% over the year.

Yieldcos and investment companies

As noted above the yield company / investment company element of the portfolio was rather disappointing in the year.

The valuations of US based yield companies were impacted by increased interest rates, however the companies themselves on the whole managed to expand their asset and cashflow base, which should enable them to recover in time.

US pipeline exposures were impacted by investor concerns that high levels of capex were not consistent with high dividend payments in an environment where share prices have fallen and equity issuance is increasingly difficult. There has also been some modest regulatory uncertainty.

On the positive side, North American oil and gas volumes have been very strong, and the energy infrastructure companies saw a good year of earnings growth. The sector now looks excellent value, particularly given this growth environment. The performance of the two closed end funds in the portfolio, **First Trust MLP** and

Energy Income Fund, and **Center Coast Brookfield MLP** and **Energy Infrastructure Fund** were disappointing, their share prices falling 37.4% and 31.2% respectively. However, both paid out a very high level of dividend, and have recovered strongly in the early part of 2019.

The holding in **Saeta Yield** was sold during the year as noted above, and we reinvested part of the proceeds in **Atlantica Yield**, which moves from a portfolio weighting of 2.7% at December 2017 to 4.0% at December 2018. Atlantica offers a diversified global portfolio of renewable energy assets, together with some electricity transmission, gas generation and water production assets. We also added a UK name to the yield companies section of the portfolio during the year, **Greencoat UK Wind**, as we believe it is well placed to take advantage of what we expect to be a tighter UK generation market in future years.

Currency and Brexit

One of the greatest risks to the portfolio, particularly given the current Brexit situation, remains the value of sterling, which has the potential to appreciate materially should the UK and Europe reach a sensible compromise deal. As such it was decided to mitigate this risk through the hedging of currencies where it can be done cost effectively. This resulted in a net cost in the year of £2.5 million (2017: gain of £1.1 million), essentially representing the FX gain foregone as a result of hedging contracts.

We have conducted an assessment of the likely impact of Brexit on portfolio companies, and have concluded that, aside from currency effects, the impact is unlikely to be material. The portfolio remains mainly invested in domestically focussed infrastructure such as utility assets, rather than internationally focussed assets such as ports and airports.

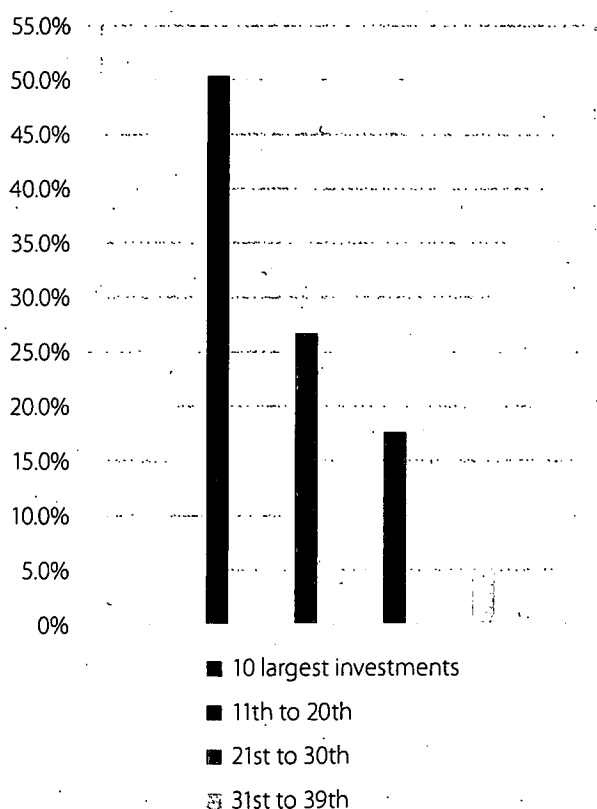
US Dollar, Hong Kong Dollar, and Canadian Dollar exposures were substantially hedged during the year, which meant that the substantial fall in Sterling was not fully reflected in the NAV. The situation will be kept under review as we move through 2019.

Outlook

2018 was a difficult year, particularly for emerging markets. However we take assurance from the very strong earnings growth seen across the portfolio. Although the macro headwinds of 2018 still remain, we hope that 2019 will be a year in which the very encouraging micro picture will be rewarded. The portfolio has made a good start to 2019, and we hope that this will continue should earnings growth meet expectations.

James Smith
Claire Long
Premier Fund Managers Limited
8 March 2019

PORTFOLIO CONCENTRATION



Source: PFM Ltd

Investment Portfolio

at 31 December 2018

Company	Activity	Country	Value £000	% total investments	Ranking 2018	Ranking 2017
Cia de Saneamento do Paraná	Water & Waste	Latin America	3,240	7.0	1	1
China Everbright Intl.	Water & Waste	China	3,137	6.8	2	3
National Grid	Multi Utilities	United Kingdom	2,743	5.9	3	–
Pennon Group	Water & Waste	United Kingdom	2,410	5.2	4	14
Beijing Enterprises Holdings	Gas	China	2,187	4.7	5	8
Enbridge	Gas	North America	2,113	4.6	6	15
OPG Power Ventures	Electricity	India	1,954	4.2	7	23
First Trust MLP and Energy Income Fund	Multi Utilities	North America	1,918	4.1	8	2
China Longyuan Power Group	Renewable Energy	China	1,871	4.0	9	–
Atlantica Yield	Renewable Energy	Global	1,846	4.0	10	17
EcoRodovias Infraestrutura e Logística	Transportation	Latin America	1,451	3.1	11	–
Metro Pacific Investments	Multi Utilities	Asia (excluding China)	1,417	3.1	12	28
Greencoat UK Wind	Renewable Energy	United Kingdom	1,350	2.9	13	–
Center Coast MLP & Infrastructure Fund	Multi Utilities	North America	1,248	2.7	14	20
SSE	Electricity	United Kingdom	1,220	2.6	15	4
Jasmine Broadband Internet Infrastructure Fund	Telecoms Infrastructure	Asia (excluding China)	1,212	2.6	16	24
Clearway Energy 'A'	Renewable Energy	North America	1,210	2.6	17	–
Pattern Energy Group	Renewable Energy	North America	1,143	2.5	18	19
DP World	Ports	Middle East	1,128	2.4	19	10
Drax Group	Renewable Energy	United Kingdom	1,030	2.2	20	–
China Everbright Greentech	Renewable Energy	China	1,016	2.2	21	29
TransAlta Renewables	Renewable Energy	North America	1,011	2.2	22	18
Brookfield Renewable Partners	Renewable Energy	North America	977	2.1	23	12
Edison International	Electricity	North America	909	2.0	24	16
ACEA	Multi Utilities	Europe (excluding UK)	829	1.8	25	13
Northland Power Income Fund	Renewable Energy	Global	827	1.8	26	–
Huaneng Renewables	Renewable Energy	China	751	1.6	27	5
Severn Trent	Water & Waste	United Kingdom	689	1.5	28	–
Omega Geracao	Renewable Energy	Latin America	665	1.4	29	21
TPI Polene Power	Renewable Energy	Asia (excluding China)	531	1.1	30	33
Kunlun Energy	Gas	Asia (excluding China)	456	1.0	31	–
Clearway Energy 'C'	Renewable Energy	North America	447	1.0	32	–
Cia Saneamento Minas Gerais	Water & Waste	Latin America	374	0.8	33	–
Vinci	Construction	Europe (excluding UK)	291	0.6	34	–

Investment Portfolio continued

at 31 December 2018

Company	Activity	Country	Value £000	% total investments	Ranking 2018	Ranking 2017
Yuexiu Transport Infrastructure	Transportation	Asia (excluding China)	231	0.5	35	–
China Resources Gas Group	Gas	China	218	0.5	36	–
Sarana Menara Nusantara Tbk	Telecoms Infrastructure	Asia (excluding China)	198	0.4	37	34
Bluefield Solar Income Fund	Renewable Energy	United Kingdom	61	0.1	38	–
Foresight Solar Fund	Renewable Energy	United Kingdom	54	0.1	39	–
			46,363	99.9%		

Unquoted	Activity	Country	Value £000	% total investments
PGIT Securities 2020 PLC	ZDP subsidiary	United Kingdom	50	0.1
ITI Energy	In liquidation	United Kingdom	–	–
Total investments			46,413	100.0%

Review of Top Ten Holdings

at 31 December 2018

1. Cia de Saneamento do Paraná

Market cap £1.3bn

www.sanepar.com.br

"Sanepar" is the water and sewerage company in the state of Paraná in Brazil, which underwent positive regulatory changes in 2017 designed to encourage increased investment in the sector. This included a 25.6% tariff increase, to be phased in over 8 years. To date the first two annual increases have been implemented as expected, with the third due in April 2019. These tariff increases have continued to feed through to results, with net income growing by 30.1% in 2018. Sanepar's shares gained 2.7% during 2018 and represented 7.0% of the portfolio at the end of the year.

2. China Everbright International Limited

Market cap £4.3bn

www.ebchinaintl.com

China Everbright International ("CEI") is a leading waste to energy and wastewater treatment company operating in mainland China. Over the past seven years, it has seen waste to energy volumes grow by an average of 30% a year, as a result of consistent business growth. In 2018, its rate of project wins increased by over 70% compared to the previous year. However, in order to fund this growth, in August CEI proposed a rights issue to raise HKD10bn (approximately £1bn), a third of its existing share capital. Despite the simultaneous announcement of continued strong growth in earnings of 23% to June 2018, the size of the issue led to a sharp fall in the shares, which, although they have started to recover, ended the year down 35.5%.

3. National Grid

Market cap £26.0bn

www.nationalgrid.com

National Grid operates the UK's electricity and gas transmission networks, and owns electricity and gas distribution assets in the north east of the United States. Its US business has seen a steady growth in rate base, coupled with improving returns, and now accounts for about a third of operating profit. The group sold the remainder of its UK gas distribution interests during the year, raising £2bn, which will be redeployed into faster growing opportunities. Meanwhile the current regulatory period for its UK transmission businesses runs until 2021, so the next review process is just beginning, for which OFGEM is proposing a tighter allowed return. This, combined with a perception of heightened UK political risk, has led to a share price decline of 12.7% during 2018.

4. Pennon

Market cap £2.9bn

www.pennon-group.co.uk

Pennon holds the licence to operate South West Water ("SWW"), which supplies water and sewerage to 1.7 million customers in the West Country. At its interim results in September it reported continued best-in-class returns for SWW and confirmed that it is on track to achieve an expected £300m of efficiencies by the end of the current regulatory period, which runs to April 2020. OFWAT is due to deliver its initial assessment of business plans for the next regulatory period, PR19, early in 2019. Pennon also owns Viridor, a waste treatment and disposal business, which operates incinerators producing energy from waste throughout the UK. Here too Pennon reported strong progress as a series of new incinerators were commissioned, together with an improvement in recycling profitability. Notwithstanding these results, its shares fell 11.5% in 2018, likely due to the twin uncertainties of the regulator's forthcoming review and the UK political background.

5. Beijing Enterprises Holdings

Market cap £5.2bn

www.behl.com.hk/en

Beijing Enterprises Holdings ("BEH") is a utility holding company that comprises 100% ownership of the gas distribution network in Beijing, a 40.0% stake in China's main "East to West" high-pressure gas transmission pipelines, and a 24.4% stake in China Gas Holdings, a separately listed gas distribution business operating across China. In addition, it has a 43.8% ownership stake in separately listed Beijing Enterprises Water, a national wastewater treatment business. Key to the Chinese government's drive to clean up the country's air quality and reduce CO2 emissions is a switch from coal to gas as the primary source of both electricity generation and heating, the latter both in urban and increasingly now in rural areas. Over the past few years, its gas distribution volumes have increased at an average of 12% a year, reflected in net earnings growth for the first half of 2018, which rose 13%. It also indicated a dividend pay-out target for the first time, of 20% of earnings. Despite an encouraging operational performance, BEH's share price fell by 10.6% over 2018.

Review of Top Ten Holdings continued

at 31 December 2018

6. Enbridge

Market cap: £49.3bn

www.enbridge.com

Enbridge operates the longest crude oil and liquids transportation system in North America, totalling over 27,000km. It is also Canada's largest natural gas distribution utility, operating in the eastern provinces. Having acquired Spectra Energy in 2017, which operates a series of gas pipelines originating in Texas, during 2018, Enbridge rationalised its structure by bringing in the minority interests of subsidiary pipeline funds. Meanwhile it has been investing heavily in its existing assets, funded by strong internal cash flows and some disposals, while maintaining a dividend policy of 10% growth a year. For the first nine months of the year, it reported growth in adjusted earnings of 51%. Its share price nonetheless fell by 13.7% during the year.

7. OPG Power

Market cap: £85m

www.opgpower.com

OPG Power is a predominantly coal fired power generator operating in India but listed in London. At the time of its full year results to March 2018, the company reported the full write off of one of its two power businesses, in Gujarat. OPG's shares fell on the news; however, its plant in Chennai meanwhile remained profitable, despite a difficult background of rising coal prices. In November, the company reported significantly improved results at the interim stage from the Chennai plant, together with the fact that it had successfully renegotiated an increase in the electricity tariff against a background of falling coal prices. All debt associated with the Chennai plant is due to be repaid within 5 years, providing a significant boost to free cash flow. With the outlook for its operations significantly improved, the shares started to show signs of recovery, rising 17.3% by the year-end.

8. First Trust MLP and Energy Income Fund

Market cap: £361m

www.ftportfolios.com

First Trust MLP and Energy Income fund ("FEI") is a US listed closed end fund investing in North American oil and gas pipelines and related infrastructure via an asset class known as Master Limited Partnerships or MLPs. It also invests in North American utilities. The MLP spectrum encompasses upstream oil and gas producers as well as infrastructure, but FEI's focus has been on MLPs that have little or no exposure to the oil price or volumes. Despite this, the decline in the oil price from September appears to have taken its toll, and we believe this to be the major reason why its shares fell by 37.4% over the year. At the year-end it had a prospective dividend yield of 12.2%.

9. China Longyuan

Market cap £4.3bn

www.clypg.com.cn/en

China Longyuan's installed wind capacity at the end of 2017 stood at 18.4GW (out of a total installed base for the group of 20.5GW, the remainder being made up of solar and coal fired generation). This already makes it the world's largest wind farm operator, but the group has a further 7.5GW of consented but as yet unbuilt projects underpinning future growth. Volume growth was strong throughout the year with the group reporting a 14.8% increase in wind generation for 2018. Despite first half earnings growth of 27.2%, China Longyuan's share price fell by 21.6% since first purchased for the Trust in April 2018.

10. Atlantica Yield

Market cap: £1.5bn

www.atlanticayield.com

Atlantica Yield operates renewable – predominantly solar thermal – and some conventional thermal generation assets in the US, Spain, South Africa and Latin America. Its renewable assets are all contracted to at least 2032. During the year, it has also made a series of investments in transmission assets in Peru and Chile. In late 2017, the Canadian generation and infrastructure company Algonquin acquired 25% of the company from its original sponsor, Spanish holding company Abengoa, with an option to purchase its remaining 16.5% stake. This partnership will give Atlantica access to a greater range of assets available to acquire from its new sponsor in the future. Its shares fell by 7.6% over the year.

Directors



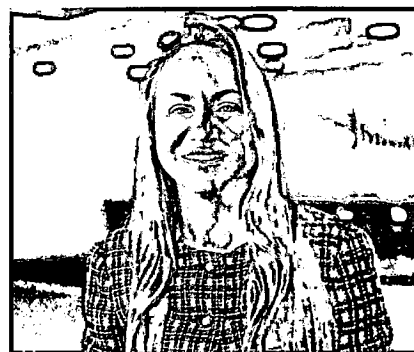
Gillian Nott OBE – Chairman

Gillian Nott worked for 12 years early in her career in the energy business including positions with BP. She went on to be CEO of ProShare, deputy chairman of the Association of Investment Companies and a non-executive director of the Financial Services Authority. She has also sat on the board of a number of investment and venture capital trusts. She is currently Chairman of JP Morgan Russian Securities plc and Hazel Renewable Energy VCT1 plc. Mrs Nott was appointed as a non-executive director of the Company on 1 March 2016.



Kasia Robinski – Chairman of the Audit Committee

Kasia Robinski has over 25 years experience in private equity and investment banking including with Hanover Investors, Prospect Investment Management, the Sutton Company (now Sutton Trust) and Goldman Sachs. She has served on numerous international boards and has undertaken various operating roles, including CFO and CEO, in a broad range of sectors from media through to oil and gas. Ms Robinski holds an MSc degree in Engineering/Economics from Cambridge University and an MBA from the Stanford Business School. She is currently a non-executive director of Gabelli Value Plus + Trust PLC and Henderson International Income Trust PLC. Ms Robinski was appointed as a non-executive director of the Company on 28 February 2017 and was appointed the Chairman of the Audit Committee on 31 October 2017.



Victoria Muir

Victoria Muir is a Chartered Director and a Fellow of the Institute of Directors. She is a distribution specialist and has worked in financial services, with a focus on asset management, for 25 years. She was Global Head of Investor Relations at BlueBay Asset Management and Head of Client Account Management at Royal London Asset Management, where she held four executive directorships on various group companies, including the asset management company. She is a non-executive director of Christie Group plc, Invesco Perpetual Select Trust plc, Smith & Williamson Fund Administration Limited and State Street Trustees Limited. Ms Muir was appointed as a non-executive director of the Company on 14 March 2018.

Investment Managers

James Smith

James joined Premier in June 2012, after spending fourteen years at Utilico, specialising in the global utilities, transportation infrastructure, and renewable energy sectors. During this time he gained extensive experience in both developed and emerging markets. He was previously a director at Renewable Energy Holdings PLC and Indian Energy Ltd. James is a Chartered Accountant and Barrister.

Claire Long

Claire joined Premier in December 2008. Previously she ran a UK smaller companies fund at Rothschild Asset Management after spending four years at Foreign and Colonial where she covered a range of markets, including the UK and Japan. She is an Associate of the CFA UK.

Strategic Report

for the year ended 31 December 2018

The Directors submit to the shareholders their Strategic Report, Directors' Report and the Audited Financial Statements of the Company for the year ended 31 December 2018.

Business Model and Strategy

Business and tax status

The Company is an investment trust and its principal activity is portfolio investment. In the opinion of the Directors, the Company has conducted its affairs during the period under review, and subsequently, so as to maintain its status as an investment trust (see page 18 for tax description). This allows the Company to obtain an exemption from paying taxes on the profits made from the sale of its investments. Investment trusts offer a number of other advantages for investors, including access to investment opportunities that might not be open to private investors and to professional stock selection skills at low cost.

The Company is an investment company as defined in Section 833 of the Companies Act 2006. The Company is not a close company for taxation purposes.

Investment objectives

The Company's investment objectives are to achieve a high income from, and to realise long-term growth in the capital value of its portfolio. The Company seeks to achieve these objectives by investing principally in equity and equity related securities of companies operating primarily in the energy and water sectors, as well as other infrastructure investments.

High income

The full year dividend for 2018 totalled 10.2p (10.0p for 2017) representing a yield of 10% on the year end share price.

The chart on page 3 shows the annual dividends paid by the Company over the past five years, including additional dividends that were paid in 2014 and 2015.

Long term growth in capital value

The asset value of the Company's portfolio will be heavily influenced by performance of the Utility and Infrastructure Sectors and global stock markets. The Directors meet with the Investment Manager regularly to discuss the portfolio.

Investment policy

The policy of the Directors is that, in normal market conditions, the portfolio of the Company should consist primarily of a diversified portfolio of equity and equity-related securities of companies operating in the energy and water sectors, as well as other, infrastructure investments. There are no restrictions on the proportion of the portfolio of the Company which may be invested in any one geographical area or asset class. There are no borrowings under financial instruments or the equivalent of financial instruments but investors should be aware of the gearing effect of the ZDP Shares within the capital structure. The Company's policy is not to employ any gearing through long-term bank borrowing. The Company can, however, employ gearing through the issue of ZDP Shares.

The Company will manage and invest its assets in accordance with its published investment policy. Any material change to this policy will only be made with the approval of Shareholders by ordinary resolution unless otherwise permitted by the Listing Rules.

Investment restrictions

The Company will not:

- 1) invest more than 10%, in aggregate, of the value of its gross assets at the time the investment is made in other UK listed closed-ended funds, provided that this restriction does not apply to investments in any such closed-ended funds which themselves have stated investment policies to invest no more than 15% of their total assets in other listed closed-ended funds;
- 2) invest more than 15% of its gross assets in listed closed-ended funds;
- 3) invest more than 15% of the Company's assets, at the time of acquisition, in a single security;
- 4) invest more than 15% of its gross assets in unquoted securities;
- 5) invest more than 20% (calculated at the time of any relevant investment) of its gross assets in other collective investment undertakings (open-ended or closed-ended);

Strategic Report continued

- 6) expose more than 20% of its gross assets to the creditworthiness or solvency of any one counterparty (including the counterparty's subsidiaries or affiliates);
- 7) invest in physical commodities;
- 8) cross-finance between the businesses forming part of its investment portfolio including provision of undertakings or security for borrowings by such businesses for the benefit of another;
- 9) operate common treasury functions as between the Company and an investee company; or
- 10) conduct any significant trading activity.

In addition to the above restriction on investment in a single company the Board seeks to achieve a spread of risk in the portfolio through monitoring the country and sector weightings of the portfolio.

There will be a minimum of twenty stocks in the portfolio. The Company is geared through ZDP Shares but does not use other gearing on a long-term basis.

Viability statement

The Directors have assessed the viability of the Company over a three year period, taking into account the Company's position at 31 December 2018.

A period of three years has been chosen for the purposes of the assessment of viability as the Board believes that this reflects a suitable time horizon for reviewing the Company's circumstances and strategy, taking into account the investment policy, liquidity of investments, potential impact of economic cycles, nature of operating costs, dividends and the availability of funding. In its assessment of the viability of the Company, the Directors have considered the Company's principal risks and uncertainties detailed on pages 18 and 19 and in particular:

- (i) the Company's ability to repay the final capital entitlement of the ZDP Shares on 30 November 2020;
- (ii) the 2018 fall in value of the Company's investment portfolio;
- (iii) the potential for a further fall in the value of the investment portfolio;
- (iv) the potential impact on the Company and its activities of a disorderly Brexit; and
- (v) the impact on the Company should the shareholders vote not to pass the continuation vote scheduled to take place at the 2020 annual general meeting of the Company, which would oblige the Directors to follow the provisions in the Articles of Association and put forward proposals to the effect that the Company would be wound up, liquidated, reorganised, unitised or to find some other suitable solution that would be satisfactory to the shareholders.

The Directors also considered the Company's income and expenditure projections and took into account the fact that the Company's investments principally comprise liquid securities listed on recognised stock exchanges.

Based on the assessment undertaken as outlined above, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation to serve shareholders appropriately and to meet its liabilities as they fall due over the three year period to December 2021.

Return per share – basic

Total return per Ordinary Share is based on the net total loss on ordinary activities after taxation of £(7,366,000) (31 December 2017: net total loss £(196,000)).

These calculations are based on the number of 18,088,480 Ordinary Shares in issue during the year to 31 December 2018 (2017: 18,088,480 the number of Ordinary Shares in issue).

Strategic Report continued

The return per Ordinary Share can be further analysed between revenue and capital as below:

	Year ended 31 December 2018 Pence per Ordinary Share	Year ended 31 December 2018 £000	Year ended 31 December 2017 Pence per Ordinary Share	Year ended 31 December 2017 £000
Net revenue return	10.33p	1,868	11.59p	2,096
Net capital loss	(51.05)p	(9,234)	(12.68)p	(2,292)
Net total loss	(40.72)p	(7,366)	(1.09)p	(196)

The basic returns per share are equivalent to the fully diluted returns per share. Full details can be found in note 18 on page 54.

Dividends

During the year the following dividends were paid:

	Payment date	Dividend pence (net per share)
Fourth Interim for the year ended 31 December 2017	29 March 2018	4.30p
First Interim for the year ended 31 December 2018	29 June 2018	2.00p
Second Interim for the year ended 31 December 2018	28 September 2018	3.00p
Third Interim for the year ended 31 December 2018	28 December 2018	2.50p

Subsequent to the year end but in respect of the year ended 31 December 2018 the Directors have declared a fourth interim dividend of 2.7p, payable on 29 March 2019 to members on the register at the close of business on 8 March 2019. The shares will be marked ex-dividend on 7 March 2019. This dividend relates to the year ended 31 December 2018 but in accordance with the International Financial Reporting Standards, it is recognised in the period in which it is paid. Further dividend details can be found in note 7 on page 50.

Net asset value

The net asset value per Ordinary Share, including revenue reserve, at 31 December 2018 was 112.55p based on net assets as at 31 December 2018 of £20,359,000 divided by number of ordinary shares in issue of 18,088,480 (31 December 2017: 165.07p). The net asset value of a ZDP Share at 31 December 2018 was 114.95p based on the accrued capital entitlement as at 31 December 2018 of £27,673,000 divided by the number of ZDP shares in issue of 24,073,337 (31 December 2017: 109.74p).

Alternative investment fund management directive ("AIFMD")

The Company appointed Premier Portfolio Managers Limited ("PPM") to act as its Alternative Investment Fund Manager ("AIFM") pursuant to an Alternative Investment Fund Management Agreement entered into by the Company and the AIFM on 20 January 2015 (the "AIFM Agreement").

PPM has been approved as an AIFM by the UK's Financial Conduct Authority. The investment management agreement entered into by the Company and Premier Fund Managers Limited ("PFM") on 3 August 2011 (the "IMA") was terminated although PPM has now delegated the portfolio management of the Company's portfolio of assets to PFM on substantially the same terms as those previously in place. The AIFM Agreement is based on the IMA and differs to the extent necessary to ensure that the relationship between the Company and PPM is compliant with the requirements of AIFMD. The fees payable to PPM for acting as the Investment Manager and the notice period under the AIFM Agreement are unchanged from the IMA. PPM will receive a fixed fee of £20,000 per annum in respect of its appointment as the AIFM.

The Company and PPM have also entered into a depositary agreement with Northern Trust Global Services SE ("NT") pursuant to which NT has been appointed as the Company's depositary for the purposes of AIFMD.

In accordance with AIFMD regulations the Company has published a pre investment disclosure document which can be found on the Company's area on Premier's website at

<https://www.premierfunds.co.uk/media/5007/premier-global-infrastructure-trust-pre-investment-disclosure-document-aifmd.pdf>

Strategic Report continued

PRIIPs KIDs

The Company has published a Key Information Document ("KID") on 16 May 2018 in compliance with the Packaged Retail and Insurance-based Investment Products ("PRIIPs") Regulation. KIDs for the Ordinary and the ZDP Shares can be found on the Company's area on Premier's website at:

<https://www.premierfunds.co.uk/investors/investments/investment-trusts/premier-global-infrastructure-trust>

The Company is not responsible for the information contained in the KID. The process for calculating the risks, costs and potential returns are prescribed by regulation. The figures in the KID may not reflect the expected returns for the Company and anticipated returns cannot be guaranteed.

Foreign account tax compliance act ("FATCA")

The Company has registered with the US Internal Revenue Service as a Reporting Financial Institution under the FATCA legislation and has been issued with a Global Intermediary Identification Number ("GIIN") which is W6S9MG.00000.LE.826.

Investment trust tax status

In the opinion of the Directors, the Company has conducted its affairs during the period under review, and subsequently, so as to maintain its status as an investment trust for the purposes of Chapter 4 of Part 24 of the Corporation Tax Act 2010. The Company has obtained written approval as an investment trust from HM Revenue & Customs for all accounting periods up to the year ended 31 December 2012, and has made a successful application under Regulation 5 of the Investment Trust (Approved Company) (Tax) Regulations 2011 for investment trust status to apply to all accounting periods starting on or after 1 January 2012 subject to the Company continuing to meet the eligibility conditions contained in Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements outlined in Chapter 3 of Part 2 of the Regulations.

Principal risks associated with the Company (also see note 21 on pages 55 to 61)

Structure of the Group and gearing

The Company is a split-capital investment trust with two separate classes of share, each with different characteristics. Returns generated by the Company's underlying portfolio are apportioned in accordance with the respective entitlements of each class of share. As the Ordinary Shares and ZDP Shares have different rights both during the life of the Company and on a winding-up, shareholders and prospective investors are advised to give careful consideration to their choice of class or classes of share (see page 1 for details of these entitlements).

The Company employs no gearing in the form of bank loans or bonds. The Ordinary Shares are geared by the prior ranking entitlement ZDP Shares issued by its subsidiary.

Dividend levels

Dividends paid on the Company's Ordinary Shares principally rely on receipt of dividends and interest payments from the securities in which the Company invests. The Board monitors the income of the Company and reviews an income forecast for the current financial year at its regular quarterly Board meetings.

Currency risk

The Company invests in overseas securities and its assets are therefore subject to currency exchange rate fluctuations. The Company may hedge against foreign currency movements affecting the value of the investment portfolio where adverse movements are anticipated but otherwise takes account of this risk when making investment decisions.

Liquidity risk

The Company invests principally in liquid securities listed on recognised stock exchanges. The Company may invest up to 15% of its gross assets in unquoted securities. These securities may have limited liquidity and be difficult to realise. The investment limits set are monitored at each Board meeting.

Market price risk

Since the Company invests in financial instruments, market price risk is inherent in these investments. In order to minimise this risk, a detailed analysis of the risk/reward relationship of each investee company is undertaken by the Investment Manager prior to making investments. The Board regularly reviews reports on the portfolio produced by the Investment Manager.

Discount volatility

Being a closed-ended company, the Company's shares may trade at a premium or discount to their net asset value. The magnitude

Strategic Report continued

of this premium or discount fluctuates daily and can vary significantly. Thus, for a given period of time, it is possible that the market price could decrease despite an increase in the net asset value of the Company's shares. The Directors review the discount levels regularly. The Investment Manager actively communicates with the Company's major shareholders and potential new investors, with the aim of managing discount levels.

Operational

Like most other investment trust companies, the Company has no employees. The Company therefore relies upon the services provided by third parties and is dependent on the control systems of the Investment Manager and the Company's other service providers. The security, for example, of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of these systems. The Board reviews, at least annually, the performance of all the Company's third party service providers, as well as reviewing service providers' anti-bribery and corruption policies to address the provision of the Bribery Act 2010. The Board and Audit Committee regularly review statements on internal controls and procedures provided by Premier Fund Managers Ltd and other third parties and also subject the books and records of the Company to an annual external audit.

Accounting, legal and regulatory

In order to qualify as an investment trust, the Company must comply with Section 1158 of the Corporation Tax Act 2010. A breach of Section 1158 could lead to the Company being subject to capital gains tax on gains within the Company's portfolio. Section 1158 qualification criteria are continually monitored by the Investment Manager and the results reported to the Board at its regular meetings. The Company must also comply with the Companies Act, the UKLA Listing Rules and the EU Market Abuse Regulation. The Board relies on the services of the administrator, Premier Portfolio Managers Limited and its professional advisers to ensure compliance with the Companies Act and the UKLA Listing Rules. The Company is also required to comply with the Alternative Investment Fund Management Directive ("AIFMD") and was entered in to the register of small registered UK AIFs with effect from 23 June 2015. On 20 January 2015 however, the Company announced that it had appointed Premier Portfolio Managers Limited ("PPM") as its Alternative Investment Fund Manager and PPM is responsible for ensuring compliance with AIFMD (see page 17).

Political and regulatory risk

The Company invests in regulated businesses which may be subject to political or regulatory interference, and may be required to set pricing levels, or take investment decisions, for political rather than commercial reasons. In some less developed economies, including those in which the Company invests, there are increased political and economic risks as compared to more developed economies. These risks include the possibility of various forms of punitive government intervention together with reduced levels of regulation, higher brokerage commissions, less reliable settlement and custody practices, higher market volatility and less reliable financial reporting. Such factors are out of the control of the Board and the Investment Manager, the Board monitors the performance of its investments at each Board meeting.

Key performance indicators

The Company's Directors meet regularly to review the performance of the Company and its shares. The key performance indicators ("KPIs") used to measure the progress and performance of the Company over time are as follows:

- 1) *The performance against a set of reference points.* The Investment Managers' performance is not assessed against a formal benchmark but rather against a set of reference points which are more general in nature and intended to be representative of the broad spread of assets in which the portfolio invests. These references include the FTSE Global Core Infrastructure 50/50 Total Return Index, FTSE All-World Total Return Index and FTSE All-Share Total Return Index (see Company highlights on page 2).
- 2) *The performance against the peer group.* The assessment of the Investment Managers' performance against companies which invest in similar, but not necessarily the same, securities allows the Board to evaluate the effectiveness of the Company's investment strategy.
- 3) *The performance of the Company at the gross asset level.* This shows how the assets attributable to shareholders as a whole have performed (see Company Highlights Total Assets Total Return).
- 4) *The performance of the ordinary shares, both in terms of share price total return (i.e. accounting for dividends received) and in terms of net asset value total return.* The share price performance is the measure of the return that shareholders have actually received and will reflect the impact of widening or narrowing of discounts to NAV (see graphs on page 3).
- 5) *Ongoing charges.* The annualised ongoing charges figure for the year was 1.7% (2017: 1.8%). This figure, which has been prepared in accordance with the recommended methodology of the Association of Investment Companies represents the annual percentage reduction in shareholder returns as a result of recurring operational expenses excluding performance fee.

Strategic Report continued

The performance fee has been discontinued as of 1 January 2018 (2017: no performance fee was paid). From 1 January 2018 a reduced management fee payable in arrears of 0.75% per annum of the gross assets of the Company has been agreed. The Board reviews each year an analysis of the Company's ongoing charges figure and a comparison with its peers. The Company also calculates summary cost indicators for publication in the KID, available on the Company's website.

All of these areas were examined throughout the year and the table below summarises the key indicators:

	As at or year to: 31 December 2018	As at or year to: 31 December 2017	% change
Total Return Performance			
Total Assets Total Return ¹	(11.0%)	1.7%	
FTSE Global Core Infrastructure 50/50 Index Total Return ² (GBP)	2.7%	8.9%	
Ordinary Share Performance			
Net Asset Value per Ordinary Share (cum income)	112.55p	165.07p	(31.8%)
Revenue Return per Ordinary Share	10.33p	11.59p	(10.9%)
Net dividends declared per Ordinary Share	10.20p	10.00p	2.0%
Discount to Net Asset Value	(9.4%)	(11.4%)	
Ongoing charges ³	1.7%	1.8%	

¹ Based on opening and closing total assets plus dividends marked "ex-dividend" within the period. Source: PFM Ltd.

² Source: Bloomberg.

³ Ongoing charges have been based on the Company's management fees and other operating expenses as a percentage of average gross assets less current liabilities over the year (excluding the ZDPs accrued capital entitlement).

Future prospects

The Board's main focus is the achievement of a high income from the portfolio together with the generation of long-term capital growth. The future of the Company is dependent upon the success of the investment strategy. The investment outlook and future developments of the Company are discussed in both the Chairman's statement on pages 4 and 5 and the Investment Managers' report on pages 6 to 9.

Board diversity

The Nomination Committee considers diversity, including the balance of skills, knowledge, including gender and experience, amongst other factors when reviewing the composition of the Board and appointing new directors, but does not consider it appropriate to establish targets or quotas in this regard. As at the end of 2018, the Board comprised of three female non-executive directors. The Company has no employees.

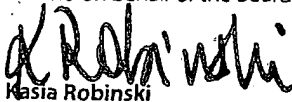
Prevention of the facilitation of tax evasion

In response to the implementation of the Criminal Finances Act 2017, the Board have adopted a zero-tolerance approach to the criminal facilitation of tax evasion. A copy of the Company's policy on preventing the facilitation of tax evasion can be found on the Company's website: www.premierfunds.co.uk. The policy is reviewed annually by the Audit Committee.

Social, community and human rights

The Company does not have any specific policies on social, community or human rights issues as it is an investment company which does not have any physical assets, property, employees or operations of its own.

For and on behalf of the Board


Kasia Robinski

Director

8 March 2019

Directors' Report

for the year ended 31 December 2018

Directors

The present Directors are listed below and on page 14. They are all non-executive and have served throughout the year, apart from Victoria Muir who was appointed on 14 March 2018 and Ian Graham and Geoffrey Burns who retired on 24 April 2018 and 27 July 2018 respectively.

Gillian Nott – Chairman

Kasia Robinski – Chairman of the Audit Committee

Victoria Muir (*appointed 14 March 2018*)

Ian Graham (*retired 24 April 2018*)

Geoffrey Burns (*retired 27 July 2018*)

None of the Directors, nor any persons connected with them, had a material interest in any of the Company's transactions, arrangements or agreements during the year. None of the Directors has, or has had, any interest in any transaction which is, or was, unusual in its nature or conditions or significant to the business of the Company, and which was effected by the Company during the current financial year.

At the date of this report, there are no outstanding loans or guarantees between the Company and any Director.

Conflicts of interest

The Board has put in place a framework for Directors to report conflicts of interest or potential conflicts of interest which it believes has worked effectively during the year. All Directors are required to notify the Company Secretary of any situations where they consider that they have a direct or indirect interest, or duty that would conflict, or possibly conflict, with the interests of the Company. No such situations however, have been identified. There remains a continuing obligation to notify the Company Secretary of any new situation that may arise, or any change to a situation previously notified. It is the Board's intention to review all notified situations on a quarterly basis.

Corporate governance

The statement of Corporate Governance, as shown on pages 25 to 28, is incorporated by cross reference into this report.

Bribery prevention policy

The provision of bribes of any nature to third parties in order to gain a commercial advantage is prohibited and is a criminal offence. The Board has a zero tolerance policy towards bribery and a commitment to carry out business fairly, honestly and openly. The Board takes its responsibility to prevent bribery by the Company's Manager on its behalf very seriously and the Investment Manager has anti-bribery policies and procedures in place. The Company's other key service providers have also been contacted in respect of their anti-bribery policies.

Global greenhouse gas emissions for the year ended 31 December 2018

The Company has no greenhouse gas emissions to report from the operations of the Company, nor does it have responsibility for any other emission-producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Modern slavery act

The Company is an investment vehicle and does not provide goods or services in the normal course of its business, or have customers. Accordingly, the Directors consider that the Company is not within the scope of the Modern Slavery Act 2015.

Substantial shareholdings

As at the date of this report the Company had received the following declarations of interest in the voting rights of the Company in accordance with the FCA Disclosure and Transparency Rules.

Ordinary Shares	Number of shares at 1 March 2019 [†]	% of total voting rights	Number of shares at 31 December 2018	% of total voting rights
Premier Fund Managers Limited	1,725,921	9.5	1,725,921	9.5
Philip J Milton & Company Plc	1,645,747	9.1	1,645,747	9.1

[†] The latest practicable date prior to the publication of this report.

Directors' Report continued

Going concern

The Directors believe that having considered the Company's investment objectives (shown on page 1), risk management policies and procedures (pages 55 to 61), nature of portfolio and income and expense projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date these financial statements were approved. For these reasons, they consider that the use of the going concern basis is appropriate. The risks that the Directors considered most likely to adversely affect the Company's available resources over this period was a significant fall in the valuation or a reduction in the liquidity of the Company's investment portfolio. In their consideration of these risks the Directors considered the impact a disorderly Brexit might have on the Company, its portfolio and activities. In their considerations, the Directors also took into account the continuation vote which is to be held at the annual general meeting of the Company in 2020.

If the shareholders voted not to pass the continuation vote scheduled to take place at the 2020 annual general meeting of the Company, this would oblige the Directors to follow the provisions in the Articles of Association and put forward proposals to the effect that the Company would be wound up, liquidated, reorganised, unitised or to find some other suitable solution that would be satisfactory to the shareholders.

Performance

An outline of the performance, market background, investment activity and portfolio strategy during the period under review, as well as the investment outlook, is provided in the Chairman's Statement and Investment Managers' report.

Financial instruments

The Company invests in financial instruments which are valued at fair value. An analysis of the portfolio is provided in note 8 on page 51. Further information about financial instruments and capital disclosures is provided in note 21 on pages 55 to 61.

Proxy voting as an institutional investor

Responsibility for actively monitoring the activities of companies in which the Company is invested has been delegated by the Board to the Investment Manager. The Investment Manager is responsible for reviewing, on a regular basis, the annual reports, circulars and other publications produced by the investee companies. The Investment Manager, in the absence of explicit instructions from the Board, is empowered to exercise discretion in the use of the Company's voting rights. Wherever practicable, the Investment Managers' policy is to vote all shares held by the Company.

Annual General Meeting

THIS SECTION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take or about the contents of this document, you should immediately consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 (or in the case of recipients outside the United Kingdom, a stockbroker, bank manager, solicitor, accountant or other independent financial adviser).

If you have sold or otherwise transferred all of your shares in Premier Global Infrastructure Trust PLC, please pass this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The notice of the Annual General Meeting on pages 68 to 71 inclusive sets out the ordinary business and special business to be conducted at the Meeting.

The following explains the resolutions to be considered at the Meeting as special business.

RESOLUTION 7, 8 and 9: Authority to allot Ordinary Shares

At the Annual General Meeting, the Company is seeking approval from Shareholders to renew the Board's authority to issue new Ordinary Shares on a non-pre-emptive basis, subject to certain parameters. These authorities are intended to replace the authorities granted by Shareholders at the Company's Annual General Meeting held in April 2018.

Pursuant to RESOLUTION 7 to be proposed at the Annual General Meeting, which will be proposed as an ordinary resolution, the Board is seeking a general power from Shareholders to allot new Ordinary Shares up to an aggregate nominal value of £18,088, representing approximately 10 per cent. of the issued Ordinary Share capital of the Company as at the date of this document.

Directors' Report continued

RESOLUTION 8 to be proposed at the Annual General Meeting, which will be proposed as an ordinary resolution, will, if passed, permit the Board to allot Ordinary Shares at a discount to the then prevailing Net Asset Value per Ordinary Share. The Board will only utilise this authority to issue new Ordinary Shares provided that the combined effect of the issue of both Ordinary Shares at a discount to Net Asset Value per Ordinary Share and the issue of New ZDP Shares by PGIT Securities 2020 PLC at a premium to Net Asset Value per New ZDP Share, at or around the time of the Ordinary Share issue, is that the Net Asset Value per Ordinary Share is increased.

RESOLUTION 9 to be proposed at the Annual General Meeting, which will be proposed as a special resolution, will, if passed, empower the Board to make allotments of Ordinary Shares for cash, or to sell shares from treasury, on a non-pre-emptive basis up to an aggregate nominal value of £18,088, representing approximately 10 per cent. of the issued Ordinary Share capital of the Company as at the date of this document.

These authorities, if granted, will expire at the conclusion of the next Annual General Meeting of the Company.

RESOLUTION 10: Purchase by the Company of its own shares

At the Annual General Meeting held on 24 April 2018 a special resolution was passed, giving the Directors authority until the conclusion of the earlier of the 2019 Annual General Meeting and 23 October 2019, to make market purchases of up to a maximum of 2,711,463 Ordinary Shares. During the year to 31 December 2018 no Ordinary Shares were purchased (during the year ended 31 December 2017 no shares were purchased).

The Board proposes that the Company should be given renewed general authority to purchase Ordinary Shares in the market for cancellation in accordance with the Companies Act 2006 but subject to the provisions set out below. Resolution 10 of the AGM, which is a special resolution, is being proposed for this purpose.

It is proposed that the Company be authorised to purchase on the London Stock Exchange up to 2,711,463 Ordinary Shares (representing 14.99% of the Company's issued share capital as at 4 March 2019) provided that:

- (a) Ordinary Shares may only be purchased at prices below their prevailing net asset value per Ordinary Share (as determined by the Directors in accordance with the Articles as at a date falling no more than 10 days before the date of the relevant repurchase and taking into account the costs of the repurchase) and where:
 - (i) the Cover of the ZDP Shares issued by PGIT Securities 2020 PLC ("ZDP Shares") would not be reduced below 1.8 times; or
 - (ii) the Cover of the ZDP Shares would not be less than the Cover of the ZDP Shares in issue immediately prior to the repurchase, in each case as determined by the Directors as at a date falling not more than 10 days before the date of repurchase and taking account of any purchases of ZDP Shares proposed to be made at or about the same time; or
- (b) Ordinary Shares and ZDP Shares may be purchased in such proportions and at such prices so as to effect an increase in the net asset value per Ordinary Share (as determined by the Directors in accordance with the Articles as at a date falling no more than 10 days before the date of the relevant repurchases and taking into account the costs of the repurchases) and where:
 - (i) the Cover of the ZDP Shares would not be reduced below 1.8 times; or
 - (ii) the Cover of the ZDP Shares would not be less than the Cover of the ZDP Shares in issue immediately prior to the repurchases, in each case as determined by the Directors as at a date falling not more than 10 days before the date of repurchases.

Repurchases of Ordinary Shares will be made at the discretion of the Board within guidelines set from time to time by the Board and only when market conditions are considered by the Board to be appropriate and in accordance with the Listing Rules.

Under London Stock Exchange rules, the maximum price to be paid on any exercise of the authority in respect of Ordinary Shares must not exceed the higher of (i) 105% of the average of the middle market quotations for a share for the five business days immediately preceding the date of purchase and (ii) that stipulated by the regulatory technical standards adopted by the EU pursuant to the Market Abuse Regulation from time to time.

The authority to purchase shares will last until the Annual General Meeting of the Company in 2020, or 24 October 2020, whichever is the earlier.

Directors' Report continued

Recommendation

Your Board considers that the above resolutions are in the best interests of the Company and its members as a whole and are likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, your Board unanimously recommends that shareholders should vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings amounting to 17,500 Ordinary Shares.

Companies Act 2006 Disclosures

In accordance with Section 992 of the Companies Act 2006 the Directors disclose the following information:

- the Company's capital structure and voting rights are summarised on page 1, and there are no restrictions on voting rights nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights;
- there exist no securities carrying special rights with regard to the control of the Company;
- details of the substantial shareholders in the Company are listed on page 21;
- the Company does not have an employees' share scheme;
- the rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006;
- there exist no agreements to which the Company is party that may affect its control following a takeover bid; and
- there exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid.

Auditor

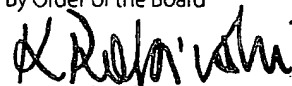
KPMG LLP were appointed as Auditor on 13 November 2017 and a resolution confirming their reappointment and to authorise the Board to determine their remuneration will be submitted at the Annual General Meeting.

Financial statements

The financial statements have been prepared under International Financial Reporting Standards as adopted by the European Union ("IFRS") for groups of companies.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

By Order of the Board



Kasia Robinski

Director

8 March 2019

Statement of Corporate Governance

Introduction

The Board is accountable to the Company's shareholders for the governance of the Company's affairs and this statement describes how the principles of the Financial Reporting Council's UK Corporate Governance Code issued in April 2016 ("the Code") have been applied to the affairs of the Company. In applying the principles of the Code, the Directors have also taken account of the Code of Corporate Governance published by the Association of Investment Companies ("the AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("the AIC Guide") issued in July 2016, which has established a framework of best practice specifically for the boards of investment trust companies. There is some overlap in the principles laid down by the two Codes and there are some areas where the AIC Code is more flexible for investment trust companies.

Board of Directors

The Board currently consists of three non-executive Directors at the date of this report all of whom are independent of the Investment Manager. Their biographies are set out on page 14. Collectively the Board believes it has the requisite range of business and financial experience which enables it to provide clear and effective leadership and proper stewardship of the Company.

The number of meetings of the Board, the Audit Committee and the Nomination Committee held during the financial year and the attendance of individual Directors are shown below:

	Board	Audit Committee	Nomination Committee	Management Engagement Committee
Number of meetings in the year	4	2	1	1
Gillian Nott	4	2	–	1
Kasia Robinski	4	2	1	1
Victoria Muir (<i>appointed 14 March 2018</i>)	3/3	1/1	–	–
Ian Graham (<i>retired 24 April 2018</i>)	2/2	1/1	1	1
Geoffrey Burns (<i>retired 27 July 2018</i>)	3/3	2/2	1	1

All of the Directors attended the Annual General Meeting held in April 2018.

The Board deals with the Company's affairs, including the setting of gearing and investment policy parameters, the monitoring of gearing and investment policy and the review of investment performance. The Investment Manager takes decisions as to asset allocation and the purchase and sale of individual investments. The Board papers circulated before each meeting contain full information on the financial condition of the Company. Key representatives of the Investment Manager attend the Board meetings, enabling Directors to probe further or seek clarification on matters of concern.

Matters specifically reserved for discussion by the full Board have been defined and a procedure adopted for the Directors to take independent professional advice if necessary at the Company's expense.

The Chairman of the Company was independent of the Investment Manager at the time of her appointment as an independent non-executive Director and is deemed to be independent by the other Board members. A senior non-executive Director has not been identified as the Board is comprised entirely of non-executive Directors.

In accordance with the Articles of Association, new Directors stand for election at the first Annual General Meeting following their appointment. The Articles require that at least one third of the Directors retire by rotation each year and seek re-election at the Annual General Meeting. However, the Board has taken the decision to adopt corporate governance best practice resulting in annual reappointment for all Directors.

Performance evaluation/re-election of Directors

An appraisal process has been established in order to review the effectiveness of the Board, the Committees and individual Directors. This process involves the consideration by the Chairman and the Board of responses from individual Directors to a questionnaire which is completed on an annual basis. In addition, the other Directors meet collectively once a year to evaluate the performance of the Chairman. As a result of this appraisal process the Nomination Committee recommends the re-election of Mrs Gillian Nott and Ms Victoria Muir. Ms Kasia Robinski has decided to retire from the Board and will not seek re-election at the AGM.

Statement of Corporate Governance continued

Committees

The Board believes that the interests of shareholders in an investment trust company are best served by limiting the size of the Board such that all Directors are able to participate fully in all the activities of the Board. It is for this reason that the membership of the Committees is the same as that for the Board as a whole.

Audit Committee

Ms Kasia Robinski is the Chairman of the Audit Committee. The Audit Committee reviews audit matters within clearly-defined written terms of reference (copies of which are available upon request from the Company Secretary). Further information on the Audit Committee is given in the Audit Committee Report on pages 32 to 33.

In particular, the Committee shall review and challenge where necessary:

- the consistency of, and any changes to, accounting policies both on a year on year basis and across the Company;
- the methods used to account for significant or unusual transactions where different approaches are possible;
- whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- the clarity of disclosure in the Company's financial reports and the context in which statements are made; and
- all material information presented with the financial statements, such as the Strategic Report and the Statement of Corporate Governance (insofar as it relates to the audit and risk management).

As the Company has no employees, section C.3.4 of the Code, which deals with arrangements for staff to raise concerns in confidence about possible improprieties in respect of financial reporting or other matters, is not directly relevant to it. The Audit Committee has, however, confirmed with the Investment Manager and the administrator that they do have "whistle blowing" policies in place for their staff.

Nomination Committee

Mrs Nott is the Chairman of the Nomination Committee which operates within defined terms of reference available from the Company Secretary, which is responsible for the Board appraisal process, and reviews the Board's size and structure and is responsible for succession planning. The Board has due regard for the benefits of diversity in its membership and seeks to ensure that its structure, size and composition, including the skills, knowledge, diversity (including gender) and experience of Directors, is sufficient for the effective direction and control of the Company. In particular, the Board believes that the Company benefits from a balance of Board members with different tenures. The Board has not set any measurable objectives in respect of this policy. The Nomination Committee meets at least annually and comprises all the non-executive directors of the Board.

The Board appointed one new Director, Victoria Muir on 14 March 2018, upon the recommendation of the Committee. This followed the appointment of an external search agency ("Nurole Ltd") for the purpose of finding a Director. The Committee considered an extensive list of candidates put forward by the search company and interviewed a short list of individuals for the position. A recommendation was then made to the Board and following acceptance by the Board as a whole, the appointment was confirmed. Ms Muir was elected as a Director of the Company by its shareholders at the AGM held on 24 April 2018.

The Board on the recommendation of the Committee is nominating Melville Trimble, following an interview process, for appointment to the Board at the AGM to be held on 25 April 2019.

Management Engagement Committee

Mrs Nott is the Chairman of the Management Engagement Committee which operates within defined terms of reference. These new terms of reference were approved by the Board on 27 July 2017, and are available from the Company Secretary. The Management Engagement Committee is responsible for reviewing the performance of the Investment Manager and all of the other service providers, their terms of appointment and remuneration. The Committee meets annually.

Remuneration Committee

The Board as a whole considers Directors' remuneration and therefore has not appointed a separate remuneration committee. As the Company is an investment trust and all Directors are non-executive the Company is not required to comply with the Code in respect of executive Directors' remuneration. Directors' fees are detailed in the Directors' Remuneration Report on page 30.

Statement of Corporate Governance continued

Risk management and internal control

The UK Corporate Governance Code requires the Directors, at least annually, to review the effectiveness of the Company's system of risk management and internal control and to report to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

The Directors are responsible for the Company's system of risk management and internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material misstatement or loss.

The Board as a whole is primarily responsible for the monitoring and review of risks associated with investment matters and the Audit Committee is primarily responsible for other risks.

As the Board has contractually delegated to other companies the investment management, the depositary services and the day-to-day accounting and company secretarial requirements, the Company relies significantly upon the system of risk management and internal controls operated by those companies. Therefore, the Directors have concluded that the Company should not establish its own internal audit function, but will review this decision annually. Investment management is performed by Premier Fund Managers Limited and administration services by Premier Portfolio Managers Limited. Details of the agreement with the Investment Manager is given in note 3 on page 48. The depositary is Northern Trust Company Limited.

The risk map has been considered at all regular meetings of the Board and Audit Committee, the risk map sets out the principal risks identified by the Board, together with the actions taken to mitigate these risks. As part of the risk review process, regular reports are received from the Investment Manager on all investment related matters including compliance with the investment mandate, the performance of the portfolio compared with relevant indices and compliance with investment trust status requirements. The Board also receives and reviews reports from the depositary on its internal controls and their operation, which are reviewed by their auditors and give assurance regarding the effective operation of controls.

The Board as a whole regularly reviews the terms of the management and secretarial contracts.

The Board confirms that appropriate procedures to review the effectiveness of the Company's system of risk management and internal control have been in place, throughout the year and up to the date of this report, which cover all controls including financial, operational and compliance controls and risk management. An assessment of risk management and internal control, which includes a review of the Company's risk map, an assessment of the quality of reports on internal control from the service providers and the effectiveness of the Company's reporting process, is carried out on an annual basis.

Evaluation of the Investment Managers' performance

The investment performance is reviewed at each regular Board meeting at which representatives of the Investment Manager are required to provide answers to any questions raised by the Board. The Board has instigated an annual formal review of the Investment Manager which includes consideration of:

- performance compared with relevant indices;
- investment resources dedicated to the Company;
- investment management fee arrangements and notice period compared with the peer group; and
- the marketing effort and resources provided to the Company.

The Board believes that the Investment Manager has served the Company well in terms of investment performance and has no hesitation in continuing its appointment.

The Company Secretary

The Board has direct access to the advice and services of the Company Secretary, Premier Portfolio Managers Limited, which is responsible for ensuring that Board and Committee procedures are followed and that applicable regulations are complied with. The Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that statutory obligations of the Company are met.

Statement of Corporate Governance continued

Individual Directors may take independent professional advice on any matter concerning them in the furtherance of their duties at the Company's expense. The Company also maintains Directors' and Officers' liability insurance to cover legal defence costs to cover any legal actions brought against its Directors.

Relations with shareholders

Communication with shareholders is given a high priority by both the Board and the Investment Manager and all Directors are available to enter into dialogue with shareholders. Major shareholders of the Company are offered the opportunity to meet with the Board. The Board regularly reviews any contact with the Company's shareholders and monitors its shareholder register.

All shareholders are encouraged to attend and vote at the Annual General Meeting, during which the Board and the Investment Manager are available to discuss issues affecting the Company and shareholders have the opportunity to address questions to the Investment Manager, the Board and the Chairmen of the Board's standing committees.

Any shareholder who would like to lodge questions in advance of the Annual General Meeting is invited to do so in writing to the Company Secretary at the address detailed on page 72. The Company always responds to letters from individual shareholders.

The Annual and Interim Reports of the Company present a full and readily understandable review of the Company's performance. Copies are dispatched to shareholders by mail and are also available for download from the Investment Managers' website:

www.premierfunds.co.uk

A monthly fact sheet is produced by the Investment Manager and is also available via the website, www.premierfunds.co.uk. If a shareholder would like to contact the Board directly, they should write to the Chairman, Premier Global Infrastructure Trust PLC, c/o Premier Portfolio Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE, marking their letter "Private and confidential".

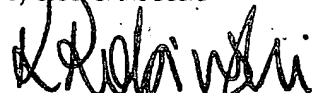
Statement of compliance

The Board believes that it has complied with all the material provisions, in so far as they apply to the Company's business, of the Code throughout the year under review. Due to the small size of the Board and nature of the business it did not, however, comply with the following provisions:

- a separate remuneration committee has not been established;
- a senior non-executive Director has not been identified; and
- our own internal audit function has not been established.

The Board has adhered to the principles of the AIC Code in all material respects.

By Order of the Board



Kasia Robinski

Director

8 March 2019

Directors' Remuneration Report

Introduction

This report is prepared in accordance with Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2015 and in accordance with the Listing Rules of the Financial Conduct Authority and the Companies Act 2006. An ordinary resolution for the approval of this report will be put to the shareholders at the forthcoming Annual General Meeting.

The Company's Remuneration Policy was put to shareholders and approved by ordinary resolution at the Annual General Meeting held on 25 April 2017 under Section 439 of the Companies Act 2006. There have been no changes to this policy and it is expected to continue in force until the Annual General Meeting in 2020.

The Company is not able to make remuneration payments to a Director, or loss of office payments to a current or past director, unless the payment is consistent with the approved policy or has otherwise been approved by the shareholders.

The law requires your Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 35 to 39.

Remuneration Committee

The Board as a whole fulfils the function of a Remuneration Committee. All Directors are non-executive, appointed under the terms of Letters of Appointment, and none has a service contract. The Company has no employees. The Company Secretary, Premier Portfolio Managers Limited, will be asked to provide advice when the Directors consider the level of Directors' fees. No professional adviser was consulted in the year for setting the level of Directors' fees.

Directors' beneficial and family interests (audited)

The interests of the Directors and their families in the Ordinary Shares of the Company were as follows:

	Ordinary Shares at 1 March 2019 [†]	Ordinary Shares at 31 December 2018	Ordinary Shares at 1 January 2018
Gillian Nott	15,000	15,000	15,000
Kasia Robinski	—	—	—
Victoria Muir (<i>appointed 14 March 2018</i>)	2,500	2,500	—

[†] The latest practicable date prior to the publication of this report.

Directors' remuneration policy

The Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole and be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have similar investment objectives. This Directors' Remuneration Policy will continue in force until the Annual General Meeting in 2020.

The fees for the non-executive Directors are determined within the aggregate limits of £150,000 set out in the Company's Articles of Association. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at Board, general and committee meetings.

No Director has a service contract. However, Directors have a Letter of Appointment. Directors do not receive exit payments and are not provided with any compensation for loss of office. Copies of the Letters of Appointment are available for inspection at the registered office of the Company. Directors and officers insurance is maintained and paid for by the Company on behalf of the Directors.

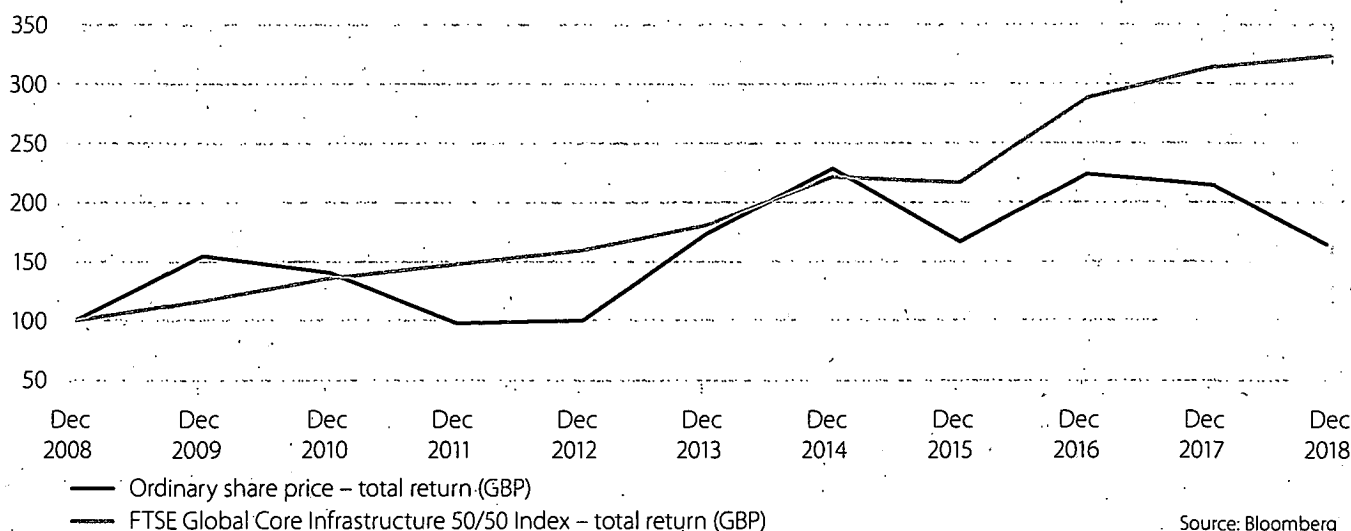
Directors' Remuneration Report continued

Your Company's performance

For the purposes of this report the Board is required to select an index against which the Company's performance can be measured. The Board has decided it should be the FTSE Global Core Infrastructure 50/50 Index.

The graph below shows the ten year total return (assuming all dividends are reinvested) to Ordinary Shareholders against the FTSE Global Core Infrastructure 50/50 Index on a total return basis, restated in GBP, from 31 December 2008 to 31 December 2018.

Ten year total return share price performance (rebased to 100)



Annual Report on Remuneration

Directors' emoluments for the year (audited)

The Directors who served in the year received the following emoluments in the form of fees and expenses:

	Fees Year ended 31 December 2018 £	Expenses Year ended 31 December 2018 £	Total Year ended 31 December 2018 £	Fees Year ended 31 December 2017 £	Expenses Year ended 31 December 2017 £	Total Year ended 31 December 2017 £
Gillian Nott	21,333	250	21,583	18,000	555	18,555
Kasia Robinski	20,333	82	20,415	15,403	455	15,858
Victoria Muir (appointed 14 March 2018)	14,400	148	14,548	—	—	—
Ian Graham (retired on 24 April 2018)	5,413	537	5,950	19,667	1,790	21,457
Geoffrey Burns (retired on 27 July 2018)	15,167	1,110	16,277	26,000	1,667	27,667
Charles Wilkinson (retired on 25 April 2017)	—	—	—	5,746	632	6,378
Total	76,646	2,127	78,773	84,816	5,099	89,915

During the year ended 31 December 2018 the Chairman received a fee of £26,000 per annum, the Chairman of the Audit Committee received a fee of £20,000 per annum and other Directors £18,000 per annum.

Expected fees for the year to 31 December 2019
£

Chairman	26,000
Chairman of the Audit Committee	20,000
Non-executive Director	18,000

Directors' Remuneration Report continued

Spend on pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown above.

Voting at last Annual General Meeting

At the Annual General Meeting of the Company held on 24 April 2018 an ordinary resolution was put to shareholders to approve the Remuneration Report set out in the 2017 annual financial report. This resolution was passed on a show of hands. The proxy votes registered in respect of the resolution were:

	For	%	Against	%	Withheld	%
Number of proxy votes	3,735,358	99.31	26,035	0.69	1,696	0

Approval

Resolution for the approval of the Directors Remuneration Report for the year ended 31 December 2018 will be proposed at the Annual General Meeting.

By Order of the Board



Kasia Robinski
Director

Signed on behalf of the Board of Directors
8 March 2019

Audit Committee Report

As Chairman of the Audit Committee I am pleased to present the report of the Audit Committee for the year ended 31 December 2018.

Composition

The composition and summary terms of reference of the Audit Committee are set out on page 26. The Audit Committee comprises the whole Board, all of whom are independent.

Activities

The Audit Committee met in July 2018 and considered the form and content of the Company's half year report to 30 June 2018.

The Audit Committee met again in February 2019 and reviewed the outcome of the audit work and the final draft of the financial statements for the year ended 31 December 2018. During this review the Audit Committee met with representatives of both the Investment Manager and the Administrator and sought assurances where necessary. The external Auditor attended the year-end Audit Committee meeting and presented a report on the audit findings.

During the year, the Audit Committee reviewed the Company's withholding taxation charges and regulatory issues with the Company's tax advisers, Crowe U.K. LLP.

The Audit Committee also reviewed the key risks of the Company and the internal control framework operating to control risk. The Audit Committee examined the risks to the Company, and analysed the impact and likelihood of all of those risks. A list has been drawn up of those where the combination of impact and likelihood represents a material threat and those will be monitored closely.

The Audit Committee also reviewed the terms of engagement of the audit firm and its proposed programme for the year-end audit.

Non-audit services

Contracts for non-audit services must be notified to the Audit Committee who consider any such engagement in the light of the requirement to maintain audit independence. No other services are provided by the Auditor and it is the Company's policy not to seek substantial non-audit services from its Auditor.

During the year the value of non-audit services provided by KPMG LLP amounted to £nil (31 December 2017: £nil).

Audit tender

In June 2016 the UK adopted the EU Audit Framework requiring companies to tender their auditor every 10 years and to rotate their auditors every 20 years. The Committee undertook a tendering process during 2017 with a view to appointing (or reappointing) the auditor for the year ended 31 December 2017. Following a competitive tender process KPMG LLP were appointed as the Company's new external auditor for the year ended 31 December 2017.

The Company will put the external audit out to tender at least every ten years, and change auditors at least every twenty years. The Company will put the audit out to tender for the 2027 year end. The Committee will, however, continue to consider annually the need to go to tender for audit quality or independence reasons.

Cyber security

Cyber security is an increasing threat to all businesses and the finance sector was cybercrime's biggest victim. The Committee takes this seriously and is in discussions with our service providers to provide as much comfort as possible to this growing threat.

Significant issues for the Audit Committee

The Audit Committee identified the following significant issues:

1. *Risks around the existence and valuation of the investments.*
2. *The accuracy of the calculation of management and performance fees.*
3. *The risk that income is overstated, incomplete or inaccurate through failure to recognise proper income entitlements or to apply the appropriate accounting treatment for recognition of income.*
4. *Management override of controls.*

Audit Committee Report continued

The Committee concluded that suitable procedures had been implemented to obtain reasonable assurance that the Financial Statements as a whole would be free of material misstatements. Specifically with reference to the highlighted issues the Committee's main responsibilities during the year were:

1. The Company's assets are principally invested in listed equities. The Committee reviewed internal control reports from the Investment Manager in the year reporting on the systems and controls around the pricing and valuation of securities. As more fully explained in note 1 (h) on page 47 at the year ended 31 December 2018 the Committee agreed that the fair value of investments is the bid market price for listed investments. The Committee also agreed that the valuation of the unquoted investment together with the wholly-owned subsidiary, PGIT Securities 2020 PLC, currently valued at £50,000 at 31 December 2018, is appropriate. All unquoted investments are subject to review both by the Investment Manager, the Audit Committee and the Auditor.
2. The investment management fee is calculated in accordance with the contractual terms in the investment management agreement by the administrator. As of 1 January 2018 the performance fee was discontinued.
3. The Board regularly reviews income forecasts, including special dividends, and receives explanations from the Investment Manager and administrator for any variations or significant movements from previous forecasts and prior year figures.
4. The Audit Committee reviews terms of agreement with service providers, Premier Fund Managers Limited, Premier Portfolio Managers Limited and Northern Trust, to confirm their independence from the Company. They assess the ability of any member of the Investment Manager or Board to circumvent controls to fraudulently alter company financial results or undertake fraudulent transactions.

Financial statements

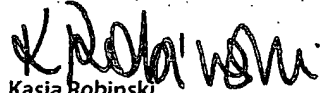
These financial statements have been prepared under International Financial Reporting Standards as adopted by the European Union ("IFRS") for groups of companies.

The Audit Committee meets at least twice a year and is responsible for reviewing the annual and interim reports, the nature and scope of the external audit and the findings thereon, and the terms of appointment of the Auditor, including their remuneration and the provision of any non-audit services by them. The Audit Committee has considered the independence of the Auditor and the objectivity of the audit process and is satisfied that KPMG LLP is independent and has fulfilled its obligations to shareholders. The Audit Committee has satisfied itself as to the Auditor's effectiveness, objectivity, independence and the competitiveness of its fees before recommending their reappointment at the Annual General Meeting. To comply with the EU Audit Framework, the Company will review the option to re-tender the external audit on a regular basis.

The Audit Committee meets representatives of the Investment Manager and its Compliance Officer who report as to the proper conduct of business in accordance with the regulatory environment in which both the Company and the Investment Manager operate and reviews the Investment Managers' internal controls. The Group's external Auditor also attends this Committee at its request and report on their findings in relation to the Group's statutory audit.

As part of the day to day controls of the Group there are regular reconciliations between the accounting records and the records kept by the depositary of the assets they safeguard which are owned by the Group. During the year and at the year-end there were no matters brought to light which call in to question that the key controls in this area were not working, or that the existence of assets recorded in the books of account are not held in safe custody.

In finalising the financial statements for recommendation to the Board for approval the Committee has considered whether the going concern principle is appropriate (as described on page 22), and concluded that it is. The Audit Committee has also satisfied itself that the Annual Report and financial statements taken as a whole are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Group's performance, business model and strategy. All of the above were satisfactorily addressed through consideration of reports provided by, and discussed with, the Investment Manager and the Auditor. The Board as a whole have approved the conclusions arrived at by the Audit Committee as disclosed on page 34, Statement of Directors' Responsibilities in respect of the Annual Report and the financial statements.



Kasia Robinski

Chairman of the Audit Committee

8 March 2019

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law and have elected to prepare the parent Company financial statements on the same basis.

Under company law the 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 Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility of the Directors in respect of the annual financial report

We confirm to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

For and on behalf of the Board



Kasia Robinski
Director

8 March 2019

Independent Auditor's Report

to the members of Premier Global Infrastructure Trust PLC

1. Our opinion is unmodified

We have audited the financial statements of Premier Global Infrastructure Trust PLC ("the Company") for the year ended 31 December 2018 which comprise the Group Income Statement, Consolidated and Company Balance Sheets, Consolidated and Company Statements of Changes in Equity, Consolidated and Company Cashflow Statements, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2018 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU);
- the Company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the Directors on 13 November 2017. The period of total uninterrupted engagement is for the two financial years ended 31 December 2018. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued

	The risk	Our response
The impact of uncertainties due to the UK exiting the European Union on our audit <i>Refer to pages 18 and 19 (principal risks), page 16 (viability statement), pages 32 and 33 (Audit Committee Report), and pages 55 to 60 (financial disclosures).</i>	Unprecedented levels of uncertainty: All audits assess and challenge the reasonableness of estimates, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements (see below). All of these depend on assessments of the future economic environment and the Group's future prospects and performance. In addition, we are required to consider the other information presented in the Annual Report including the principal risks disclosure and the viability statement and to consider the Directors' statement that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. Brexit is one of the most significant economic events for the UK and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown.	We developed a standardised firm-wide approach to the consideration of the uncertainties arising from Brexit in planning and performing our audits. Our procedures included: • Our Brexit knowledge – We considered the Directors' assessment of Brexit-related sources of risk for the Group's business and financial resources compared with our own understanding of the risks. We considered the Directors' plans to take action to mitigate the risks. • Sensitivity analysis – When addressing the carrying amount of quoted investments, we compared the Directors' analysis to our assessment of the full range of reasonably possible scenarios resulting from Brexit uncertainty. • Assessing transparency – As well as assessing individual disclosures as part of our procedures on the carrying amount of quoted investments we considered all of the Brexit related disclosures together, including those in the strategic report, comparing the overall picture against our understanding of the risks. Our results: As reported under the carrying amount of quoted investments, we found the resulting estimates and related disclosures in respect of quoted investments and disclosures in relation to going concern to be acceptable. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.
Carrying amount of quoted investments (£46.4 million; 2017: £55.1 million) <i>Refer to pages 32 and 33 (Audit Committee Report), pages 45 to 47 (accounting policies) and pages 55 to 60 (financial disclosures).</i>	Low risk, high value The Company's portfolio of quoted investments makes up 96.3% of the Company's total assets (by value) and is the key driver of results. We do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement because they comprise liquid, quoted investments. However, due to their materiality in the context of the financial statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	Our procedures included: • Tests of detail – Agreeing the valuation of 100 per cent of investments in the portfolio to externally quoted prices; and • Enquiry of custodians – Agreeing 100 per cent of investment holdings in the portfolio to independently received third party confirmations from investment custodians. Our results: We found the carrying amount of quoted investments to be acceptable (2017: acceptable).

Independent Auditor's Report continued

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £482,000 (2017: £564,890), determined with reference to a benchmark of total assets, of which it represents 1% (2017: 1%).

Materiality of the Company financial statements as a whole was set at £458,000 (2017: £565,390) determined with reference to a benchmark of total assets, of which it represents 0.95% (2017: 1%).

In addition, we applied materiality of £101,000 (2017: £113,900) to identify revenue income items for which we believe misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the Company's members' assessment of the financial performance of the Company.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £24,000 (2017: £28,245), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's two (2017: two) reporting components, we subjected two (2017: two) to full scope audits for Group purposes.

Our audit of the Company was undertaken to the materiality level specified above and was all performed at KPMG LLP in Glasgow.

4. We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Directors' conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group and the Company will continue in operation.

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group's and Company's business model, including the impact of Brexit, and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional procedures.

Based on this work, we are required to report to you if:

- we have anything material to add or draw attention to in relation to the Directors' statement in Note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group's and Company's use of that basis for a period of at least twelve months from the date of approval of the financial statements; or
- the related statement under the Listing Rules set out on page 22 is materially inconsistent with our audit knowledge.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and Directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Independent Auditor's Report continued

Disclosures of principal risks and longer-term viability

Based on the knowledge we acquired during our financial statements audit, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Viability Statement on page 16 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Under the Listing Rules we are required to review the Viability Statement. We have nothing to report in this respect.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgments that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

We are required to report to you if the Corporate Governance Statement does not properly disclose a departure from the eleven provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in these respects.

6. We have nothing to report on the other matters on which we are required to report by exception

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

- 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
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

7. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 34, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and 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 they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 other irregularities (see below), or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report continued

Irregularities – ability to detect

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussions with the Directors, the manager and the administrator (as required by auditing standards) and discussed with the Directors and the manager the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indication on non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

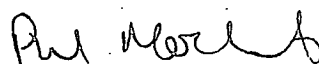
Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), and its qualification as an Investment Trust under UK tax legislation, any breach of which could lead to the Company losing various deductions and exemptions from UK corporation tax, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: the Listing Rules and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

8. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Philip Merchant (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
319 St Vincent St
Glasgow
G2 5AS

8 March 2019

Group Income Statement

for the financial year ended 31 December 2018

	Notes	Year ended 31 December 2018			Year ended 31 December 2017		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Losses on investments held at fair value through profit or loss	8	–	(5,233)	(5,233)	–	(1,838)	(1,838)
Losses/(gains) on forward foreign exchange contracts		–	(2,518)	(2,518)	–	1,095	1,095
Income	2	2,695	–	2,695	2,993	–	2,993
Investment management fee	3	(152)	(228)	(380)	(232)	(348)	(580)
Other expenses	4	(515)	–	(515)	(483)	–	(483)
Profit/(loss) before finance costs and taxation		2,028	(7,979)	(5,951)	2,278	(1,091)	1,187
Finance costs	5	–	(1,255)	(1,255)	–	(1,201)	(1,201)
Profit/(loss) before taxation		2,028	(9,234)	(7,206)	2,278	(2,292)	(14)
Taxation	6	(160)	–	(160)	(182)	–	(182)
Profit/(loss) for the year		1,868	(9,234)	(7,366)	2,096	(2,292)	(196)
Return per Ordinary Share (pence)							
– basic	18	10.33	(51.05)	(40.72)	11.59	(12.68)	(1.09)

The total column of this statement represents the Group's profit or loss, prepared in accordance with IFRS.

As the parent of the Group, the Company has taken advantage of the exemption not to publish its own separate Income Statement as permitted by the Companies Act 2006. The Company's total comprehensive loss for the year ended 31 December 2018 was £7,366,000.

The supplementary revenue and capital columns are prepared under guidance published by the Association of Investment Companies ("AIC").

All items derive from continuing operations; the Group does not have any other recognised gains or losses.

All income is attributable to the equity holders of the Company. There are no minority interests.

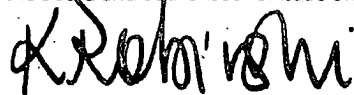
The notes on pages 45 to 61 form part of these financial statements.

Consolidated and Company Balance Sheets

as at 31 December 2018

	Notes	Group 2018 £000	Company 2018 £000	Group 2017 £000	Company 2017 £000
Non current assets					
Investments at fair value through profit or loss	8	46,363	46,413	55,099	55,149
Current assets					
Debtors	10	247	247	224	224
Forward foreign exchange contracts	13	258	258	–	–
Cash at bank		1,293	1,293	1,166	1,166
		1,798	1,798	1,390	1,390
Total assets		48,161	48,211	56,489	56,539
Current liabilities					
Creditors: amounts falling due within one year	11	(129)	(129)	(212)	(212)
		(129)	(129)	(212)	(212)
Total assets less current liabilities		48,032	48,082	56,277	56,327
Non-current liabilities:					
ZDP Shares	12	(27,673)	–	(26,418)	–
Intercompany payable	12	–	(27,723)	–	(26,468)
Net assets		20,359	20,359	29,859	29,859
Equity attributable to Ordinary Shareholders					
Share capital	14	181	181	181	181
Share premium	15	8,701	8,701	8,701	8,701
Redemption reserve		88	88	88	88
Capital reserve	16	2,596	2,596	11,830	11,830
Special reserve		7,472	7,472	7,472	7,472
Revenue reserve		1,321	1,321	1,587	1,587
Total equity attributable to Ordinary Shareholders		20,359	20,359	29,859	29,859
Net asset value per Ordinary Share (pence)	19	112.55	112.55	165.07	165.07

The financial statements on pages 40 to 61 of Premier Global Infrastructure Trust PLC, company number 4897881, were approved by the Board and authorised for issue on 8 March 2019 and were signed on its behalf by:



Kasia Robinski
Director

As permitted by the Companies Act 2006, no Company Income Statement has been prepared.

The loss dealt with in the accounts of the Company was £(7,366,000) (31 December 2017: loss £(196,000)).

The notes on pages 45 to 61 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2018

	Notes	Ordinary share capital £000	Share premium reserve £000	Redemption reserve £000	Capital reserve £000	Special reserve* £000	Revenue reserve* £000	Total £000
For the year ended								
31 December 2018								
Balance at 31 December 2017		181	8,701	88	11,830	7,472	1,587	29,859
(Loss)/profit for the year		–	–	–	(9,234)	–	1,868	(7,366)
Ordinary dividends paid	7	–	–	–	–	–	(2,134)	(2,134)
Balance at 31 December 2018		181	8,701	88	2,596	7,472	1,321	20,359

	Notes	Ordinary share capital £000	Share premium reserve £000	Redemption reserve £000	Capital reserve £000	Special reserve* £000	Revenue reserve* £000	Total £000
For the year ended								
31 December 2017								
Balance at 31 December 2016		181	8,701	88	14,122	7,472	1,246	31,810
(Loss)/profit for the year		–	–	–	(2,292)	–	2,096	(196)
Ordinary dividends paid	7	–	–	–	–	–	(1,755)	(1,755)
Balance at 31 December 2017		181	8,701	88	11,830	7,472	1,587	29,859

* Distributable reserves.

The notes on pages 45 to 61 form part of these financial statements.

Company Statement of Changes in Equity

for the financial year ended 31 December 2018

	Notes	Ordinary share capital £000	Share premium reserve £000	Redemption reserve £000	Capital reserve £000	Special reserve* £000	Revenue reserve* £000	Total £000
For the year ended								
31 December 2018								
Balance at 31 December 2017		181	8,701	88	11,830	7,472	1,587	29,859
(Loss)/profit for the year		–	–	–	(9,234)	–	1,868	(7,366)
Ordinary dividends paid	7	–	–	–	–	–	(2,134)	(2,134)
Balance at 31 December 2018		181	8,701	88	2,596	7,472	1,321	20,359

	Notes	Ordinary Share capital £000	Share premium reserve £000	Redemption reserve £000	Capital reserve £000	Special reserve* £000	Revenue reserve* £000	Total £000
For the year ended								
31 December 2017								
Balance at 31 December 2016		181	8,701	88	14,122	7,472	1,246	31,810
(Loss)/profit for the year		–	–	–	(2,292)	–	2,096	(196)
Ordinary dividends paid	7	–	–	–	–	–	(1,755)	(1,755)
Balance at 31 December 2017		181	8,701	88	11,830	7,472	1,587	29,859

* Distributable reserves

The notes on pages 45 to 61 form part of these financial statements.

Consolidated and Company Cashflow Statements

for the financial year ended 31 December 2018

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Loss before taxation	(7,206)	(7,206)	(14)	(14)
Adjustments for				
Finance costs	1,255	1,255	1,201	1,201
Losses on investments held at fair value through profit or loss	5,233	5,233	1,838	1,838
Losses/(gains) on forward foreign exchange contracts	2,518	2,518	(1,095)	(1,095)
(Increase)/decrease in trade and other receivables	(256)	(256)	179	179
Decrease in trade and other payables	(83)	(83)	(98)	(98)
Overseas taxation paid	(185)	(185)	(157)	(157)
Net cash flows from operating activities	1,276	1,276	1,854	1,854
Investing activities				
Purchases of investments	(22,223)	(22,223)	(32,749)	(32,749)
Proceeds from sales of investments	25,726	25,726	31,786	31,786
Cash flows from forward foreign exchange contracts	(2,518)	(2,518)	1,095	1,095
Net cash flows from investing activities	985	985	132	132
Financing activities				
Dividends paid	(2,134)	(2,134)	(1,755)	(1,755)
Net cash flows from financing activities	(2,134)	(2,134)	(1,755)	(1,755)
Increase in cash and cash equivalents	127	127	231	231
Cash and cash equivalents, beginning of period	1,166	1,166	935	935
Cash and cash equivalents at end of the year	1,293	1,293	1,166	1,166

The notes on pages 45 to 61 form part of these financial statements.

Notes to the Financial Statements

for the financial year ended 31 December 2018

1. ACCOUNTING POLICIES

1.1 Principal accounting policies adopted by the Company

(a) Basis of preparation

The financial statements of the Group and Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, and as applied in accordance with the provisions of the Companies Act 2006. These comprise standards and interpretations of the International Accounting Standards and Standing Interpretations Committee as approved by the International Accounting Standards Committee ("IASC") that remain in effect, to the extent that IFRS have been adopted by the European Union.

The Directors believe that having considered the Company's investment objectives (shown on page 1), risk management policies and procedures (pages 55 to 61), nature of portfolio and income and expense projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date these financial statements were approved. For these reasons, they consider that the use of the going concern basis is appropriate. The risks that the Directors considered most likely to adversely affect the Company's available resources over this period was a significant fall in the valuation or a reduction in the liquidity of the Company's investment portfolio. In their consideration of these risks the Directors considered the impact a disorderly Brexit might have on the Company, its portfolio and activities. In their considerations, the Directors also took into account the continuation vote which is to be held at the annual general meeting of the Company in 2020.

If the shareholders voted not to pass the continuation vote scheduled to take place at the 2020 annual general meeting of the Company, this would oblige the Directors to follow the provisions in the Articles of Association and put forward proposals to the effect that the Company would be wound up, liquidated, reorganised, unitised or to find some other suitable solution that would be satisfactory to the shareholders.

The financial statements have also been prepared in accordance with the Statement of Recommended Practice ("SORP") 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies ("AIC") in November 2014 (and updated in February 2018) where the SORP is not inconsistent with IFRS.

In the current financial year the Company has applied a number of new standards, amendments to standards and interpretations.

IFRS 9 – Financial Instruments 2014 replaces IAS 39 and introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment for financial liabilities, impairment for financial assets and general hedge accounting. The Company measures all balance sheet items at fair value, there are no impaired assets and, does not enter into general hedge accounting. There is no material impact on the Company in relation to the adoption of this standard.

IFRS 15 – Revenue from Contracts with Customers specifies how and when an entity should recognise revenue and enhances the nature of revenue disclosures. Due to the nature of the Company's revenue streams from financial instruments there is no material impact on the Company in relation to the adoption of this standard.

The functional currency of the Group is UK pounds Sterling as this is the currency of the primary economic environment in which the Group operates. Accordingly, the financial statements are presented in UK pounds Sterling rounded to the nearest thousand pounds.

(b) Basis of consolidation

The consolidated financial statements are made up to 31 December each year and incorporate the financial statements of the Company and its wholly-owned subsidiary, PGIT Securities 2020 PLC. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of subsidiaries used in the preparation of the Consolidated Financial Statements are based on consistent accounting policies. All intra-group balances and transactions, including unrealised profits arising therefrom, are eliminated.

Assessment of an investment entity

PGIT Securities 2020 PLC, the Company's wholly-owned subsidiary, incorporated on 9 November 2015, is being consolidated in the accounts as it is not in itself an investment entity and provides investment-related services.

Notes to the Financial Statements continued

1. ACCOUNTING POLICIES continued

It is the Company's judgement that it meets the definition of an investment entity within IFRS 10. The criteria which define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services.
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both.
- an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Board has agreed with the recommendation of the Audit Committee that the Company meets the definition of an investment entity as it satisfies each of the criteria above and that this accounting treatment better reflects the Company's activities as an investment trust. Specifically, as an investment trust, the Company's principal activity is portfolio investment and the investment objectives of the Company (stated in the Strategic Report on page 15) are to achieve a high income and to realise long term growth in the capital value of its portfolio. The Company will seek to achieve these objectives by investing principally in the equity and equity-related securities of companies operating primarily in the energy and water sectors, as well as other infrastructure investments.

(c) Presentation of Statement of Comprehensive Income

In order to better reflect the activities of the Company as an investment trust company, and in accordance with guidance issued by the AIC, supplementary information which analyses the Consolidated Income Statement between items of a revenue and capital nature has been presented alongside the Consolidated Income Statement. In accordance with the Company's Articles of Association, net capital returns can be distributed by way of dividend. Additionally, net revenue is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010.

(d) Use of estimates

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the Balance Sheet and Income Statement and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, the Company's actual results may ultimately differ from those estimates, possibly significantly. The investments in the equity and fixed interest stocks of unquoted companies that the Group holds are not traded and as such the prices are more uncertain than those of more widely traded securities. The unquoted investments are valued by reference to valuation techniques approved by the Directors and in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines ("Valuation Guidelines") as described in note 1.1 (h).

(e) Income

Dividend income from investments is taken into account by reference to the date the security becomes ex-dividend. Special dividends are credited to capital or revenue in the Consolidated Income Statement, according to the circumstances surrounding the payment of the dividend. UK dividends are accounted for net of any tax credits.

Overseas dividends and other income that are subject to withholding tax are grossed up.

Interest receivable on deposits is accounted for on an accruals basis. The fixed return on a debt security is recognised on a time apportionment basis so as to reflect the effective interest rate on the debt security.

(f) Expenses

All expenses are accounted for on an accruals basis and are charged as follows:

- the basic investment management fee, is charged 40% to revenue and 60% to capital;
- the finance costs representing the accrued capital entitlement of the ZDP Shares is allocated to capital;
- investment transaction costs are allocated to capital; and
- other expenses are charged wholly to revenue.

(g) Taxation

The charge for taxation is based upon the net revenue for the year. The tax charge is allocated to the revenue and capital accounts according to the marginal basis whereby revenue expenses are first matched against taxable income arising in the revenue account; the effect of this for the year ended 31 December 2018 was that all the deductions for tax purposes went to the revenue account.

Notes to the Financial Statements continued

1. ACCOUNTING POLICIES continued

Deferred taxation will be recognised as an asset or a liability if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset will not be recognised to the extent that the transfer of economic benefit is uncertain.

Due to the Company's status as an Investment Trust, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided for deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

(h) Investments held at fair value through profit or loss

Upon initial recognition investments are designated by the Company "at fair value through profit or loss". They are accounted for on the date they are traded and are included initially at fair value which is taken to be their cost. Subsequently investments are valued at fair value which is the bid market price for listed investments. Unquoted investments are valued at fair value by the Board which is established with regard to the International Private Equity and Venture Capital Valuation Guidelines by using, where appropriate, latest dealing prices, valuations from reliable sources and other relevant factors.

Changes in the fair value of investments held at fair value through profit or loss and gains or losses on disposal are included in the capital column of the Consolidated Income Statement within "gains/(losses) on investments held at fair value through profit or loss".

The investment in the Company's subsidiary, PGIT Securities 2020 PLC, is held at fair value. The net asset value of the subsidiary is considered to be the Company's fair value.

(i) Dividends

Interim and final dividends are recognised in the year in which they are paid.

(j) Foreign currency

Transactions denominated in foreign currencies are translated into Sterling at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Consolidated Income Statement as appropriate. Foreign exchange movements on investments are included in the Consolidated Income Statement within gains on investments.

(k) Hedging

Forward currency contracts entered into for hedging purposes are held at fair value through profit or loss and changes in fair value are recognised in the capital column of the Group Income Statement.

(l) Zero Dividend Preference Shares

The ZDP Shares are classified as a financial liability and shown as a liability in the Group balance sheet. The ZDP Shares are initially measured at fair value being the proceeds of issue less transaction costs and are subsequently measured at amortised cost under the effective interest rate method.

The provision for compound growth entitlement of the ZDP Shares is recognised through the Consolidated Income Statement and analysed under the capital column as a finance cost (as shown in note 5).

(m) Special reserve

The Special Reserve was created by the Court cancellation of the share premium account on 12 November 2003 and is a distributable reserve to be used for all purposes permitted under the Companies Act 2006 (as amended) including the buyback of shares and the payment of dividends.

1.2 Accounting standards issued but not yet effective

At the date of authorisation of these Financial Statements, the following standards and interpretations have not been applied in these Financial Statements since they were in issue but not yet effective.

IFRS 16 Leases (effective 1 January 2019) specifies how to faithfully represent lease transactions and provide a basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. There will be no material impact on the Group's financial standards as the Group does not have any leases.

Notes to the Financial Statements continued

2. INCOME

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Income from investments:		
UK dividends	642	395
Overseas dividends	2,051	2,437
Overseas interest	–	161
Bank interest	2	–
Total income	2,695	2,993

3. INVESTMENT MANAGEMENT FEE

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Charged to Revenue:		
Investment management fee (40%)	152	232
Charged to Capital:		
Investment management fee (60%)	228	348
	380	580

The Company's AIFM is Premier Portfolio Managers Limited ("PPM") under an agreement terminable by giving not less than six months written notice. Under the AIFM agreement, PPM is entitled to receive from the Company a management fee, payable monthly in arrears, of 0.75% per annum of the gross assets of the Company.

PPM has delegated the management of the Company's portfolio of assets to Premier Fund Managers Limited.

4. OTHER EXPENSES

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Charged to Revenue:		
Secretarial services	75	75
Administration expenses	307	267
Depository fees	25	25
Auditor's remuneration – audit services	23	22
– audit services for subsidiary	6	4
Directors' fees and expenses	79	90
	515	483

Notes to the Financial Statements continued

5. FINANCE COSTS

	Year ended 31 December 2018			Year ended 31 December 2017		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Provision for compound growth entitlement of the ZDP Shares	–	1,255	1,255	–	1,201	1,201
	–	1,255	1,255	–	1,201	1,201

6. TAXATION

(a) ANALYSIS OF CHARGE IN THE YEAR:

	Year ended 31 December 2018			Year ended 31 December 2017		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Overseas tax	160	–	160	182	–	182
Total tax charge for the year (see note 6 (b))	160	–	160	182	–	182

(b) FACTORS AFFECTING THE TOTAL TAX CHARGE FOR THE YEAR:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for a large company of 19.00% (31 December 2017: 19.25%). The differences are explained below:

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Total loss before taxation	(7,206)	(14)
UK corporation tax at 19.00% (31 December 2017: 19.25%)	(1,369)	(3)
Effects of:		
Capital losses not subject to corporation tax	994	354
(Losses)/gains on foreign exchange derivatives not subject to corporation tax	479	(211)
Finance costs of ZDP Shares	238	231
UK dividends which are not taxable	(122)	(76)
Overseas tax suffered	160	182
Overseas dividends not taxable in the UK	(249)	(469)
Movement in unutilised management expenses	29	174
Total tax charge	160	182

The Company is not liable to tax on capital gains due to its status as an investment trust.

Due to the Company's status as an investment trust, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided for deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

After claiming relief against accrued income taxable on receipt, the Company has a deferred tax asset of approximately £1,293,988 (31 December 2017: £1,267,690) relating to excess expenses of £7,612,000 (31 December 2017: £7,457,000). It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset in respect of these expenses has been recognised.

Notes to the Financial Statements continued

7. DIVIDENDS

Dividends relating to the year ended 31 December 2018 which is the basis on which the requirements of Section 1159 of the Corporation Tax Act 2010 are considered are detailed below:

	Per Ordinary Share	Year ended 31 December 2018 £000
First interim dividend – paid on 29 June 2018	2.00p	362
Second interim dividend – paid on 28 September 2018	3.00p**	542
Third interim dividend – paid on 28 December 2018	2.50p	452
Fourth interim dividend – payable on 29 March 2019*	2.70p	488
	10.20p	1,844

*Not included as a liability in the year ended 31 December 2018 accounts.

** Second interim base dividend of 2.50p and in line with the change of dividend profile announced on 27 July 2018, an additional amount of 0.50p was paid to bring the cumulative dividend paid to date to the level it would have been had this change been in place from the start of the year.

The fourth interim dividend will be paid on 29 March 2019 to members on the register at the close of business on 8 March 2019. The shares will be marked ex-dividend on 7 March 2019.

Dividends relating to the year ended 31 December 2017 which is the basis on which the requirements of Section 1159 of the Corporation Tax Act 2010 are considered are detailed below:

	Per Ordinary Share	Year ended 31 December 2017 £000
First interim dividend – paid on 30 June 2017	1.90p	344
Second interim dividend – paid on 29 September 2017	1.90p	344
Third interim dividend – paid on 29 December 2017	1.90p	344
Fourth interim dividend – paid on 29 March 2018*	4.30p	778
	10.00p	1,810

*Not included as a liability in the year ended 31 December 2017 accounts.

Amounts recognised as distributions to equity holders in the year:

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Fourth interim dividend for the year ended 31 December 2017 of 4.30p (2016: 4.00p) per ordinary share	778	723
First interim dividend for the year ended 31 December 2018 of 2.00p (2017: 1.90p) per ordinary share	362	344
Second interim dividend for the year ended 31 December 2018 of 3.00p (2017: 1.90p) per ordinary share	542	344
Third interim dividend for the year ended 31 December 2018 of 2.50p (2017: 1.90p) per ordinary share	452	344
	2,134	1,755

Notes to the Financial Statements continued

8. INVESTMENTS

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Investments listed on a recognised investment exchange	46,363	46,363	55,099	55,099
Investments in subsidiaries	–	50	–	50
Valuation at year end	46,363	46,413	55,099	55,149
Opening book cost	54,918	54,968	49,373	49,423
Opening investment holding gains	181	181	6,573	6,573
Opening valuation	55,099	55,149	55,946	55,996
Movements in the year:				
Purchases at cost	22,223	22,223	32,778	32,778
Sales – proceeds	(25,726)	(25,726)	(31,786)	(31,786)
– gains on sales	1,224	1,224	4,553	4,553
Movement in investment holding losses for the year	(6,457)	(6,457)	(6,392)	(6,392)
Closing valuation	46,363	46,413	55,099	55,149
Closing book cost	52,639	52,689	54,918	54,968
Closing investment holding (losses)/gains	(6,276)	(6,276)	181	181
Closing valuation	46,363	46,413	55,099	55,149
(Losses)/gains on sales based on historical cost	(1,294)	(1,294)	5,649	5,649
Movement in holding losses for the year	(6,457)	(6,457)	(6,392)	(6,392)
Net losses on investments attributable to Ordinary Shareholders	(7,751)	(7,751)	(743)	(743)

Classification of assets

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Quoted equities	46,363	46,363	55,099	55,099
Subsidiary	–	50	–	50
Total investments	46,363	46,413	55,099	55,149

Transaction costs and stamp duty on purchases for the year ended 31 December 2018 amounted to £73,000 (2017: £68,000) and transaction costs on sales amounted to £42,000 (2017: £49,000).

9. INVESTMENTS IN SUBSIDIARIES

Entity	Principal activity	% Ordinary Share capital held	Country of incorporation and registration	Capital and reserves £000	Profit & loss £000
As at 31 December 2018					
Investment in subsidiaries:					
PGIT Securities 2020 PLC	Financing	100%	England	50	(1,255)

Notes to the Financial Statements continued

9. INVESTMENTS IN SUBSIDIARIES continued

Entity	Principal activity	% Ordinary Share capital held	Country of incorporation and registration	Capital and reserves £000	Profit & loss £000
As at 31 December 2017					
<i>Investment in subsidiaries:</i>					
PGIT Securities 2020 PLC	Financing	100%	England	50	(1,201)

The Company owns the whole of the ordinary share capital (£50,000) of PGIT Securities 2020 PLC a company which issued the Group's ZDP Shares. The subsidiary is held at fair value of £50,000 (2017: £50,000).

10. RECEIVABLES AND OTHER FINANCIAL ASSETS

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Accrued income and prepayments	196	196	198	198
Overseas withholding tax recoverable	51	51	26	26
	247	247	224	224

11. OTHER FINANCIAL LIABILITIES

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Other creditors	129	129	212	212
	129	129	212	212

12. NON-CURRENT LIABILITIES

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
24,073,337 ZDP Shares of £0.01 (2017: 24,073,337)	27,673	–	26,418	–
Intercompany payable	–	27,723	–	26,468
	27,673	27,723	26,418	26,468

The final capital entitlement of the ZDP Shares in issue will be 125.6519p per share (total of £30,248,605) which will be payable on 30 November 2020.

The ZDP Shares, are issued by the Company's wholly-owned subsidiary, PGIT Securities 2020 PLC. The Company entered into an Undertaking Agreement with PGIT Securities 2020 PLC to meet the repayment entitlement of the ZDP Shares on 30 November 2020. The amounts shown above are due to PGIT Securities 2020 PLC.

Notes to the Financial Statements continued

13. FORWARD FOREIGN EXCHANGE CONTRACTS

	Current assets £000	Current liabilities £000	2018 Net current assets/ (liabilities) £000	Current assets £000	Current liabilities £000	2017 Net current assets/ (liabilities) £000
Forward foreign exchange contracts – GBP/HKD	69	–	69	–	–	–
Forward foreign exchange contracts – GBP/CAD	120	–	120	–	–	–
Forward foreign exchange contracts – GBP/USD	69	–	69	–	–	–
Total forward foreign exchange contracts	258	–	258	–	–	–

The above derivatives are classified as Level 2 as defined in note 21 (g).

14. SHARE CAPITAL

	Group and Company Year ended 31 December 2018 Number of shares	Group and Company Year ended 31 December 2018 £000	Group and Company Year ended 31 December 2017 Number of shares	Group and Company Year ended 31 December 2017 £000
Allotted, issued and fully paid:				
Opening balance Ordinary Shares of £0.01	18,088,480	181	18,088,480	181
	18,088,480	181	18,088,480	181

The allotted issued and fully paid ZDP Shares of the Group at 31 December 2018 are disclosed in note 12.

15. SHARE PREMIUM

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Opening balance	8,701	8,701	8,701	8,701
Movement in year	–	–	–	–
Closing balance	8,701	8,701	8,701	8,701

16. CAPITAL RESERVE

	Group Year ended 31 December 2018 £000	Company Year ended 31 December 2018 £000	Group Year ended 31 December 2017 £000	Company Year ended 31 December 2017 £000
Opening balance	11,830	11,830	14,122	14,122
Losses on investments – held at fair value through profit or loss	(7,751)	(7,751)	(743)	(743)
Provision for growth redemption yield of 4.75% on ZDP Shares	(1,255)	(1,255)	(1,201)	(1,201)
Investment management fee charged to capital	(228)	(228)	(348)	(348)
Closing balance	2,596	2,596	11,830	11,830

Notes to the Financial Statements continued

17. FINANCIAL COMMITMENTS

At 31 December 2018 there were no commitments in respect of unpaid calls and underwritings (31 December 2017: nil).

18. RETURN PER SHARE – BASIC

Total return per Ordinary Share is based on the total comprehensive loss for the year after taxation of £(7,366,000) (31 December 2017: loss £(196,000)).

These calculations are based on the number of 18,088,480 Ordinary Shares in issue during the year to 31 December 2018 (2017: 18,088,480 Ordinary Shares).

The return per Ordinary Share can be further analysed between revenue and capital as below:

	Year ended 31 December 2018 Pence per Ordinary Share	Year ended 31 December 2018 £000	Year ended 31 December 2017 Pence per Ordinary Share	Year ended 31 December 2017 £000
Net revenue return	10.33p	1,868	11.59p	2,096
Net capital return	(51.05)p	(9,234)	(12.68)p	(2,292)
Net total return	(40.72)p	(7,366)	(1.09)p	(196)

The Company does not have any dilutive securities.

19. NET ASSET VALUE PER SHARE

The net asset value per share and the net assets available to each class of share calculated in accordance with International Financial Reporting Standards, are as follows:

	Net asset value per share 31 December 2018 Pence	Net assets available 31 December 2018 £000	Net asset value per share 31 December 2017 Pence	Net assets available 31 December 2017 £000
18,088,480 Ordinary Shares in issue (2017: 18,088,480)	112.55p	20,359	165.07p	29,859
24,073,337 ZDP Shares* in issue (2017: 24,073,337)	114.95p	27,673	109.74p	26,418

*Classified as a liability.

Notes to the Financial Statements continued

20. RELATED PARTY TRANSACTIONS AND TRANSACTIONS WITH THE INVESTMENT MANAGER

Details of the investment management fee charged by Premier Portfolio Managers Limited is set out in note 3. In addition, Premier Portfolio Managers Limited acts as Company Secretary and the fee for secretarial services is set out in note 4. At 31 December 2018 £42,500 (31 December 2017: £113,270) of these fees remained outstanding.

Fees paid to the Directors are disclosed in the Directors' Remuneration Report on page 30.

Full details of Directors' interests are set out in the Directors' Remuneration Report on page 29.

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

Risk management policies and procedures

As an investment trust the Company invests in equities and other investments for the long-term so as to secure its investment objectives stated on page 15. In pursuing its investment objectives, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends.

These risks, include market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk, and credit risk, and the Directors' approach to the management of them are set out below.

The objectives, policies and processes for managing the risks, and the methods used to measure the risks, that are set out below, have not changed from the previous accounting period.

(a) MARKET RISK

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk (see (b) below), interest rate risk (see (c) below) and other price risk (see (d) below). The Board of Directors reviews and agrees policies for managing these risks, which have remained substantially unchanged from those applying in the year ended 31 December 2017. The Company's Investment Manager assesses the exposure to market risk when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(b) CURRENCY RISK

Certain of the Company's assets, liabilities, and income, are denominated in currencies other than Sterling (the Company's functional currency, in which it reports its results). As a result, movements in exchange rates may affect the Sterling value of those items.

Management of the risk

The Investment Manager monitors the Company's exposure and reports to the Board on a regular basis.

When appropriate the Investment Manager deploys active hedging against exchange rate fluctuations where adverse movements are anticipated.

Income denominated in foreign currencies is converted to Sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Foreign currency exposures

An analysis of the Company's equity investments and liabilities at 31 December 2018 (shown at fair value, except derivatives at gross exposure value) that are priced in a foreign currency based on the country of primary exposure are shown below:

	As at 31 December 2018			As at 31 December 2017
	Derivative financial instruments assets/(liabilities) £000	Investments £000	Net financial assets £000	Investments £000
Sterling	23,255	11,562	34,817	6,706
Brazilian Real	–	5,729	5,729	4,496
Canadian Dollar	(4,591)	4,928	337	4,704
Euro	–	1,120	1,120	6,680
Hong Kong Dollar	(9,014)	9,867	853	8,375
Indonesian Rupiah	–	198	198	186
Norwegian Krone	–	–	–	–
Philippine Peso	–	1,417	1,417	1,163
Polish Zloty	–	–	–	–
Romanian Leu	–	–	–	2,161
Singapore Dollar	–	–	–	–
Thai Baht	–	1,743	1,743	2,017
US Dollar	(9,392)	9,849	457	18,661
Total	258	46,413	46,671	55,149

Foreign currency sensitivity

The following table illustrates the sensitivity of the return on ordinary activities after taxation for the year and the equity in regard to the Company's non-monetary financial assets to changes in the exchange rates for the portfolio's significant currency exposures, these being Sterling/US Dollar, Sterling/Euro and Sterling/Hong Kong Dollar.

It assumes the following changes in exchange rates:

Sterling/US Dollar +/- 2% (2017: 5%)

Sterling/Euro +/- 1% (2017: 3%)

Sterling/Hong Kong Dollar +/- 1% (2017: 5%)

These percentages have been determined based on the average market volatility in exchange rates, in the previous 12 months.

If Sterling had strengthened against the currencies shown assuming there was no currency hedge in place, this would have had the following effect:

	2018 US Dollar £000	2018 Euro £000	2018 HK Dollar £000	2017 US Dollar £000	2017 Euro £000	2017 HK Dollar £000
Projected change	2%	1%	1%	5%	3%	5%
Impact on revenue return	(20)	(1)	(2)	(58)	(12)	(13)
Impact on capital return	(197)	(11)	(99)	(933)	(200)	(419)
Total return after taxation for the year	(217)	(12)	(101)	(991)	(212)	(432)
Equity	(217)	(12)	(101)	(991)	(212)	(432)

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

If Sterling had weakened against the currencies shown assuming there was no currency hedge in place, this would have had the following effect:

	2018 US Dollar £000	2018 Euro £000	2018 HK Dollar £000	2017 US Dollar £000	2017 Euro £000	2017 HK Dollar £000
Projected change	2%	1%	1%	5%	3%	5%
Impact on revenue return	20	1	2	58	12	13
Impact on capital return	197	11	99	933	200	419
Total return after taxation for the year	217	12	101	991	212	432
Equity	217	12	101	991	212	432

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the currency risk management process used to meet the Company's objectives.

(c) INTEREST RATE RISK

Interest rate movements may affect the level of income receivable on cash deposits. Interest rate movements may affect the fair value of investments in fixed-interest rate securities.

Cash at bank at 31 December 2018 (and 31 December 2017) was held at floating interest rates, linked to current short term market rates.

Due to the insignificant impact of fluctuations in interest rates no sensitivity analysis is shown.

(d) OTHER PRICE RISK

Other price risks (i.e. changes in market prices other than those arising from interest rate risk or currency risk) may affect the value of the quoted and unquoted equity investments.

Management of the risk

The Board of Directors manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board meets regularly and at each meeting reviews investment performance. The Board monitors the Investment Managers' compliance with the Company's objectives.

When appropriate, the Company manages its exposure to risk by using futures contracts or by buying put options on indices and on quoted equity investments in its portfolio.

Concentration of exposure to other price risks

A sector breakdown and geographical allocation of the portfolio is contained in the Investment Managers' Report on page 8.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and the equity to an increase or decrease of 10% in the fair values of the Company's equities and corporate bonds. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at each balance sheet date, with all other variables held constant.

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

	Increase in fair value 2018 £000	Decrease in fair value 2018 £000	Increase in fair value 2017 £000	Decrease in fair value 2017 £000
Consolidated Income Statement – return after taxation:				
Capital return – increase/(decrease)	4,636	(4,636)	5,510	(5,510)
Total return after taxation – increase/(decrease)	4,636	(4,636)	5,510	(5,510)
Equity	4,636	(4,636)	5,510	(5,510)

(e) LIQUIDITY RISK

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

Liquidity risk is not significant as the majority of the Company's assets are investments in quoted equities that are readily realisable. The Company does not have any borrowing facilities.

The investments in unquoted securities may have limited liquidity and be difficult to realise. At 31 December 2018 the unquoted securities are valued at £50,000 which relates to the wholly-owned subsidiary PGIT Securities 2020 PLC and one unquoted security which is in liquidation, ITI Energy Ltd, (31 December 2017 the unquoted security was valued at £50,000 consisting of PGIT Securities 2020 PLC and one unquoted security which was in liquidation, ITI Energy Ltd). The Company may invest up to 15% of its gross assets in unquoted securities.

The Board gives guidance to the Investment Manager as to the maximum amount of the Company's resources that should be invested in any one holding. The policy is that the Company should remain fully invested in normal market conditions and that short-term borrowing be used to manage short-term cash requirements. The Board will monitor the level of liquidity required to fund the repayment of the ZDP Shares and the impact of the issue of any new ZDP Shares.

The contractual maturities of the Group's financial liabilities at 31 December 2018, based on the earliest date on which payment can be required, were as follows:

	3 months or less £000	Between one and five years £000	Total £000
At 31 December 2018			
Payables and other financial liabilities	(129)	–	(129)
ZDP Shares	–	(30,249)	(30,249)
Derivatives	(258)	–	(258)

The contractual maturities of the Group's financial liabilities at 31 December 2017, based on the earliest date on which payment can be required, were as follows:

	3 months or less £000	Between one and five years £000	Total £000
At 31 December 2017			
Payables and other financial liabilities	(212)	–	(212)
ZDP Shares	–	(30,249)	(30,249)

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

(f) CREDIT RISK

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss. The maximum exposure to credit risk at 31 December 2018 (comprising of current assets and cash at bank) was £1,798,000 (2017: £1,390,000). The calculation is based on the Company's credit exposure as at 31 December 2018 and may not be representative of the year as a whole.

Management of the risk

This risk is not significant, and is managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit-standing is reviewed periodically by the Investment Manager, and limits are set on the amount that may be due from any one broker; and
- cash at bank is held only with reputable banks with high quality external credit ratings. The Company does not generally hold significant cash balances, but when it does it seeks to limit exposure to any one bank to 10% of net assets.

None of the Company's financial assets are secured by collateral or other credit enhancements. In addition none of these financial assets are either past due or impaired.

(g) FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The financial assets and liabilities are either carried in the balance sheet at their fair value, or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends receivable, accrued income, due to brokers, accruals and cash balances).

The tables below set out fair value measurements using fair value hierarchy, where Level 1, Level 2 and total figures apply to both Group and Company and Level 3 figures apply only to Company.

Financial assets at fair value through profit or loss at 31 December 2018

	Notes	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Equity investments		46,363	–	50	46,413
Forward foreign exchange contracts	13	–	258	–	258
Total		46,363	258	50	46,671

Financial assets at fair value through profit or loss at 31 December 2017

		Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Equity investments		55,099	–	50	55,149
Forward foreign exchange contracts	13	–	–	–	–
Total		55,099	–	50	55,149

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1. Level 2 investments include the Company's forward currency contracts, these are valued using the Prime Broker contracts which uses spot foreign exchange rates in the respective currencies.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

Level 3 fair values are determined by the Directors using valuation methodologies in accordance with the IPEV Guidelines and as detailed in note 1.1 (h). Significant inputs include investment cost, the value of the most recent capital raising and the adjusted net asset value of funds. In accordance with IPEV Guidelines, new investments are carried at cost, the price of the most recent investment being a good indication of fair value. Thereafter, fair value is the amount deemed to be the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At 31 December 2018, the Company's Level 3 investments related to the one wholly-owned subsidiary, PGIT Securities 2020 PLC (the net asset value of the subsidiary is considered to be the fair value) and one unquoted security which is in liquidation, ITI Energy Ltd, which is valued at nil.

The valuation techniques used by the Company are explained in the accounting policies note on page 47.

A reconciliation of fair value measurements in Level 3 is set out below.

Level 3 financial assets at fair value through profit or loss

	As at 31 December 2018 £000
Opening fair value – PGIT Securities 2020 PLC and ITI Energy Ltd	50
Closing fair value – PGIT Securities 2020 PLC and ITI Energy Ltd	50

Financial liabilities at fair value through profit or loss

The listed bid price was used to determine the fair value of the ZDP Shares as at 31 December 2018:

	As at 31 December 2018		As at 31 December 2017	
	Book value £000	Fair value Level 2 £000	Book value £000	Fair value Level 1 £000
ZDP Shares	27,673	27,684	26,418	27,444

During the year to 31 December 2018, the ZDP Shares were transferred from Level 1 to Level 2. This was due to a lower volume of trade.

Notes to the Financial Statements continued

21. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

(h) CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to achieve a high income from its portfolio and to realise long-term growth in the capital value of the portfolio.

The Company's capital at 31 December comprises:

	2018 £000	2017 £000
Debt:		
ZDP Shares	(27,673)	(26,418)
Equity:		
Equity share capital	181	181
Retained earnings and other reserves	20,178	29,678
	20,359	29,859
Total assets	48,161	56,489
Debt as a percentage of total capital	57.46%	46.77%

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company is subject to several externally imposed capital requirements:

- As a public company, the Company has to have a minimum share capital of £50,000.
- In order to be able to pay dividends out of profits available for distribution by way of dividends, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by company law.

These requirements are unchanged since last year and the Company has complied with them.

22. SEGMENTAL REPORTING

The chief operating decision maker has been identified as the Board of Premier Global Infrastructure Trust PLC. The Board reviews the Company's internal management accounts in order to analyse performance.

The Directors are of the opinion that the Company is engaged in one segment of business, being the investment business.

Geographical segmental analysis pertaining to the Company has not been disclosed because the Directors are of the opinion that as an investment company the geographical sources of revenues received by the Company are incidental to its investment activity.

Glossary of Terms & Alternative Performance Measures

ALTERNATIVE PERFORMANCE MEASURES ("APMS")

We assess our performance using a variety of measures that are not specifically defined under IFRS and therefore termed APMs. The APMs that we use may not be directly comparable with those used by other companies.

COVER

The Cover on the ZDP Shares measures the amount by which the final redemption value of the ZDP Shares is covered by the total assets of the Group allowing for all prior ranking liabilities and the accrual of expenses to capital over the remaining period to the redemption of the ZDP Shares. The calculation for Cover as specified in the Group's prospectus is the ratio of the gross assets of the Group less current period income and the Group's revenue reserves to the aggregate amount payable to ZDP Shareholders on the repayment date plus any other borrowing plus the cumulative management fee charged to capital over the remaining period to the repayment date and calculated on the assumption of no capital or revenue growth in the Group's portfolio. This is the definition used when calculating the Cover level to satisfy the requirements for the issue or buy back of shares. The cover figure used on the summary table of this report and on the monthly fact sheets is non-cumulative cover as calculated by JP Morgan Cazenove.

DISCOUNT/PREMIUM

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, the shares are said to be trading at a premium. The Board monitors the level of discount or premium and consideration is given to ways in which share price performance may be enhanced, including the effectiveness of marketing and share buy-backs, where appropriate. The discount/premium is shown on page 2.

GEARING

Also known as leverage, particularly in the USA. Gearing is introduced when a company borrows money or issues prior ranking share classes such as Zero Dividend Preference ("ZDP") shares, to buy additional investments. The objective is to enhance returns to shareholders but there is the risk of the opposite effect if the additional investments fall in value.

GROSS REDEMPTION YIELD

The return on a fixed-interest security, or any investment with a known life, expressed as an annual percentage and without any deduction for tax. Redemption yield measures the capital as well as income return on investments with a fixed life.

HURDLE RATE

The compound rate of growth or decline of the total assets required each year until the redemption date for shareholders to receive the predetermined redemption price on a ZDP Share or the current share price on an Ordinary Share.

NET ASSET VALUE ("NAV") (CUM INCOME)

The NAV is the assets attributable to shareholders expressed as an amount per individual share. PGIT's Ordinary Share NAV is calculated as the total value of all its assets, at current market value, having deducted all prior charges at their par value (or at their asset value).

Glossary of Terms & Alternative Performance Measures continued

ONGOING CHARGES

The ongoing charges represent the Company's management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average of the daily net assets during the year (see page 2). The Board continues to be conscious of expenses and works hard to maintain a sensible balance between good quality service and cost.

Year ended 31 December 2018		£000	£000	£000	£000
Average NAV	a		51,400		58,098
Investment management fee		380		580	
Other operating expenses		515		483	
Total expenses excluding finance costs	b		895		1,063
Ongoing charges	(b÷a)		1.7%		1.8%

RETURN PER SHARE

Return per share is calculated using the net return on ordinary activities after finance costs and taxation divided by the weighted average number of shares in issue for the financial year (see note 18, page 54). The Directors also regard return per share to be a key indicator of performance. The return per share is shown on page 2.

SPLIT CAPITAL INVESTMENT TRUST

An investment trust with two or more classes of share in issue, each class having specified entitlements to income or capital. Typical classes of share include ordinary shares, capital shares, zero dividend preference shares and income and residual capital (or geared ordinary) shares.

TOTAL RETURN

The combined effect of any dividends paid, together with the rise or fall in the share price or NAV. Total return statistics enable the investor to make performance comparisons between companies with different dividend policies. Any dividends (after tax) received by a shareholder are assumed to have been reinvested in either additional shares of the company at the time the shares go ex-dividend (the share price total return) or in the assets of the company at its NAV per share (the NAV total return). The total return, the NAV total return and the share price total return figures are shown on page 2.

TOTAL ASSETS

Total assets less current liabilities, before deduction of all borrowings.

Company History

The Company, a UK investment trust listed on the Main Market of the London Stock Exchange, was incorporated on 12 September 2003 and commenced its activities on 4 November 2003. The Company was established in connection with the scheme of reconstruction of Legg Mason Investors International Utilities Trust PLC, with 18,143,433 Ordinary Shares and 19,143,433 Zero Dividend Preference Shares being allotted at launch. On 18 December 2009 shareholders approved special resolutions to implement tender offers for Ordinary Shares and Zero Dividend Preference ("ZDP") Shares, to extend the life of the Company until 31 December 2015 and to amend the final entitlement per ZDP Share to 221.78p on 31 December 2015. On 15 December 2010 shareholders approved proposals to issue new shares in connection with the reconstruction of Premier Renewable Energy Fund Limited.

On 27 August 2014 shareholders approved proposals to extend the life of the Company and to implement a reorganisation of the Company through a scheme of arrangement. The existing ZDP Shares were replaced with New ZDP Shares issued by a newly incorporated subsidiary of the Company, PEWT Securities PLC and the Articles were amended to allow the Company to continue with an indefinite life whilst including a provision to allow holders of ordinary shares an opportunity to vote on the continued existence of the Company every five years from 2020. In December 2014 the Company raised £1,361,931 (after expenses) through the placing of 310,000 Ordinary Shares and 384,681 ZDP Shares (issued by PEWT Securities PLC).

During 2015 the Company raised £3,153,302 (after expenses) through the placing of 710,000 Ordinary Shares and 881,045 ZDP Shares (issued by PEWT Securities PLC).

On 14 December 2015 it was announced that elections by ZDP Shareholders to participate in the Rollover Option exceeded the Maximum Issue Size, meaning that such Elections were scaled back on a pro-rata basis. Each ZDP Shareholder who made a valid Election to receive New ZDP Shares of PEWT Securities 2020 PLC ("new ZDP Shares") received approximately 1,871 New ZDP Shares and £346.80 in cash for every 1,000 Existing ZDP Shares held on the Effective Date and for which they made a valid Election. On 31 December 2015 PEWT Securities PLC was placed into members' voluntary liquidation and 24,073,337 New ZDP Shares in PEWT Securities 2020 PLC were issued to satisfy ZDP Shareholders who had elected to rollover their investment. The New ZDP Shares of PEWT Securities 2020 PLC were admitted to the standard listing segment of the Official List and to trading on the Main Market of the London Stock Exchange and dealings commenced on 4 January 2016.

On 1 November 2017 the Board of Premier Energy and Water Trust PLC announced that the name of the Company changed to Premier Global Infrastructure Trust PLC and simultaneously the name of the Company's subsidiary, PEWT Securities 2020 PLC, was changed to PGIT Securities 2020 PLC.

Shareholder Information

SHARE PRICE AND PERFORMANCE INFORMATION

The Ordinary Shares and ZDP Shares are listed on the London Stock Exchange. Information about the Company and that of the other investment company managed by Premier, the Acorn Income Fund Limited, including current share prices can be obtained directly from:

www.premierfunds.co.uk

Contact Premier on 0333 456 1122, or by e-mail to premier@premierfunds.co.uk.

SHARE DEALING

Shares can be purchased through a stockbroker.

Information on the Premier ISA can be obtained by contacting Premier on 01483 400 400.

SHARE REGISTER ENQUIRIES

The register for the Ordinary Shares and ZDP Shares is maintained by Link Asset Services. In the event of queries regarding your holding, please contact the Registrar on 0871 664 0300 (calls cost 10p per minute plus network extras, lines are open Monday to Friday 9:00 a.m. to 5:30 p.m.); overseas +44 371 664 0300; or e-mail enquiries@linkgroup.co.uk. Changes of name and/or address must be notified in writing to the Registrar.

STATEMENT REGARDING NON-MAINSTREAM INVESTMENT PRODUCTS

The Company currently conducts its affairs so that both the Ordinary Shares issued by the Company and the ZDP Shares issued by the Company's wholly-owned subsidiary PGIT Securities 2020 PLC can be recommended by IFAs to retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future.

The Ordinary Shares and the ZDP Shares fall outside the restrictions which apply to non-mainstream investment products because they are excluded securities.

The logo for the Association of Investment Companies (aic) consists of the lowercase letters 'aic' in a bold, sans-serif font.

The Association of
Investment Companies

A member of the Association of Investment Companies.

AIFMD Disclosures & Remuneration Disclosure

AIFMD DISCLOSURES

The provisions of the Alternative Investment Fund Managers Directive ("AIFMD") took effect on 22 July 2014. The Alternative Investment Fund Manager ("AIFM") of the Company is Premier Portfolio Managers Limited ("PPM"), authorised by the FCA as an Alternative Investment Fund Manager ("AIFM") under the AIFMD.

Pre-Investment Disclosures

The AIFM is required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment can be found at <https://www.premierfunds.co.uk/media/5007/premier-global-infrastructure-trust-pre-investment-disclosure-document-aifmd.pdf>. The document was updated in November 2017 and there have been no material changes to the disclosures contained within the document since that date.

AIFMD Leverage limits

The maximum level of leverage which the Investment Manager may employ on behalf of the Company and the levels as at 31 December 2018 are set out below:

Maximum gross leverage (calculated as specified by the AIFM Directive): 1,000%	Level as at 31 December 2018: 89%
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Maximum commitment exposure (calculated as specified by the AIFM Directive): 800%	Level as at 31 December 2018: 92%
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Remuneration Disclosure

The provisions of the AIFMD require the AIFM to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management.

The AIFM is part of a larger group of companies within which remuneration policies are the responsibility of a remuneration committee comprised entirely of non-executive directors. That committee has established a remuneration policy which sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration within the AIFM's group are calculated primarily by reference to the performance of each individual and the profitability of the relevant business unit. The policies are designed to reward long term performance and long term profitability.

Within the Group, all staff are employed by a subsidiary of the parent Company with none employed directly by the AIFM. The costs of a number of individuals are allocated between the entities within the AIFM's group based on the expected amount of time devoted to each.

The total remuneration of those individuals who are fully or partly involved in the activities of the AIFM in relation to Alternative Investment Funds, including the Company ("AIFs"), including those whose time is allocated between group entities, for the financial year ending 30 September 2018, is analysed below:

Fixed remuneration	£1,670,925
Variable remuneration	£1,325,523
Total	£2,996,448
Weighted FTE Headcount	26

AIFMD Disclosures & Remuneration Disclosure continued

The table below provides an alternative analysis of the remuneration data.

Aggregate remuneration of:

Significant Influence Functions	£996,004
Senior Management Functions	£497,312
Other staff	£1,503,132
Total	£2,996,448

The staff members included in the above analysis support all the funds managed by the AIFM. It is not considered feasible or useful to attempt to apportion these figures to individual AIFs.

The AIFM's management have reviewed the general principles of the remuneration policy and its application in the last year which has resulted in no material changes to the policy.

Notice of Annual General Meeting

to the members of Premier Global Infrastructure Trust PLC

Notice is hereby given that the Annual General Meeting of the Company will be held at the offices of Premier Fund Managers Limited, Eastgate Court, High Street, Guildford, Surrey, GU1 3DE on Thursday, 25 April 2019, at 12:15 p.m. to consider and, if thought fit, pass the following resolutions, which will be proposed as to resolutions 1, 2, 3, 4, 5, 6, 7 and 8 as ordinary resolutions and as to resolutions 9 and 10 as special resolutions, light refreshments will be available after the AGM:

ORDINARY RESOLUTIONS

1. **To receive the Directors' Report and Financial Statements for the year ended 31 December 2018.**
2. **To approve the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy, for the financial year ended 31 December 2018.**
3. **To re-elect Mrs Gillian Nott as a Director of the Company.**
4. **To re-elect Ms Victoria Muir as a Director of the Company.**
5. **To elect Mr Melville Trimble as a Director of the Company.**
6. **To reappoint KPMG LLP as Auditor of the Company and to authorise the Board to determine their remuneration.**
7. **Authority to allot new shares:**

THAT the Directors be and are hereby generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (the "Act"), to allot Ordinary Shares in the Company and to grant rights ("relevant rights") to subscribe for or to convert any security into Ordinary Shares in the Company up to an aggregate nominal amount of £18,088, representing 1,808,800 Ordinary Shares of 1p each, (being approximately 10 per cent. of the issued Ordinary Share capital of the Company as at the date of this notice) provided that this authority shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution, save that the Company may, at any time prior to the expiry of such authority, make an offer or agreement which would or might require shares to be allotted or relevant rights to be granted after the expiry of such authority and the Directors may allot shares or grant relevant rights in pursuance of such an offer or agreement as if such authority had not expired.

8. **Authority to allot Ordinary Shares at a discount:**

THAT, subject to and conditional upon the passing of resolution 7 above, the Directors be and are hereby generally and unconditionally authorised, in accordance with LR 15.4.11 of the United Kingdom Listing Rules to allot Ordinary Shares for cash pursuant to that resolution at a price which represents a discount to the net asset value attributable to the Ordinary Shares as at the date of such issue provided that (i) such issue is contemporaneous with an issue of New Zero Dividend Preference Shares by PGIT Securities 2020 PLC ("New ZDP Shares") and (ii) the combined effect of the issue of Ordinary Shares at a discount to the prevailing net asset value per Ordinary Share and the issue of New ZDP Shares at a premium to net asset value per New ZDP Share is that the net asset value per Ordinary Share is thereby increased.

SPECIAL RESOLUTIONS

9. **Authority to disapply pre-emption rights:**

THAT, subject to the passing of resolution numbered 7 above, the Directors of the Company be empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to that resolution, or to sell Ordinary Shares from treasury, as if section 561(1) of the Act did not apply to such allotment, provided that this power shall be limited to:

- (a) the allotment, or sale, of equity securities (otherwise than pursuant to sub-paragraph (b) below), up to an aggregate nominal amount of £18,088; and
- (b) the allotment, or sale, of equity securities to (i) all holders of Ordinary Shares of 1p each in the capital of the Company in proportion (as nearly as may be) to the respective numbers of such Ordinary Shares held by them and (ii) to holders of other equity securities as required by the rights of those securities (but subject to such exclusions, limits or restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with fractional entitlements,

Notice of Annual General Meeting continued

record dates or legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever); and

such power shall expire at the conclusion of the next annual general meeting of the Company to be held in 2020, but so that this power shall enable the Company to make an offer or agreement before such expiry which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

10. Authority to repurchase the Company's shares:

THAT, the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 ("the Act") to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares of 1p each in the capital of the Company (together the "Shares"), provided that:

- (a) the maximum number of Shares hereby authorised to be purchased shall be 2,711,463 Ordinary Shares;
- (b) the minimum price which may be paid for a Share is 1 pence;
- (c) the maximum price which may be paid for an Ordinary Share is an amount equal to the highest of (i) 105% of the average of the middle market quotation for an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased and (ii) that stipulated by the regulatory technical standards adopted by the EU pursuant to the Market Abuse Regulation from time to time;
- (d) Ordinary Shares may only be purchased at prices below their prevailing net asset value per Ordinary Share (as determined by the Directors in accordance with the Articles as at a date falling no more than 10 days before the date of the relevant repurchase and taking into account the costs of the repurchase) and where:
 - (i) the Cover of the ZDP Shares issued by PGIT Securities 2020 PLC ("ZDP Shares") would not be reduced below 1.8 times; or
 - (ii) the Cover of the ZDP Shares would not be less than the Cover of the ZDP Shares in issue immediately prior to the repurchase, in each case as determined by the Directors as at a date falling not more than ten days before the date of repurchase and taking account of any purchases of ZDP Shares proposed to be made at or about the same time;
- (e) Ordinary Shares and ZDP Shares may be purchased in such proportions and at such prices so as to effect an increase in the net asset value per Ordinary Share (as determined by the Directors in accordance with the Articles as at a date falling no more than 10 days before the date of the relevant repurchases and taking into account the costs of the repurchases) and where:
 - (i) the Cover of the ZDP Shares would not be reduced below 1.8 times; or
 - (ii) the Cover of the ZDP Shares would not be less than the Cover of the ZDP Shares in issue immediately prior to the repurchases, in each case as determined by the Directors as at a date falling not more than 10 days before the date of repurchases;
- (f) the authority hereby conferred shall expire at the earlier of the conclusion of the Annual General Meeting of the Company in 2020 or 24 October 2020 unless such authority is renewed prior to such time; and
- (g) the Company may make a contract to purchase Ordinary Shares under the authority hereby conferred prior to expiry of such authority which will be or may be executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

Any shares so purchased will be cancelled in accordance with the provisions of the Act.

By order of the Board

Premier Portfolio Managers Limited

Secretary

8 March 2019

Notes to the Notice of Annual General Meeting

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A shareholder may not appoint more than one proxy to exercise the rights attached to any one share. A proxy need not be a shareholder of the Company.

A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Link Asset Services (contact details can be found on pages 65 and 72).

2. To be valid any proxy form or other instrument appointing a proxy must be received by post to Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF or (during normal business hours only) by hand at the offices of the Company's registrars, Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 12:15 p.m. on Friday, 19 April 2019.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company by close of business on Friday, 19 April 2019 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting for the purposes of which no account is to be taken of any part of a day that is not a working day). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. As at 6 March 2019 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 18,088,480 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 6 March 2019 are 18,088,480.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 6:00 p.m. on Friday, 19 April 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Notes to the Notice of Annual General Meeting continued

10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
13. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
14. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
15. A copy of this notice, and other information required by s311A of the Companies Act 2006, is available at the Investment Manager's website: www.premierfunds.co.uk

Directors and Advisers

Directors

Gillian Nott OBE – Chairman

Kasia Robinski – Chairman of the Audit Committee

Victoria Muir (*appointed on 14 March 2018*)

Alternative Investment Fund Manager ("AIFM")

Premier Portfolio Managers Limited

Eastgate Court

High Street

Guildford

Surrey GU1 3DE

Telephone: 01483 306 090

www.premierfunds.co.uk

Authorised and regulated by the Financial Conduct Authority

Investment Manager

Premier Fund Managers Limited

Eastgate Court

High Street

Guildford

Surrey GU1 3DE

Telephone: 01483 306 090

www.premierfunds.co.uk

Authorised and regulated by the Financial Conduct Authority

Secretary and Registered Office

Premier Portfolio Managers Limited

Eastgate Court

High Street

Guildford

Surrey GU1 3DE

Telephone: Francis Jardine 0207 982 2703

Company Number

4897881

Website

www.premierfunds.co.uk

Registrar

Link Asset Services

The Registry

34 Beckenham Road

Beckenham

Kent BR3 4TU

Telephone: 0871 664 0300

Overseas: +44 371 664 0300

E-mail: enquiries@linkgroup.co.uk

Custodian and Depositary

Northern Trust Global Services SE

50 Bank Street

Canary Wharf

London E14 5NT

Authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and PRA

Auditor

KPMG LLP

Saltire Court

20 Castle Terrace

Edinburgh EH1 2EG

Tax Advisor

Crowe U.K. LLP

St. Bride's House

10 Salisbury Square

London EC4Y 8EH

Stockbroker

N+1 Singer Advisory LLP

One Bartholomew Lane

London EC2N 2AX

Telephone: 0207 496 3000

Ordinary Shares

SEDOL

3353790GB

LSE

PGIT

Zero Dividend Preference Shares

SEDOL

BYP98L6

LSE

PGIZ

Global Intermediary Identification Number

GIIN

W6S9MG.00000.LE.826

