

**PREMIER MITON GLOBAL RENEWABLES TRUST PLC**  
Company number 04897881

**Half Year Report for the six months to 30 June 2021**

**Shareholder Information**

**SHARE PRICE AND PERFORMANCE INFORMATION**

The Ordinary Shares and ZDP Shares are listed on the London Stock Exchange.

Further information about the Company, including current share prices, can be found on the Company's website: [www.globalrenewablestrust.com](http://www.globalrenewablestrust.com)

Information on all the investment companies managed by Premier Miton, including the Diverse Income Trust, Miton UK MicroCap Trust, Miton Global Opportunities and Acorn Income Fund, can be obtained from Premier Miton's website: [www.premiermiton.com](http://www.premiermiton.com)

Contact Premier Miton Investor Services on 01483 306 090, or by e-mail to [investorservices@premiermiton.com](mailto:investorservices@premiermiton.com)

**SHARE DEALING**

Shares can be purchased through a stockbroker.

**SHARE REGISTER ENQUIRIES**

The register for the Ordinary Shares and ZDP Shares is maintained by the Company's Registrar, Link Group. In the event of queries regarding your holding, please contact the Registrar on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00-17:30, Monday to Friday excluding public holidays in England and Wales. You can also contact the Registrar by email at [enquiries@linkgroup.co.uk](mailto: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 PMGR Securities 2025 plc can be recommended by IFAs to retail investors in accordance with the FCA's rules in relation to non-mainstream pooled 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 pooled investment products because they are excluded securities.

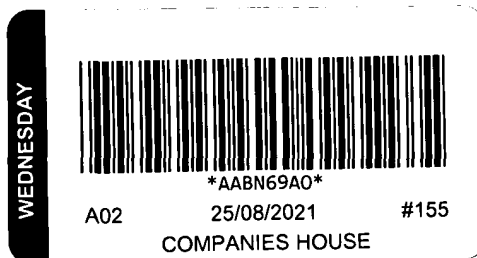
Premier Miton Global Renewables Trust PLC is a member of the Association of Investment Companies.

**Investment Objectives**

The investment objectives of the Premier Miton Global Renewables 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 renewable energy sector, as well as other sustainable infrastructure investments.

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In January 2021, the Company received London Stock Exchange's Green Economy Mark, a classification which is awarded to companies and funds that are driving the global green economy. To qualify for the Green Economy Mark, companies and funds must generate at least 50% of their total annual revenues from products and services that contribute to the global green economy.

The Fund Manager integrates Governance and Social responsibility into its investment process. Premier Miton is a signatory to the Principles for Responsible Investment, an organisation which encourages and supports its signatories to incorporate environmental, social, and governance factors into their investment and ownership decisions.

#### Company Highlights for the six months to 30 June 2021

|                                                                   | Six months to | Year ended  |  |
|-------------------------------------------------------------------|---------------|-------------|--|
|                                                                   | 30 June       | 31 December |  |
|                                                                   | 2021          | 2020        |  |
| Total Return Performance                                          |               |             |  |
| Total Assets Total Return(1)                                      | 4.2%          | 16.5%       |  |
| FTSE Global Core Infrastructure 50/50 Total Return Index (GBP)(2) | 6.3%          | (6.1%)      |  |
| S&P Global Clean Energy Index (GBP)(2)                            | (16.8%)       | 135.3%      |  |
| FTSE All-World Index Total Return (GBP)(2)                        | 11.4%         | 13.3%       |  |
| FTSE All-Share Index Total Return (GBP)(2)                        | 11.1%         | (9.7%)      |  |
| Ongoing charges(3)                                                | 1.58%         | 1.76%       |  |

|                                                    | Six months to | Year ended  |          |
|----------------------------------------------------|---------------|-------------|----------|
|                                                    | 30 June       | 31 December |          |
|                                                    | 2021          | 2020        | % change |
| Ordinary Share Returns                             |               |             |          |
| Net Asset Value per Ordinary Share (cum income)(4) | 177.59p       | 173.48p     | 2.4%     |
| Mid-market price per Ordinary Share                | 166.00p       | 157.50p     | 5.4%     |
| Discount to Net Asset Value                        | (6.5%)        | (9.2%)      |          |
| Net Asset Value Total Return(5)                    | 4.9%          | 29.5%       |          |
| Share Price Total                                  | 8.4%          | 31.0%       |          |

|           |  |  |  |
|-----------|--|--|--|
| Return(2) |  |  |  |
|-----------|--|--|--|

|                                           | Six months to | Six months to |          |
|-------------------------------------------|---------------|---------------|----------|
|                                           | 30 June       | 30 June       |          |
|                                           | 2021          | 2020          | % change |
| Returns and Dividends                     |               |               |          |
| Revenue Return per Ordinary Share         | 4.45p         | 5.60p         | (20.5%)  |
| Net Dividends declared per Ordinary Share | 3.50p         | 5.00p         | (30.0%)  |

|                                           |             |             |          |
|-------------------------------------------|-------------|-------------|----------|
| Historic Full Year Dividends              |             |             |          |
| Dividends paid in respect of the year to: | 31 December | 31 December |          |
|                                           | 2020        | 2019        | % change |
| Dividend                                  | 10.20p      | 10.20p      | 0.0%     |

|                                                                | Six months to | Year ended  |          |
|----------------------------------------------------------------|---------------|-------------|----------|
|                                                                | 30 June       | 31 December |          |
|                                                                | 2021          | 2020        | % change |
| Zero Dividend Preference Share Returns (2020: 2020 ZDP Shares) |               |             |          |
| Net Asset Value per Zero Dividend Preference Share(4)          | 102.87p       | 100.42p     | 2.4%     |
| Mid-market price per Zero Dividend Preference Share(2)         | 106.50p       | 103.50p     | 2.9%     |
| Premium to Net Asset Value                                     | 3.5%          | 3.1%        |          |

|                                 |                                                                                                        | As at   |
|---------------------------------|--------------------------------------------------------------------------------------------------------|---------|
|                                 |                                                                                                        | 30 June |
|                                 |                                                                                                        | 2021    |
| Hurdle Rates                    |                                                                                                        |         |
| Ordinary Shares                 | Hurdle rate to return the 30 June 2021 share price of 166.00p at 28 November 2025(6)                   | 1.1%    |
| Zero Dividend Preference Shares | Hurdle rate to return the redemption share price for the 2025 ZDPs of 127.6111p at 28 November 2025(7) | (18.5%) |

|                                             | Six months to | Year ended  |           |
|---------------------------------------------|---------------|-------------|-----------|
|                                             | 30 June       | 31 December |           |
|                                             | 2021          | 2020        | % change* |
| Balance Sheet                               |               |             |           |
| Gross Assets less Current Liabilities       |               |             |           |
| (excluding Zero Dividend Preference Shares) | £47.0m        | £45.7m      | 3.0%      |
| Zero Dividend Preference Shares             | (£14.6m)      | (£14.3m)    | 2.5%      |

|                                                          |        |        |      |
|----------------------------------------------------------|--------|--------|------|
| Equity Shareholders' Funds                               | £32.4m | £31.4m | 3.2% |
| Gearing on Ordinary Shares(8)                            | 31.1%  | 31.3%  |      |
| Zero Dividend Preference Share Cover (non-cumulative)(9) | 2.40x  | 2.32x  |      |

GILL NOTT OBE



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

(2) Source: Bloomberg.

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

(4) Articles of Association Basis.

(5) Source: PFM Ltd. Based on opening and closing NAVs plus dividends marked "ex-dividend".

(6) Source: PFM Ltd. The Ordinary Shares Hurdle Rate is the compound rate of growth of the total assets required each year to meet the Ordinary Share price at 30 June 2021.

(7) Source: PFM Ltd. The ZDP Shares Hurdle Rate is the compound rate that the total assets could decline each year until the predetermined redemption date, for ZDP shareholders still to receive the redemption entitlement.

(8) Source PFM Ltd. Based on Zero Dividend Preference Shares divided by Gross Assets Less Current Liabilities at end of each period.

(9) Source PFM Ltd. Non-cumulative cover = Gross assets at period end divided by final repayment of ZDP Shares plus management fees charged to capital.

\*% change is calculated on actual figures, and may be different from that which could be obtained by using rounded figures shown within this section.

## Chairman's Statement for the six months to 30 June 2021

### Introduction

I am pleased to report that the Premier Miton Global Renewables Trust plc ("PMGR" / "the Company") has recorded a solid first half of the financial year to December 2021.

We anticipated that 2021 would be a more settled period for the Company than 2020, and this is indeed turning out to be the case. As a reminder, in 2020 PMGR recorded a strong investment performance despite exceptionally volatile markets, changed its investment policy and name, and toward the end of the year, substantially reduced its gearing through the refinancing and reduction of the ZDP Shares' liability. While 2021 will inevitably bring challenges, the less volatile environment and absence of major corporate changes to the Trust mean the Manager has been free to develop fully the new investment policy focussed on renewable energy generation, completing the transition from the prior policy of infrastructure investment.

### Performance

The Company's total assets total return, which measures the return of the Company's portfolio, including income received and taking into account fees and costs, was 4.2%. PMGR's capital structure means that market movements are amplified in the Ordinary Share Net Asset Value ("NAV"), the NAV total return being 4.9%.

This is a creditable performance, and is approximately in line with the infrastructure sector, with the FTSE Global Core Infrastructure 50/50 Index returning 6.3% in the half. It is, however, substantially ahead of the S&P Clean Energy Index, which recorded a negative return of 16.8%, which we are now also using as a comparator. Global equities, measured by the FTSE All-World Index gained 11.4% (all index data source Bloomberg, total return, GBP adjusted).

It is often difficult to select the appropriate index against which to measure a company's performance. The indices referred to above give an indication of how markets have moved but none is truly representative of our portfolio, and comparisons should be treated with caution.

#### **Overview of the period**

In the West, the roll out of effective vaccines is progressing well; however a full exit from lockdown is yet to be achieved in most places, and many lower income countries have been left behind in the vaccination programme. Despite this, the world has made a strong recovery, although several sectors such as aviation and hospitality still face restrictions.

The enormous fiscal stimulus funded through quantitative easing has injected very substantial liquidity into markets, which have continued to set new highs in many places. This has however led to higher inflation figures, and the world does appear to be heading into a more inflationary environment.

Equity markets have taken this potential shift in their stride however, and managed to record further gains. Infrastructure sectors, such as utilities and renewable energy, while still being largely positive, have underperformed. We believe this is due largely to them often being viewed as "bond-proxies", and as such coming under pressure as interest rates increase or there is concern that they will rise in the future. Also this underperformance ignores the attractive fundamentals on offer, particularly with regard to the growth in demand for renewable energy, inflation protection provided through long-term contracts in many instances, and the myriad opportunities emerging from the energy transition away from fossil fuels.

The economic recovery has also driven commodity prices higher. Of most interest to PMGR are gas and coal prices, which have seen sizable increases. This has improved further the relative price competitiveness of renewable energy against thermal generation.

Brexit has now happened, and as we expected, has not had a material impact on the portfolio. It has led to some technical changes to the landscape, such as the adoption of a UK carbon auction system, but at this stage, we do not expect these to have a significant effect on investee companies.

The transition of the Company to being completely invested in renewable energy is almost complete, with only one holding left that predominantly uses fossil fuel to generate electricity (OPG in India) and this will be disposed of when trading conditions permit. The Company's investments remain well diversified by country, industry sector within the renewable energy space, and by type of business. More details are given in the Manager's Report on pages 6 to 9. The focus of the Manager remains on choosing companies that have good growth prospects and in the majority of cases, paying sustainable dividends.

#### **Share issuance**

At the Company's AGM, held in April, shareholders approved resolutions that allow for the issuance of up to 20% of the Company's share capital as additional shares. During the half PMGR issued 150,000 new Ordinary Shares, at a premium to NAV at time of issue, thereby ensuring no dilution to existing shareholders.

#### **Investment policy**

Shareholders also approved changes to the Company's investment restrictions, the main change being to allow greater investment in closed-end funds (commonly referred to as investment companies) that invest predominantly in physical assets. Much of the UK renewables sector has adopted closed-end fund structures, so this change was necessary to allow the Manager to exploit fully the new investment policy.

#### **Earnings and Dividends**

In November 2020, following the refinancing of, and reduction in, the Zero Dividend Preference share ("ZDP") liability, funded through the sale of investments from the portfolio, the Board announced that it expected a consequent reduction in income generation. This is offset to an approximately equal extent by a reduction in ZDP finance costs, which are charged to capital, leaving holders of Ordinary Shares in a similar net financial position. On the plus side, risks are reduced through the lower gearing within the capital structure. For this reason, revenue earnings for the first half were 4.45p, down 20.5% on the first half of 2020. The Manager reports that underlying income generation within the portfolio remains very healthy.

In February the Board announced that, having reviewed the income generation capacity of the portfolio, it expected that 2021 revenue earnings would be sufficient to support a dividend of at least 7.00p per share. Consistent with this, a first interim dividend of 1.75p was paid on 30 June. The Board remains of this view, and has declared a second interim dividend of 1.75p per share, which will be paid on 30 September 2021 and will be marked ex-dividend on 2 September 2021.

### **Outlook**

There are many reasons to be optimistic over the long-term opportunities for PMGR. The direction of travel for the world's energy system is clear, although no doubt there will be setbacks along the way.

In the short to medium term, the economic recovery is underpinning the price of fossil fuels which, together with ever-higher costs of carbon emissions permits, is driving electricity prices to recent highs. Political goodwill remains strong, in terms of both tariff systems and carbon pricing, together with the establishment of new carbon markets. At the same time, the cost of developing and operating renewable energy assets continues to fall. This provides a positive backdrop for your Company's portfolio.

**Gillian Nott OBE**

Chairman

29 July 2021

### **Investment Manager's Report for the six months to 30 June 2021**

#### **Market review**

The recovery from 2020's Covid-19 driven correction gathered pace in the first half of 2021. Governments around the world are in spending mode, and with their central banks being willing buyers of debt, funded with newly printed money, attention has increasingly turned from the weakness of a pandemic-induced lockdown, to the possibility of higher inflation.

While equities displayed the occasional bout of nerves during the half, they generally made good gains and set new highs. Whether this continues depends largely on whether inflation turns out to be transitory, or longer lasting. If the latter, then the increased rates required to bring it under control could mean trouble ahead for equities, particularly for the higher valued "growth" sectors.

The economic acceleration, exacerbated by the lower investment levels seen over recent years, drove commodity prices higher. Of particular relevance for electricity generation, natural gas and coal prices were strong. For instance, in the US "Henry Hub" natural gas prices increased by over 40%.

This in turn has led to higher electricity prices, with gas fired electricity generation having high marginal costs in comparison to renewables and nuclear, making it the key price-setting technology for many electricity markets.

Taking the UK as an example, baseload (i.e. constant demand) wholesale electricity prices increased by almost 50% from December 2020 to June 2021. This is even more surprising when considering that UK prices would typically be lower in summer than in winter on lower demand.

Higher pricing of carbon emissions has added to the pressure on fossil-fuelled generators. The EU carbon market has tightened, with permit prices up by over 70% in the first half, on the withdrawal of excess permits and further restrictions in free permits given to industry. The new post-Brexit UK carbon market looks as though it will be aligned closely with the EU, which is a positive for the UK renewable sector. Carbon markets now operate in the US, and there is even a fledgling market in China. Governments appear to have understood that putting a price on carbon is probably the most efficient way of reducing emissions.

This is a positive backdrop for renewables. In terms of new build, renewables' existing cost advantage over most other forms of generation has increased still further. For existing assets having full or partial power price exposure, higher electricity prices feed directly into revenue with no associated cost increase.

Governments are of course aware that the profitability of market exposed renewable energy has increased, but for the most part have been content to allow it. Only one country, Spain, has made any indication that it will seek to claw back these windfall profits, and then only for older assets and only in part.

Therefore, when looking at renewables around the world, it is becoming increasingly important to differentiate between those companies that own assets selling their power at fixed long-term prices, and those with a level of market exposure. Several of the portfolio's larger holdings, including Drax, SSE, Fortum, RWE, plus the UK renewable funds, look set to benefit from increased electricity pricing over the short to medium term.

Given this environment, it is not surprising that growth in renewable energy generation remained strong in 2020 despite lower electricity demand. For instance, total renewable generation output increased by 11.4% in the UK, by 8.8% in the US, and by 7.9% in the EU (Source: BEIS, EIA, Ember respectively).

#### PORTFOLIO SECTOR ALLOCATION

|                                           | June 2021 | December 2020 |
|-------------------------------------------|-----------|---------------|
| Yieldcos & funds                          | 28.55%    | 31.89%        |
| Renewable energy developers               | 26.20%    | 20.11%        |
| Renewable focused utilities               | 14.85%    | 11.90%        |
| Energy storage                            | 6.78%     | 4.72%         |
| Biomass generation and production         | 6.73%     | 10.46%        |
| Electricity networks                      | 5.17%     | 4.21%         |
| Waste to energy                           | 5.16%     | 5.33%         |
| Renewable technology and service          | 3.05%     | 4.66%         |
| Liquidation portfolio                     | 2.47%     | 3.15%         |
| Carbon markets                            | 1.04%     | 0.52%         |
| Renewable financing and energy efficiency | 0.00%     | 3.04%         |

Source: PFM Ltd

#### PORTFOLIO GEOGRAPHIC ALLOCATION

|                       | June 2021 | December 2020 |
|-----------------------|-----------|---------------|
| United Kingdom        | 26.15%    | 20.73%        |
| Europe (excluding UK) | 20.67%    | 16.52%        |
| China                 | 17.74%    | 14.12%        |
| North America         | 16.41%    | 26.22%        |
| Global                | 13.56%    | 17.59%        |
| India                 | 2.47%     | 3.15%         |
| Latin America         | 2.99%     | 1.68%         |

Source: PFM Ltd

#### Portfolio review

As the Chairman has already indicated, 2021 has so far been a quieter year than 2020, which has allowed us to refine the portfolio according to the changing circumstances. Investment activity was lower than recent levels, and unlike 2020, we have not felt the need to carry out equity market hedging activities.

The renewables and clean energy sectors were weak in the first half of 2021; however, despite this, PMGR managed to generate a positive return. This was partly due to some very strong performances in a small number of investments in China, which more than offset modest losses elsewhere.

#### Yieldcos & Funds

Listed renewable energy companies can be categorised into two broad groupings. Firstly, the investment companies, often referred to as yield companies or "yieldcos", which usually acquire built or construction-ready assets that pay out

the majority of cash-flow to investors and raise capital through new equity. Secondly, integrated development companies, which develop projects from first inception, retaining some assets but raising capital through a combination of retained earnings and project sales.

The main area of portfolio activity in the half was a reduction in some of the North American yieldcos. We believe these are likely to under-perform should interest rates move upwards materially, and having enjoyed excellent performances in 2020, are offering lower potential returns than historically.

In contrast, UK renewable investment companies, having seen their share prices fall during 2020, now look more attractive. In addition, and in contrast to their US counterparts, the UK companies enjoy a greater level of inflation linkage (through the indexation of renewable obligation certificates), together with higher exposure to power prices, whereas US renewables tend to sell power on long-term contracts with fixed pre-defined prices. This adds an element of risk to the UK names, but offers higher returns when electricity prices rise.

The holding in Atlantica Sustainable Infrastructure (formerly Atlantica Yield), the portfolio's largest holding at the end of 2020, was thus reduced in the half to a more modest weighting. Its share price fell by 2.0% in the period.

Likewise, North American focused investment companies Transalta Renewables and Clearway Energy (A Class share), which were also trimmed back, saw their share prices decline by 4.3% and 14.7% respectively. We retain holdings in all three as they continue to offer an attractive combination of long-term growth and revenue visibility.

The portfolio's largest US yieldco position is now Australian listed New Energy Solar, which trades at a substantial discount to NAV. Its shares fell 4.0% in the half, but it has embarked on a process of asset sales and share buybacks, which we hope will close its discount to asset value.

In the UK, we have increased the position in the NextEnergy Solar Fund, which saw its shares fall by 4.9%, and established a new holding in the Foresight Solar Fund, whose shares fell 7.9% in the half. Both have been weak as lower long-term electricity price forecasts were incorporated into their net asset values. We believe that longer-term pricing may be higher than is currently assumed, as electricity demand increases and older nuclear plants close. In the meantime, we believe their recent share price movements are inconsistent with the increase in UK electricity prices seen in the first half.

### **Renewable energy developers**

The portfolio's largest performance contributors were the two Chinese renewable energy developers, China Suntien Green Energy and China Longyuan Power. Suntien's share price increased by 60.1% in the half, as a result of which it has become PMGR's largest investment. Longyuan's share price was even better, gaining 72.2%. Despite the strength, we believe that in each case the shares remain reasonably valued, especially considering their high levels of growth.

We have added to the position in German utility RWE, which is building a sizable renewables business, and is now one of the world's largest investors in offshore wind projects. RWE does have some legacy fossil-fuelled generation assets, but has agreed with the German Government a roadmap for the closure of these businesses. In the meantime, profits RWE makes on these assets are reinvested into renewables, which also make up the majority of earnings. RWE's shares fell by 11.5% in the half.

We initiated a new position in Spanish listed global solar developer Grenergy, which has an extensive solar growth pipeline with a particularly strong position in Latin America. In common with many small renewables companies, its shares were weak in the half, falling 22.4%.

Global renewables developer Acciona, also listed in Spain, performed well, gaining 9.1% in the half, on plans to sell a minority stake in its renewable energy business, Acciona Energia (in addition to renewables the group also has infrastructure and construction activities). Renewables forms the large majority of Acciona's earnings, and given that the parent trades at a large discount to the pure-play renewable subsidiary, we elected to retain the holding in the parent rather than buy shares directly in Acciona Energia.

### **Other sectors**

One of the better performing areas in the half were the Renewable focused utilities. Finnish hydro and nuclear generator Fortum saw its shares increase by 18.1% as its hydro and nuclear assets are a beneficiary of improved power prices. It also disposed of non-core businesses at an attractive price. SSE remains a substantial holding, with a strong position in North Sea offshore wind; its shares were flat in the half.

Within the Biomass classification, Drax made a successful offer for Canadian waste wood pellet company Pinnacle Renewable Energy during the period, the portfolio having contained both at the time. Pinnacle was Drax's largest fuel supplier, and the increased vertical integration makes strategic sense to us. Drax's shares gained 13.1% in the half.

It is becoming increasingly apparent that higher renewable loads onto power networks are causing greater market volatility. Investments in Energy Storage are required to better match electricity supply and demand volume. The largest position is the Gresham House Energy Storage Fund, structured as an investment company. It has the benefit of both a sizable growth pipeline together with a high yield. We are pleased to feature one of its many battery storage assets on the cover of this report. Its shares performed well in the half, gaining 7.3%.

Finally, in Waste to Energy, long term holding China Everbright Environment's shares were marginally ahead, which is somewhat of a disappointment given its continued strong growth in both business volume, earnings and dividend.

#### **Currency**

Given the gearing within PMGR's capital structure, with an international currency exposed portfolio, part funded by sterling denominated ZDP shares, currency movements are magnified within the NAV. Therefore, we have adopted a policy of cautious currency hedging, ensuring that ZDP liability is covered by sterling assets, including currency hedging contracts.

Sterling was moderately strong in the half, gaining 1.2% against the US Dollar and 4.3% against the Euro. This can probably be attributed to the UK's successful vaccine rollout together with a relatively uneventful final resolution to Brexit. As a result of which, currency hedging gains in the half were £170,000, partially offsetting currency losses on FX denominated assets.

#### **Portfolio activity**

Investment activity levels were much reduced in the half, with purchases of £9.7m and sales of £9.9m. We have been gently selling the one remaining holding that no longer conforms to the new investment policy, Indian power company OPG Power Ventures. However liquidity is relatively low, and at the end of the half it represented 2.5% of the portfolio.

#### **Outlook**

The pullback in renewable energy company valuations in the first half of 2021 provided additional investment opportunities and is to be welcomed. The majority of companies reported healthy earnings and dividends for 2020 despite the pandemic, and we anticipate 2021 will be equally strong.

The long-term investment case for renewables is bright, and we believe that higher commodity and carbon prices could lead to investment opportunities in the second half of the year in those companies with higher power market exposures.

**James Smith**

Premier Fund Managers Limited

29 July 2021

#### **Investment Portfolio at 30 June 2021**

|         |          |         |       | % total | Ranking | Ranking  |
|---------|----------|---------|-------|---------|---------|----------|
|         |          |         | Value | invest- | June    | December |
| Company | Activity | Country | £000  | ments   | 2021    | 2020     |

|                                      |                                   |                 |       |     |    |    |
|--------------------------------------|-----------------------------------|-----------------|-------|-----|----|----|
| China Suntien Green Energy           | Renewable energy developers       | China           | 3,303 | 7.1 | 1  | 6  |
| Drax Group                           | Biomass generation and production | United Kingdom  | 2,588 | 5.6 | 2  | 4  |
| National Grid                        | Electricity networks              | Global          | 2,394 | 5.2 | 3  | 9  |
| China Everbright Environment         | Waste to energy                   | China           | 2,388 | 5.1 | 4  | 3  |
| SSE                                  | Renewable focused utilities       | United Kingdom  | 2,325 | 5.0 | 5  | 7  |
| NextEnergy Solar Fund                | Yieldcos & funds                  | United Kingdom  | 2,222 | 4.8 | 6  | 21 |
| Gresham House Energy Storage Fund    | Energy storage                    | United Kingdom  | 2,134 | 4.6 | 7  | 10 |
| RWE                                  | Renewable energy developers       | Europe (ex. UK) | 2,125 | 4.6 | 8  | 13 |
| New Energy Solar                     | Yieldcos & funds                  | North America   | 2,124 | 4.6 | 9  | 5  |
| China Longyuan Power                 | Renewable energy developers       | China           | 1,996 | 4.3 | 10 | 15 |
| Algonquin Power and Utilities        | Renewable focused utilities       | North America   | 1,995 | 4.3 | 11 | 16 |
| Fortum                               | Renewable focused utilities       | Europe (ex. UK) | 1,995 | 4.3 | 12 | 12 |
| Atlantica Sustainable Infrastructure | Yieldcos & funds                  | Global          | 1,750 | 3.8 | 13 | 1  |
| TransAlta Renewables                 | Yieldcos & funds                  | North America   | 1,456 | 3.1 | 14 | 2  |
| Clearway Energy 'A'                  | Yieldcos & funds                  | North America   | 1,276 | 2.8 | 15 | 8  |
| Acciona                              | Renewable energy developers       | Europe (ex. UK) | 1,253 | 2.7 | 16 | 17 |
| Greenergy Renovables                 | Renewable energy developers       | Global          | 1,210 | 2.6 | 17 | –  |
| OPG Power Ventures                   | Liquidation portfolio             | India           | 1,145 | 2.5 | 18 | 14 |
| Foresight Solar Fund                 | Yieldcos & funds                  | United Kingdom  | 1,139 | 2.5 | 19 | –  |
| Gore Street Energy Storage Fund      | Energy storage                    | United Kingdom  | 1,004 | 2.2 | 20 | 33 |
| Northland Power Income Fund          | Renewable energy developers       | Global          | 986   | 2.1 | 21 | 19 |

|                                  |                                   |                 |        |       |    |    |
|----------------------------------|-----------------------------------|-----------------|--------|-------|----|----|
| Greencoat Renewable              | Yieldcos & funds                  | Europe (ex. UK) | 954    | 2.1   | 22 | 27 |
| MPC Energy Solutions             | Yieldcos & funds                  | Europe (ex. UK) | 863    | 1.9   | 23 | –  |
| Greencoat UK Wind                | Yieldcos & funds                  | United Kingdom  | 696    | 1.5   | 24 | 23 |
| Avangrid                         | Renewable focused utilities       | North America   | 558    | 1.2   | 25 | 30 |
| China Everbright Greentech       | Biomass generation and production | China           | 528    | 1.1   | 26 | 26 |
| Omega Geracao                    | Yieldcos & funds                  | Latin America   | 521    | 1.1   | 27 | 25 |
| Fusion Fuel Green                |                                   |                 |        |       |    |    |
| (incl. warrants)                 | Renewable technology and service  | Europe (ex. UK) | 518    | 1.1   | 28 | 28 |
| KraneShares Global Carbon ETF    | Carbon markets                    | Global          | 481    | 1.0   | 29 | 37 |
| Ocean Sun                        | Renewable technology and service  | Global          | 462    | 1.0   | 30 | 18 |
| OHT                              | Renewable technology and service  | Europe (ex. UK) | 433    | 0.9   | 31 | 34 |
| 7C Solarparken                   | Renewable energy developers       | Europe (ex. UK) | 386    | 0.8   | 32 | 38 |
| Solaria Energía y Medio Ambiente | Renewable energy developers       | Europe (ex. UK) | 222    | 0.5   | 33 | 24 |
| Pacifico Renewables              | Yieldcos & funds                  | Europe (ex. UK) | 216    | 0.5   | 34 | 35 |
| Neoen                            | Renewable energy developers       | Global          | 203    | 0.4   | 35 | 32 |
| Innergex Renewable               | Renewable energy developers       | North America   | 189    | 0.4   | 36 | 36 |
| Orsted                           | Renewable energy developers       | Europe (ex. UK) | 131    | 0.3   | 37 | 39 |
| Bonheur                          | Renewable energy developers       | Europe (ex. UK) | 125    | 0.2   | 38 | –  |
|                                  |                                   |                 | 46,294 | 99.8  |    |    |
| PMGR Securities 2025 PLC         | ZDP subsidiary                    | United Kingdom  | 50     | 0.1   |    |    |
| PGIT Securities 2020 PLC         | ZDP subsidiary (in liquidation)   | United Kingdom  | 50     | 0.1   |    |    |
| Total                            |                                   |                 | 46,394 | 100.0 |    |    |

|             |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|
| investments |  |  |  |  |  |  |  |
|-------------|--|--|--|--|--|--|--|

**Group Income Statement for the six months to 30 June 2021**

|                                                                         |       | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Audited)        | (Audited)        | (Audited)        |
|-------------------------------------------------------------------------|-------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|------------------|------------------|
|                                                                         |       | Six months to | Six months to | Six months to | Six months to | Six months to | Six months to | Year ended       | Year ended       | Year ended       |
|                                                                         |       | 30 June 2021  | 30 June 2021  | 30 June 2021  | 30 June 2020  | 30 June 2020  | 30 June 2020  | 31 December 2020 | 31 December 2020 | 31 December 2020 |
|                                                                         |       | Revenue       | Capital       | Total         | Revenue       | Capital       | Total         | Revenue          | Capital          | Total            |
|                                                                         | Notes | £000          | £000          | £000          | £000          | £000          | £000          | £000             | £000             | £000             |
| Gains/(losses) on investments held at fair value through profit or loss |       | –             | 1,103         | 1,103         | –             | (5,184)       | (5,184)       | –                | 5,028            | 5,028            |
| Gains on derivative financial instruments                               |       | –             | –             | –             | –             | 4,246         | 4,246         | –                | 2,894            | 2,894            |
| Gains/(losses) on forward foreign exchange contracts                    |       | –             | 170           | 170           | –             | (1,814)       | (1,814)       | –                | (541)            | (541)            |
| (Losses)/gains on foreign exchange                                      |       | –             | (32)          | (32)          | –             | 261           | 261           | (1)              | (94)             | (95)             |
| Income                                                                  |       | 1,073         | –             | 1,073         | 1,407         | –             | 1,407         | 2,471            | –                | 2,471            |
| Investment management fee                                               | 6     | (66)          | (98)          | (164)         | (74)          | (112)         | (186)         | (160)            | (240)            | (400)            |
| Other expenses                                                          |       | (205)         | –             | (205)         | (261)         | –             | (261)         | (532)            | –                | (532)            |
| Reconstruction costs                                                    |       | –             | (45)          | (45)          | –             | –             | –             | –                | (406)            | (406)            |
| Profit/(loss) before finance costs and                                  |       | 802           | 1,098         | 1,900         | 1,072         | (2,603)       | (1,531)       | 1,778            | 6,641            | 8,419            |

|                                                  |   |      |       |       |       |         |         |       |         |         |
|--------------------------------------------------|---|------|-------|-------|-------|---------|---------|-------|---------|---------|
| taxation                                         |   |      |       |       |       |         |         |       |         |         |
| Finance costs                                    |   | –    | (350) | (350) | (1)   | (679)   | (680)   | (5)   | (1,320) | (1,325) |
| Profit/(loss) before taxation                    |   | 802  | 748   | 1,550 | 1,071 | (3,282) | (2,211) | 1,773 | 5,321   | 7,094   |
| Taxation                                         | 5 | 7    | –     | 7     | (57)  | –       | (57)    | (88)  | –       | (88)    |
| Profit/(loss) for the period                     |   | 809  | 748   | 1,557 | 1,014 | (3,282) | (2,268) | 1,685 | 5,321   | 7,006   |
| Return/(loss) per Ordinary Share - basic (pence) | 3 | 4.45 | 4.12  | 8.57  | 5.60  | (18.14) | (12.54) | 9.32  | 29.41   | 38.73   |

The total columns of this statement represent 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 Section 408 of the Companies Act 2006. The Company's total comprehensive profit for the half year ended 30 June 2021 was £1,557,000.

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.

#### Consolidated and Company Balance Sheets as at 30 June 2021

|                                                  |       | Group       | Company     | Group       | Company     | Group       | Company     |
|--------------------------------------------------|-------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                                  |       | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited)   | (Audited)   |
|                                                  |       | 30 June     | 30 June     | 30 June     | 30 June     | 31 December | 31 December |
|                                                  |       | 2021        | 2021        | 2020        | 2020        | 2020        | 2020        |
|                                                  | Notes | £000        | £000        | £000        | £000        | £000        | £000        |
| Non current assets                               |       |             |             |             |             |             |             |
| Investments at fair value through profit or loss |       | 46,294      | 46,394      | 51,477      | 51,527      | 45,152      | 45,252      |
| Current assets                                   |       |             |             |             |             |             |             |
| Debtors                                          |       | 379         | 379         | 564         | 564         | 141         | 141         |
| Derivative financial instruments                 |       | –           | –           | 84          | 84          | –           | –           |
| Forward foreign exchange contracts               |       | 47          | 47          | 14          | 14          | 194         | 194         |
| Cash at bank                                     |       | 600         | 600         | 1,329       | 1,329       | 361         | 361         |

|                                                    |   |          |          |          |          |          |          |
|----------------------------------------------------|---|----------|----------|----------|----------|----------|----------|
|                                                    |   | 1,026    | 1,026    | 1,991    | 1,991    | 696      | 696      |
| Total assets                                       |   | 47,320   | 47,420   | 53,468   | 53,518   | 45,848   | 45,948   |
| Current liabilities                                |   |          |          |          |          |          |          |
| Other creditors                                    |   | (305)    | (305)    | (465)    | (465)    | (193)    | (193)    |
| Forward foreign exchange contracts                 |   | -        | -        | (329)    | (329)    | -        | -        |
| Zero Dividend Preference Shares                    |   | -        | -        | (29,666) | -        | -        | -        |
| Intercompany payable                               |   | -        | (50)     | -        | (29,716) | -        | (50)     |
|                                                    |   | (305)    | (355)    | (30,460) | (30,510) | (193)    | (243)    |
| Total assets less current liabilities              |   | 47,015   | 47,065   | 23,008   | 23,008   | 45,655   | 45,705   |
| Non-current liabilities                            |   |          |          |          |          |          |          |
| Zero Dividend Preference Shares                    |   | (14,626) | -        | -        | -        | (14,276) | -        |
| Intercompany payable                               |   | -        | (14,676) | -        | -        | -        | (14,326) |
| Net assets                                         |   | 32,389   | 32,389   | 23,008   | 23,008   | 31,379   | 31,379   |
| Equity attributable to Ordinary Shareholders       |   |          |          |          |          |          |          |
| Share capital                                      |   | 183      | 183      | 181      | 181      | 181      | 181      |
| Share premium                                      |   | 8,961    | 8,961    | 8,701    | 8,701    | 8,701    | 8,701    |
| Redemption reserve                                 |   | 88       | 88       | 88       | 88       | 88       | 88       |
| Capital reserve                                    |   | 14,412   | 14,412   | 5,061    | 5,061    | 13,664   | 13,664   |
| Special reserve                                    |   | 7,472    | 7,472    | 7,472    | 7,472    | 7,472    | 7,472    |
| Revenue reserve                                    |   | 1,273    | 1,273    | 1,505    | 1,505    | 1,273    | 1,273    |
| Total equity attributable to Ordinary Shareholders |   | 32,389   | 32,389   | 23,008   | 23,008   | 31,379   | 31,379   |
| Net asset value per Ordinary Share (pence)         | 4 | 177.59   | 177.59   | 127.20   | 127.20   | 173.48   | 173.48   |

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**Consolidated and Company Statement of Changes in Equity**  
**For the six months to 30 June 2021 (unaudited)**

|                             | Ordinary | Share   |            |         |          |          |        |
|-----------------------------|----------|---------|------------|---------|----------|----------|--------|
|                             | share    | premium | Redemption | Capital | Special  | Revenue  |        |
|                             | capital  | reserve | reserve    | reserve | reserve* | reserve* | Total  |
|                             | £000     | £000    | £000       | £000    | £000     | £000     | £000   |
| Balance at 31 December 2020 | 181      | 8,701   | 88         | 13,664  | 7,472    | 1,273    | 31,379 |
| Issue of Ordinary Shares    | 2        | 260     | –          | –       | –        | –        | 262    |
| Profit for the period       | –        | –       | –          | 748     | –        | 809      | 1,557  |
| Ordinary dividends paid     | –        | –       | –          | –       | –        | (809)    | (809)  |
| Balance at 30 June 2021     | 183      | 8,961   | 88         | 14,412  | 7,472    | 1,273    | 32,389 |

\* Distributable reserves.

**Consolidated and Company Statement of Changes in Equity**  
**For the six months to 30 June 2020 (unaudited)**

|                              | Ordinary | Share   |            |         |          |          |         |
|------------------------------|----------|---------|------------|---------|----------|----------|---------|
|                              | share    | premium | Redemption | Capital | Special  | Revenue  |         |
|                              | capital  | reserve | reserve    | reserve | reserve* | reserve* | Total   |
|                              | £000     | £000    | £000       | £000    | £000     | £000     | £000    |
| Balance at 31 December 2019  | 181      | 8,701   | 88         | 8,343   | 7,472    | 1,432    | 26,217  |
| (Loss)/profit for the period | –        | –       | –          | (3,282) | –        | 1,014    | (2,268) |
| Ordinary dividends paid      | –        | –       | –          | –       | –        | (941)    | (941)   |
| Balance at 30 June 2020      | 181      | 8,701   | 88         | 5,061   | 7,472    | 1,505    | 23,008  |

\* Distributable reserves.

**Consolidated and Company Statement of Changes in Equity**  
**For the financial year ended 31 December 2020 (audited)**

|                             | Ordinary | Share   |            |         |          |          |        |
|-----------------------------|----------|---------|------------|---------|----------|----------|--------|
|                             | share    | premium | Redemption | Capital | Special  | Revenue  |        |
|                             | capital  | reserve | reserve    | reserve | reserve* | reserve* | Total  |
|                             | £000     | £000    | £000       | £000    | £000     | £000     | £000   |
| Balance at 31 December 2019 | 181      | 8,701   | 88         | 8,343   | 7,472    | 1,432    | 26,217 |
| Profit for the year         | –        | –       | –          | 5,321   | –        | 1,685    | 7,006  |

|                             |     |       |    |        |       |         |         |
|-----------------------------|-----|-------|----|--------|-------|---------|---------|
| Ordinary dividends paid     | –   | –     | –  | –      | –     | (1,844) | (1,844) |
| Balance at 31 December 2020 | 181 | 8,701 | 88 | 13,664 | 7,472 | 1,273   | 31,379  |

\* Distributable reserves.

**Consolidated and Company Cashflow Statements**  
**For the six months ended 30 June 2021**

|                                                                         | (Unaudited)      | (Unaudited)      | (Audited)        |          |          |          |
|-------------------------------------------------------------------------|------------------|------------------|------------------|----------|----------|----------|
|                                                                         | Group            | Company          | Group            | Company  | Group    | Company  |
|                                                                         | Six months ended | Six months ended | Year ended       |          |          |          |
|                                                                         | 30 June 2021     | 30 June 2020     | 31 December 2020 |          |          |          |
|                                                                         | £000             | £000             | £000             | £000     | £000     | £000     |
| Profit/(loss) before taxation                                           | 1,550            | 1,550            | (2,211)          | (2,211)  | 7,094    | 7,094    |
| Adjustments for                                                         |                  |                  |                  |          |          |          |
| Finance costs                                                           | 350              | 350              | 680              | 680      | 1,325    | 1,325    |
| (Gains)/losses on investments held at fair value through profit or loss | (1,103)          | (1,103)          | 5,184            | 5,184    | (5,028)  | (5,028)  |
| Gains on derivatives financial instruments                              | –                | –                | (4,246)          | (4,246)  | (2,894)  | (2,894)  |
| (Gains)/losses on forward foreign exchange contracts                    | (170)            | (170)            | 1,814            | 1,814    | 541      | 541      |
| Losses/(gains) on foreign exchange                                      | 32               | 32               | (261)            | (261)    | 95       | 95       |
| (Increase)/decrease in trade and other receivables                      | (177)            | (177)            | (17)             | (17)     | 94       | 94       |
| (Decrease)/increase in trade and other payables                         | (98)             | (98)             | (62)             | (62)     | (14)     | 36       |
| Overseas taxation paid                                                  | (37)             | (37)             | (65)             | (65)     | (107)    | (107)    |
| Net cash flows from operating activities                                | 347              | 347              | 816              | 816      | 1,106    | 1,156    |
| Investing activities                                                    |                  |                  |                  |          |          |          |
| Purchases of investments                                                | (9,737)          | (9,737)          | (25,714)         | (25,714) | (39,358) | (39,408) |
| Proceeds from sales of investments                                      | 9,890            | 9,890            | 22,682           | 22,682   | 52,863   | 52,863   |
| Cash flows from derivatives                                             | –                | –                | 4,155            | 4,155    | 2,894    | 2,894    |
| Cash flows from forward foreign exchange contracts                      | 318              | 318              | (979)            | (979)    | (216)    | (216)    |
| Net cash flows from                                                     | 471              | 471              | 144              | 144      | 16,183   | 16,133   |

|                                                  |       |       |       |       |          |          |
|--------------------------------------------------|-------|-------|-------|-------|----------|----------|
| investing activities                             |       |       |       |       |          |          |
| Financing activities                             |       |       |       |       |          |          |
| Proceeds from issue of Ordinary Shares           | 262   | 262   | –     | –     | –        | –        |
| Payment to 2020 ZDP Shareholders with “B” rights | –     | –     | –     | –     | (19,381) | –        |
| Issue of 2025 ZDP Shares                         | –     | –     | –     | –     | 3,349    | –        |
| Movement in intercompany financing balances      | –     | –     | –     | –     | –        | (16,032) |
| Dividends paid                                   | (809) | (809) | (941) | (941) | (1,844)  | (1,844)  |
| Bank interest paid                               | –     | –     | –     | –     | (6)      | (6)      |
| Net cash flow from financing activities          | (547) | (547) | (941) | (941) | (17,882) | (17,882) |
| Increase/(decrease) in cash and cash equivalents | 271   | 271   | 19    | 19    | (593)    | (593)    |
| (Losses)/gains on foreign exchange               | (32)  | (32)  | 261   | 261   | (95)     | (95)     |
| Cash and cash equivalents, beginning of period   | 361   | 361   | 1,049 | 1,049 | 1,049    | 1,049    |
| Cash and cash equivalents at end of period       | 600   | 600   | 1,329 | 1,329 | 361      | 361      |

## Notes to the Half Year Report

### ACCOUNTING POLICIES

#### 1.1 Basis of preparation

The Half Year Financial Statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” and 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 April 2021), where the SORP is not inconsistent with IFRS.

The financial information contained in this Half Year Report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the periods ended 30 June 2021 and 30 June 2020, have not been audited. The financial information for the year ended 31 December 2020 has been extracted from the latest published audited accounts. Those accounts have been filed with the Registrar of Companies and included the Independent Auditor’s Report which, in respect of both sets of accounts, was unqualified, did not contain an emphasis of matter reference, and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. Those statutory accounts were prepared in accordance with IFRS, as adopted by the UK.

The functional currency of the Group is UK pounds sterling as this is the currency of the primary economic environment in which the Company operates. Accordingly, the Financial Statements are presented in UK pounds sterling rounded to the nearest thousand pounds.

The same accounting policies, presentation and methods of computation have been followed in these Financial Statements as were applied in the preparation of the Group’s Financial Statements for the previous accounting period.

#### IFRS 10 Consolidated Financial Statements

The Financial Statements in these accounts reflect the adoption of IFRS 10 (including the Investment Entities amendment) which requires investment companies to value subsidiaries (except for those providing investment

related services) at fair value through profit and loss rather than consolidate them. The Directors, having assessed the criteria, believe that the Group meets the criteria to be an investment entity under IFRS 10 and that this accounting treatment better reflects the Company's activities as an investment trust.

PMGR Securities 2025 PLC, which is controlled by the Company, issued the ZDP Shares and loaned the proceeds to the Company. It is considered to provide investment related services to the Group and is therefore required to be consolidated under the IFRS 10 Investment Entities amendment. PMGR Securities 2025 PLC and PGIT Securities 2020 PLC (in members' voluntary liquidation), have been consolidated in these Financial Statements using consistent accounting policies to those applied by the Company.

## **1.2 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.

## **1.3 Use of estimates**

The preparation of Financial Statements requires the Company to make estimates and assumptions that affect the 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 the Board'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. Investment in the equity of unquoted companies that the Company may hold are not traded and as such the prices are more uncertain than those of more widely traded securities. Any 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 and IFRS 13.

## **1.4 Segmental reporting**

The chief operating decision maker has been identified as the Board of the Company. 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 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. The geographical allocation of the investments from which income is received and to which non-current assets relate is given on page 8.

## **2. Dividend**

On 22 July 2021 the Directors declared a second interim dividend of 1.75p per Ordinary Share for the year ending 31 December 2021 to holders of Ordinary Shares on the register on 3 September 2021. The Ordinary Shares will be marked ex-dividend on 2 September 2021 and the dividend will be paid on 30 September 2021.

## **3. Total return per Ordinary Share**

The total return per Ordinary Share is based on the total comprehensive gain for the half year after taxation of £1,557,000 (six months ended 30 June 2020: loss of £2,268,000; year ended 31 December 2020: gain of £7,006,000) and on the weighted average number of 18,166,536 Ordinary Shares in issue during the six months ended 30 June 2021 (six months ended 30 June 2020: 18,088,480 Ordinary Shares; year ended 31 December 2020: 18,088,480 Ordinary Shares).

The Company does not have any dilutive securities.

## **4. Net Asset Value**

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         | Net    | Net         | Net    | Net         | Net    |
|--|-------------|--------|-------------|--------|-------------|--------|
|  | asset value | assets | asset value | assets | asset value | assets |

|                                                                                                                | per share | available | per share | available | per share   | available   |
|----------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-------------|-------------|
|                                                                                                                | 30 June   | 30 June   | 30 June   | 30 June   | 31 December | 31 December |
|                                                                                                                | 2021      | 2021      | 2020      | 2020      | 2020        | 2020        |
|                                                                                                                | Pence     | £000      | Pence     | £000      | Pence       | £000        |
| 18,238,480 Ordinary Shares in issue (2020: 18,088,480)                                                         | 177.59p   | 32,389    | 127.20p   | 23,008    | 173.48p     | 31,379      |
| 14,217,339 PMGR Securities 2025 PLC Zero Dividend Preference Shares of £0.01 each in issue* (2020: 14,217,339) | 102.87p   | 14,626    | –         | –         | 100.42p     | 14,276      |
| 24,073,337 PGIT Securities 2020 PLC (in liquidation) Zero Dividend Preference Shares of £0.01 each in issue*   | –         | –         | 123.23p   | 29,666    | –           | –           |

\*Classified as a liability.

During the period the Company issued 150,000 shares at a level above net asset value, generating gross proceeds of £275,000 and net proceeds of £262,000 after deducting listing costs.

## 5. Taxation

The taxation credit of £7,000 relates to £57,000 of tax received and £50,000 of irrecoverable overseas withholding taxation (30 June 2020: charge of £57,000 and 31 December 2020: charge of £88,000).

## 6. Investment management fee charged by Premier Fund Managers Limited

|                                 | (Unaudited)   | (Unaudited)   | (Audited)   |
|---------------------------------|---------------|---------------|-------------|
|                                 | Six months to | Six months to | Year ended  |
|                                 | 30 June       | 30 June       | 31 December |
|                                 | 2021          | 2020          | 2020        |
|                                 | £000          | £000          | £000        |
| Charged to revenue:             |               |               |             |
| Investment management fee (40%) | 66            | 74            | 160         |
| Charged to capital:             |               |               |             |
| Investment management fee (60%) | 98            | 112           | 240         |
|                                 | 164           | 186           | 400         |

## 7. Fair Value Hierarchy

As at 30 June 2021 all of the Company's assets are classified as Level 1 and are valued at £46,294,000 (30 June 2020: £51,477,000; 31 December 2020: £45,152,000), using quoted prices in active markets for identical assets, save for forward foreign exchange contracts valued at £47,000 (30 June 2020: £14,000; 31 December 2020: £194,000), which are Level 2, and PMGR Securities 2025 plc and PGIT Securities 2020 plc (in liquidation) valued at £100,000 (30 June 2020: £50,000; 31 December 2020: £100,000) which are Level 3.

Note 21 (g) of the annual financial statements sets out the basis of categorisation.

#### **8. Section 1158 of the Corporation Tax Act 2010**

It is the intention of the Directors to conduct the affairs of the Company so that they satisfy the conditions for approval as an investment trust company set out in section 1158 of the Corporation Tax Act 2010.

### **Interim Management Report**

Premier Miton Global Renewables Trust PLC is required to make the following disclosures in its Half Year Report:

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board believes that the principal risks and uncertainties faced by the Company continue to fall into the following categories:

- Structure of the Company and gearing
- Repayment of ZDP Shares
- Dividend levels
- Currency risk
- Liquidity risk
- Market price risk
- Discount volatility
- Operational risk
- Accounting, legal and regulatory risk
- Political intervention
- Industry regulation

Information on each of these, save for Repayment of ZDP Shares, is given in the Strategic Report in the Annual Report for the year ended 31 December 2020. Attention is further drawn to the new 2025 ZDP Shares' liability falling due on 28 November 2025, the repayment of which stands in preference to the entitlements of Ordinary Shares. A fall in value of the Company's portfolio around that time could have a material adverse effect on the value of the Ordinary Shares.

#### **RELATED PARTY TRANSACTIONS**

The Directors are recognised as a related party under the Listing Rules and during the six months to 30 June 2021 fees paid to Directors of the Company totalled £34,000 (six months ended 30 June 2020: £32,000 and year to 31 December 2020: £64,000).

#### **GOING CONCERN**

The Directors believe that, having considered the Company's investment objectives (shown on page 1), risk management policies and procedures, nature of portfolio and income and expense projections, the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for 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 were a significant fall in the valuation or a reduction in the liquidity of the Company's investment portfolio.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors are responsible for preparing the Half Year Report, in accordance with applicable law and regulations. The Directors confirm that, to the best of their knowledge:

- The condensed set of Financial Statements within the Half Year Report has been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and applicable law; and
- The Interim Management Report includes a fair review of the information required by 4.2.7R (indication of important events during the first six months of the year) and 4.2.8R (disclosure of related party transactions and changes therein) of the FCA's Disclosure and Transparency Rules.

For and on behalf of the Board.

**Gillian Nott OBE**

Chairman

29 July 2021

**Directors and Advisers**

**Directors**

Gillian Nott OBE – Chairman

Melville Trimble – Chairman of the Audit Committee

Victoria Muir – Chairman of the Remuneration Committee

**Alternative Investment Fund Manager ("AIFM")**

Premier Portfolio Managers Limited

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Guildford

Surrey GU1 3DE

Telephone: 01483 306 090

[www.premiermiton.com](http://www.premiermiton.com)

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Financial Conduct Authority

**Investment Manager**

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Leeds LS1 4DL

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[www.signalshares.com](http://www.signalshares.com)

\*Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 09:00 - 17:30 Monday to Friday excluding public holidays in England and Wales.

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20 Castle Terrace  
Edinburgh EH1 2EG

**Tax Advisor**

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St. Bride's House  
10 Salisbury Square  
London EC4Y 8EH

**Stockbroker**

Singer Capital Markets  
One Bartholomew Lane  
London EC2N 2AX  
Telephone: 0207 496 3000

**Ordinary Shares**

SEDOL: 3353790GB  
LSE: PMGR

**Zero Dividend Preference Shares**

SEDOL: BNG43G3GB  
LSE: PMGZ

**Global Intermediary Identification Number**

GIIN: W6S9MG.00000.LE.826