PREMIER MITON GLOBAL RENEWABLES TRUST PLC

Annual Financial Report for the year ended to 31 December 2024

The Directors present the Annual Financial Report of Premier Miton Global Renewables Trust PLC (the "**Company**") for the year ended 31 DecemberÂ 2024 (the "**Annual Report**").

It has also been submitted in full unedited text to the Financial Conduct Authority's National Storage Mechanism and is available for inspection atÂ data.fca.org.uk/#/nsm/nationalstoragemechanismÂ in accordance with DTR 6.3.5(1A) of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules. The Annual Report is also availableÂ to viewÂ and download from the Company's website, www.globalrenewablestrust.com/documents. Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this announcement.

The information set out below does not constitute the Company's statutory accounts for the year ended 31 December 2024 but is derived from those accounts. Statutory accounts for the year ended 31 December 2024 will be delivered to the Registrar of Companies in due course. The Auditors have reported on those accounts:Â their report was (i) unqualified, (ii) did not include a reference to any matters to which the Auditors drew attention by way of emphasis without qualifying their report,Â and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The following text is copied from the Annual Report & Accounts:

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 similar infrastructure investments.

Company Summary

The Company received London Stock Exchangeâ€™s Green Economy Mark, a classification which is awarded to companies and funds that are driving the global green economy, in January 2021. To qualify for the Green Economy Mark, companies and funds must generate 50% or more of their total annual revenues from products and services that contribute to the global green economy.

Group
Premier Miton Global Renewables Trust PLC (the â€œCompanyâ€) (formerly Premier Global Infrastructure Trust PLC), and its wholly-owned subsidiary, PMGR Securities 2025 PLC (â€œPMGZâ€).

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Capital Structure
Ordinary Shares (1p each) Â Â Â Â Â Â Â 18,238,480
The Ordinary Shares are entitled to all of the Companyâ€™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 Sharesâ€™ (â€œZDPsâ€/â€œZDP Sharesâ€) 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.
ZDP Shares (1p each)
Issued by PMGR Securities 2025 PLCÂ Â Â 14,217,339
The 2025 ZDP Shares (â€œ2025 ZDPsâ€) will have a final capital entitlement of 127.6111p on 28 November 2025, equivalent to a gross redemption yield# from the date of issue of 5.0% per annum, subject to there being sufficient capital in the Company. The 2025 ZDPs are qualifying investments for ISAs.

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Company Details
Investment Manager
Premier Fund Managers Limited (â€œPFM Limitedâ€), is a subsidiary of Premier Miton Group plc (â€œPMI Groupâ€). PMI Group had Â£10.7 billion of funds under management at 31 December 2024. PFM Limited is authorised and regulated by the Financial Conduct Authority (â€œFCAâ€). The Companyâ€™s portfolio is managed by James Smith with support from PFM Limitedâ€™s global equity team. Premier Portfolio Managers Limited (â€œPPMâ€ or the â€œInvestment Managerâ€) is the Companyâ€™s Alternative Investment Fund Manager. PPM has delegated the portfolio management of the Companyâ€™s portfolio of assets to PFM Limited.
Management Fee
0.75% per annum of the gross assets under management, charged 40% to revenue and 60% to capital.
See Glossary of Terms for definitions and Alternative Performance Measures (â€œAPMâ€) within the full Annual Report and Accounts.

Company Highlights

for the year to 31 December 2024

	31 December 2024	31 December 2023	% change
Total Return Performance			
Total Assets Total Return (1)#	(14.0%)	(7.5%)	
S&P Global Clean Energy Index (2) (GBP)	(24.1%)	(20.1%)	
Ongoing charges (3)#	2.06%	1.81%	

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Ordinary Share Returns			
Net Asset Value per Ordinary Share (cum income) (4)#	101.61p	146.86p	(30.8%)
Mid-market price per Ordinary Share (2)	93.00p	118.50p	(21.5%)
Discount to Net Asset Value#	(8.5%)	(19.3%)	
Revenue return per Ordinary Share	7.55p	8.11p	(6.9%)
Net dividends declared per Ordinary Share	8.00p	7.40p	8.1%
Net Asset Value Total Return (5)#	(26.1%)	(13.5%)	
Share Price Total Return (2)#	(15.2%)	(19.2%)	

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2025 ZDP Share Returns			
Net Asset Value per ZDP Share (4)	122.07p	116.24p	5.0%
Mid-market Price per ZDP Share (2)	118.00p	110.00p	7.3%
Discount	(3.3%)	(5.4%)	

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Hurdle Rates (6)#			
Ordinary Shares			
Hurdle rate to return the share price of 93.00p (2023: 118.50p) at 28 November 2025(2)	(1.9%)	(3.9%)	
ZDP Shares			
Hurdle rate to return the redemption share price for the 2025 ZDPs of 127.6111p at 28 November 2025	(52.3%)	(35.9%)	

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Balance Sheet			
Gross Assets less Current Liabilities	Â£35.9m	Â£43.3m	(17.1%)
ZDP Shares	(Â£17.4m)	(Â£16.5m)	5.0%
Equity Shareholdersâ€™ Funds	Â£18.5m	Â£26.8m	(30.8%)
Gearing (7)#	93.6%	61.7%	
ZDP Share Cover (non-cumulative) (8)#	1.89x	2.26x	

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APM See Glossary of Terms for definitions and APMs within the full Annual Report and Accounts.
(1) Source: PFM Limited. Based on opening and closing total assets plus dividends marked â€œex-dividendâ€ within the period.
(2) Source: Bloomberg.
(3) Ongoing charges have been based on the Companyâ€™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) Source: PFM Limited. Based on opening and closing net asset values with dividends marked â€œex-dividendâ€.
(6) Source: PFM Limited. Hurdle rate definition can be found in the Glossary of Terms and APMs within the full Annual Report and Accounts.
(7) Source: PFM Ltd. Based on ZDP Shares divided by Equity attributable to Ordinary Shareholders at the end of each year.
(8) Source: PFM Limited. Non-cumulative cover = Gross assets at year end divided by final repayment of ZDPs plus management charges to capital.

Chairâ€™s Statement

for the year to 31 December 2024

Introduction

It is disappointing to report that 2024 saw a further deterioration in the investment environment for the renewable energy sector. Equity markets, with some exceptions, made good gains, shrugging off higher yields on government bonds. Despite this background, renewable energy companies again remained out of favour among investors.

In theory, higher yields should have a negative valuation effect on equity markets. This applies particularly to technology companies, as positive cashflows are often far into the future, and using a higher discount rate to calculate their value today should therefore have an outsized effect on their share prices. This has not, however, applied in practice, with US technology companies continuing their upward march.

Inflation in the UK and US has remained higher than original expectations, and core inflation remains above targets set by central banks. The Federal Reserve made three cuts to rates in the second half of the year, taking their benchmark rate from 5.50% to 4.50%. Likewise, the Bank of England cut rates from 5.25% to 4.75%. However, markets anticipate above-target inflation continuing into 2025, and consequently anticipate fewer rate cuts than previously expected.

Given the inflationary backdrop, government bond yields have continued to move upwards. 10-year US government bond yields increased from 3.88% at the end of 2023, reaching 4.57% at the end of 2024. UK 10-year Gilt yields likewise climbed from 3.54% to 4.57%. Sentiment toward those equity sectors considered to be â€˜bond-proxiesâ€™ - those deemed to have relatively fixed revenue streams, which includes renewable energy companies â€“ has been weak.

In the EU, weak economic conditions caused inflation to moderate faster, allowing the European Central Bank to cut policy rates from 4.50% to 3.15%, although renewable energy companies still performed poorly.

More modest inflationary pressures in the EU mean government bonds trade at lower yields to US and UK counterparts. However, an issue to watch in 2025 will be the extent to which spreads between yields in the core economies diverge, and how the ECB manages any increase.

Trading environment

Despite the considerable pessimism affecting the share prices of renewable energy companies, the fundamental trading environment has been relatively robust.

Renewable energy has continued to grow market share over other forms of energy, and power prices have strengthened still further, driven by higher prices for natural gas.

Renewable energy remains in demand from corporate buyers, keen to reduce their carbon emissions. A welcome trend for power generators is increased power demand from data centres, particularly in the US, but also Europe. The use of artificial intelligence will further increase data centre power demand.

Following many years of declining demand, most energy consultancies now expect electricity demand in western markets to begin to grow once more. In addition, renewables are expected to continue to increase their share of the power market at the expense of higher cost forms of power generation such as natural gas and new nuclear. Issues remain such as balancing weather-dependant flows of electricity on the grid, and substantial investment in electricity transmission and energy storage will be required to facilitate the transition to a lower carbon grid, leading to investment opportunities in those areas.

The new UK government is pressing ahead with plans to de-carbonise the UK power system by 2030. And while this looks to be exceptionally ambitious, the direction of travel is clear. The UK will conduct another renewable energy auction in 2025, awarding competitively priced contracts for differences, or â€œCFDsâ€, guaranteeing operators an effective fixed power price underwritten by the government. We await details of maximum pricing and volume of contracts to be offered.

Much has been made of the US presidential election. However, I would note that renewable electricity has the lowest cost of generation in the US, benefitting from economies of scale that come from the large size of US renewable energy installations. I expect demand for renewable energy to increase irrespective of who is in the White House, as indeed it did during President Trumpâ€™s first term of office. His election is potentially negative for offshore wind development in the US; however, this is of only peripheral relevance to your Companyâ€™s portfolio.

Renewable energy should also continue to see a supportive political environment in Europe, despite somewhat difficult politics at times. Europe remains a substantial importer of energy, and renewable energy represents both a domestic source and one in which the costs are not subject to volatile commodity pricing.

Performance

It is very disappointing to report a third consecutive year of negative performance, particularly given the solid underlying trading, with a few isolated exceptions, across the portfolio.

The total assets total return, measuring the return on the portfolio including all income received and costs paid, was a negative 14.0%. In common with 2023 however, this was substantially ahead of the Companyâ€™s performance comparator, the S&P Global Clean Energy Index, which recorded a negative total return of 24.1% in sterling terms.

Your Companyâ€™s capital structure, which employs gearing in the form of the Zero Dividend Preference Shares (â€œZDPsâ€), acts to amplify underlying returns within the net asset value (â€œNAVâ€). As such the NAV total return including dividends paid to shareholders, was a negative 26.1%. The NAV per Ordinary share fell by 30.8% to close the year at 101.61p.

The discount at which the Ordinary share price traded by reference to the NAV, reduced, and stood at 8.5% at the year end, a narrowing from 19.3% at the end of 2023. The Ordinary share price total return was therefore a little better than the NAV return, at a negative 15.2%.

Portfolio positioning

Although the portfolio remains largely unchanged, the allocation to renewable energy investment companies has reduced. Weightings in companies with higher growth prospects have been increased, including further investment in offshore wind turbine installation vessels, electricity transmission, and a first investment in electric vehicle charging.

The portfolioâ€™s UK weighting has been reduced, reflecting lower investment in renewable energy investment companies. The holdings in companies classified as â€œglobalâ€ â€“ those operating in multiple geographies â€“ have been increased, mainly because of stock selection rather than as a tactical trade.

The North American weighting remains modest, although several â€œglobalâ€ investments have substantial North American exposure. Further details of the portfolio are contained within the Investment Managerâ€™s Report.

Capital structure, gearing, and ZDP Shares

Following the weaker performance of the portfolio in the year, gearing increased from 61.7% at December 2023 to 93.6% at December 2024 (gearing being calculated as the ZDP share liability divided by the equity attributable to Ordinary Shareholders).

The share price of the ZDP Shares rose by 7.3% in 2024, from 110.00p to 118.00p. Their NAV increased at their accrual rate of 5%, to reach 122.07p at the close of the year. As such the ZDP Shares stood at a 3.3% discount to their accrued value. The ZDP Share Cover fell to 1.89x from 2.26x, reflecting the fall in assets. Note that â€œGearingâ€ and â€œZDP Share Coverâ€ are Alternative Performance Measures; please see pages 78 to 82 within the full Annual Report and Accounts for definitions and calculations.

No Ordinary nor ZDP shares were either issued or redeemed in the year.

Continuation Vote and Future of your Company

Based on the market situation and valuations existing at the date of this report, the Board does not believe it will be cost effective to issue new ZDP Shares at the maturity of the existing ZDP issue in November this year. This would leave the size of the Company, measured by gross assets, at a level which the Board believes would be too small to be viable.

Further, a lack of demand from investors for smaller sized investment trusts indicates that increasing the size of the Company through an Ordinary Share issue is unlikely to be possible.

Your Board will therefore explore other options which may include the wind up of the Company with a distribution of cash, with a potential option for shareholders to roll-over into a similar open-ended fund. The Board will consult with shareholders and advisers to reach the optimal outcome.

With this in mind, having consulted with advisers and Premier Miton, the Board recommends shareholders vote in favour of the continuation resolution at the 2025 AGM to be held in April. This will allow the Board maximum flexibility to bring forward proposals to wind up or otherwise reconstruct the Company, or should market conditions improve substantially, to continue as an Investment Trust. Voting in favour of continuation does not, of itself, mean that the Company will continue in existence after the repayment of the ZDP shares in November this year.

Income and dividends

The net revenue return per Ordinary Share in 2024 was 7.55p, a decrease of 6.9% from 8.11p achieved in 2023. This was partly a result of dividend cuts in the UK energy storage sector, and a greater focus on growth investments in the portfolio. Most companies within the portfolio managed either to hold or to increase their dividends, and with the exception of the UK energy storage sector, the income environment is robust.

During the year, the Board declared three interim dividends in respect of the 2024 financial year, each of 2.00p per Ordinary Share. The Board has now declared a fourth interim dividend of 2.00p, to bring the total dividend for the year to 8.00p, necessitating a modest transfer from revenue reserves given the full year dividend is higher than net revenue return. The fourth interim dividend will be paid on 28 March 2025 with the shares to be marked ex-dividend on 6 March 2025.

Shareholder relations

Your Companyâ€™s AGM will be held on 24 April 2025 at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH, at 12:30 p.m. where a presentation will be given. Attending shareholders will have the opportunity to meet the Board and Investment Manager and ask questions.

Shareholders can find additional details regarding your Company, including factsheets and articles on topics relating to both the renewable energy sector and the Company, on the Companyâ€™s website, located at www.globalrenewablestrust.com.

During the year, the Manager presented directly to investors via the â€œInvestor Meet Companyâ€ platform, and with further events planned for 2025, I encourage shareholders wishing to hear more from the Manager to sign up to this free service. Further details may be found at www.investormeetcompany.com.

Environmental, Social and Governance (â€œESGâ€)

Given the change of investment policy in 2020 to one dedicated to renewable energy investment, consideration of ESG factors is an important part of the Investment Managerâ€™s approach to running the portfolio and the Company is proud to carry the London Stock Exchangeâ€™s â€œGreen Economyâ€ mark. Further, Premier Miton is a signatory to the Principles for Responsible Investment, an organisation which assists participating firms in developing and maintaining responsible investment practices.

Reviews of your Companyâ€™s portfolio are also undertaken by Premier Mitonâ€™s Responsible Investing Oversight Committee, with the aim of ensuring that investee companies adhere to high standards of governance, and that the portfolioâ€™s composition is consistent with its investment policy.

By its nature, the portfolio has strong environmental credentials, mainly consisting of companies generating renewable electricity in the form of wind, solar, biomass, and hydro. It also contains companies operating infrastructure such as electricity transmission, battery storage, and vehicle charging, essential for the delivery and management of renewably generated power.

Your Companyâ€™s Investment Manager engages with investee companies to promote good governance and encourage responsible social policies. The Investment Manager always votes at the shareholder meetings of investee companies.

In September the Company announced that it would not seek to adopt a label for its products under the FCAâ€™s Sustainability Disclosure Requirements (â€œSDRâ€). In light of this, a non-material change to the investment policy was made. The previous policy referred to â€œsustainable infrastructure investmentsâ€, which was changed to â€œsimilar infrastructure investmentsâ€. No changes were made to the portfolio because of this technical change.

Outlook

It is frustrating to experience a further year of difficult performance, despite your Companyâ€™s portfolio again outperforming its comparator index.

The Board believes, however, that share price declines have left investments in the portfolio trading at attractive levels. While this may well make for profitable long-term investment, short-term performance will likely continue to be dictated by macro-economic factors.

In my statement in the 2023 annual report, I expressed a belief, in line with market expectations at that time, that bond yields would be heading lower. Unfortunately, this turned out not to be the case. Whether 2025 is the year in which inflation is tamed, and interest rates fall, must now be open to some doubt. I am confident, however, in saying that a great deal of â€˜bad newsâ€™ looks to be built into the share prices of renewable energy companies, and that should macro conditions improve, shareholders may finally be rewarded following several difficult years for the sector.

While 2025 will undoubtedly bring further challenges, your Board remain hopeful for improved performance. The Board and Investment Manager are mindful of the need to realise investments from the portfolio to repay the 2025 ZDP Shares in November, while also considering proposals for the future of the Company in the interest of the Ordinary Shareholders.

Gillian Nott OBE

Chair

5 March 2025

Investment Managerâ€™s Report

for the year to 31 December 2024

Performance overview

It is very disappointing to report another negative performance in 2024, with renewable and clean energy companies remaining out of favour with investors. The total assets total return performance, including costs, was -14.0%. This was however, in common with 2023, an out-performance of your Companyâ€™s benchmark performance comparator, the S&P Global Clean Energy Index, which returned -24.1% in GBP terms.

Inflation has proved to be more persistent than originally anticipated, particularly in the US and the UK. Fiscal policy has remained loose, with Governments running sizable budget deficits, which hasnâ€™t helped contain price rises. Monetary policy has therefore been tighter than it might otherwise have been, although rate cuts did commence in the second half.

The share price performances of renewable energy companies were again correlated to bond yields. Higher bond yields indicate a risk that inflation will remain above target in coming years, and that the interest rate cycle will be both longer and shallower than originally expected.

The market views this scenario as being particularly negative for renewable energy companies, seeing them as having relatively fixed, or â€˜bond-likeâ€™, revenue streams. Higher interest rates reduce the present value of these cash flows as they are discounted at higher rates. In addition, some energy sales contracts, particularly in the US and Europe, are based on long-term fixed prices, and higher inflation acts to reduce their real value.

Toward the end of the year performance was also affected by the result of the US election, with the assumption that President Trump may reverse the Biden Administrationâ€™s Inflation Reduction Act, which grants tax credits and other incentives to renewable and clean energy investments. This remains to be seen, however the basic facts that renewable energy is a cost competitive form of new energy in the US, and that demand is driven by large scale corporate power users focussed on reducing their carbon emissions, indicate that renewable energy facilities will continue to be built.

Market review

Despite the difficult economic backdrop, renewable energy companies enjoyed a positive trading environment in 2024.

In Europe, after some initial weakness in the first quarter, power prices rose consistently from spring onwards driven by higher gas prices, with Europe now being a market that imports large quantities of liquified natural gas or â€œLNGâ€, and therefore subject to international pricing.

For those generators with exposure to power markets, i.e. with capacity not operating under long term government set tariffs, or under long term corporate power sales contracts, this was a positive development. This might prove to be temporary however, with additional global LNG capacity expected to be available in coming years. An opposing view is that any additional LNG supply will be absorbed by latent demand in Asia.

The war in Ukraine remains ongoing which has forced European politicians to prioritise energy security. Renewable energy is by its nature a form of energy that is generated relatively close to where it is used, while at the same time having the benefit of reducing a countryâ€™s exposure to international commodity prices.

The UK is subject to the same dynamics and remains a substantial energy importer. Within that, it is also a net electricity importer via various interconnectors to continental Europe and Scandinavia. This is a potential strategic weakness, and the new Governmentâ€™s target to have a carbon free electricity grid by 2030 should help address not only carbon emissions, but also energy security.

Given the backdrop of insufficient domestic electricity supply in the UK, together with a need for substantial new renewable energy capacity, it might reasonably be expected that electricity prices will remain relatively high. Further, the impact of gas prices on electricity pricing should reduce over time, as gas fired generators are displaced by lower cost renewables, and increasingly operate only at peak times or as standby capacity.

Most new renewable capacity in the UK is expected to come from offshore wind, which although relatively competitive against fossil fuels, is generally more costly than other forms of renewable generation. These are exceptionally large capital projects, which require government support through price guarantees (the contracts for difference system). Higher interest rates have also added to the finance costs required to be recovered through electricity prices. The UKâ€™s Auction Round 7 (â€œAR7â€) auction to be held in 2025 will be a key test of the governmentâ€™s ambitions.

The costs of solar generation and battery storage have continued to fall. The addition of storage to solar projects allows the generator to sell power at peak times and obtain higher prices. It also allows countries with good solar resources to replace fossil fuels with low cost, clean and reliable solar. Spain, for instance, looks set to take the lead in the development of data centres. Northern Chile is another key location to which the portfolio has material solar plus storage exposure.

In the US, many generators have reported strong demand for new renewable projects, particularly from the major technology companies. Data centre demand, especially those focussed on power hungry artificial intelligence processors, is driving power demand upwards, creating a positive operating environment for renewable generators.

Grid connected electricity storage is also expected to grow strongly in the US, as utilities switch away from fossil fuel generation toward renewables. This is an area to which the portfolio has increased exposure over 2024.

PORTFOLIO SECTOR CLASSIFICATION 2024		
	2024	2023
Renewable energy developers	34.2%	33.7%
Yieldcos and Investment Companies	33.2%	40.7%
Renewable focused utilities	6.9%	7.8%
Biomass generation and production	5.5%	5.1%
Energy storage	5.0%	5.9%
Renewable technology and service	4.9%	2.0%
Renewable financing and energy efficiency	4.1%	2.0%
Electricity networks	3.9%	2.8%
Renewable fuels and charging	2.2%	0.0%

Portfolio segmentation and allocation

The Trust seeks to offer investors diversified global exposure to renewable energy and similar infrastructure. Focussing on contracted and regulated assets offers an attractive risk / reward dynamic for long-term investment, with high visibility of earnings and dividends.

In addition to electricity generation, the portfolio invests in related infrastructure such as energy storage, electricity transmission networks, and offshore installation vessels. A new segment for 2024 is renewable fuels and charging, encompassing renewable natural gas and electric vehicle charging infrastructure.

Segmental allocations were relatively unchanged over the year, however, the allocation to yieldcos and investment companies was reduced with the proceeds reallocated into renewable technology and service (offshore installation vessels), renewable fuels and charging (primarily an electric vehicle charging company), and also renewable financing and energy efficiency.

The geographic weightings remained relatively unchanged, although with a slightly lower investment in the UK, and increased investment in companies operating in across several jurisdictions, classified as Global.

Renewable energy developers

Renewable energy developers are companies that develop renewable projects from first initiation, through to construction and operation. This contrasts to the investment companies, which tend to invest in built projects, developed by third parties.

Spanish listed Grenergy Renovables had another good year, although its share price fell by 4.5%. It has continued to develop its very large solar plus storage asset in Chile, â€˜Oasis Atacamaâ€™, which has 2,000 MW of solar capacity and 11,000 MWh of battery storage capacity. In December it sold the first three phases of the project, equal to a little over 20% of the total project size, all of which scheduled for commissioning by the end of 2025 for an excellent price. This should provide the company with the equity capital required to fund the remainder of the project.

Oslo listed Bonheur was one of the few holdings to post a share price increase in 2024, its shares gaining 8.4%. It operates a wind energy business (Fred Olsen Renewables) in the UK and Scandinavia, together with offshore wind installation vessels (Fred Olsen Windcarrier), plus a cruise line (Fred Olsen Cruises). Although the renewables business has seen lower earnings in the year, given the fall in power pricing from 2023 to 2024, profitability in installations vessels and cruise lines has shown good growth.

The shareholding in Northland Power was increased substantially toward the end of the year, to take advantage of share price weakness. The company has large investments in offshore wind in the North Sea, and is in the latter stages of constructing projects off Poland and Taiwan. We believe the shares, which fell by 25.5% in the year, have been sold down on sentiment arising from the US presidential election, despite the company only owning operational contracted onshore assets in North America.

Likewise, RWE had a disappointing year, its shares falling 30.4%, and has, we believe, lost value on sentiment surrounding its US investments, and also from reporting lower earnings during 2024 as a result of power price declines from the exceptional levels seen in 2023. RWE has now commenced a Euro 1.5 billion share buyback programme, indicating an improved commitment to shareholder value.

The shareholding in Enefit Green has been increased. The company is the largest renewable energy owner in the Baltic region and has an ambitious growth plan to more than double operating capacity over 2025 and 2026. Its share price fell by 22.4% in 2024.

During the year, the final Chinese investment, China Suntien Green, was sold, removing the small residual Chinese exposure. European renewables developer Greenvolt, was also sold in the year, having received a takeover offer.

A new position, in global offshore wind developer Orsted, was started toward the end of the year. Its share price, we believe, having over-reacted to the US election.

PORTFOLIO GEOGRAPHICAL ALLOCATION		
	2024	2023
Europe (excluding UK)	33.67%	33.78%
United Kingdom	29.30%	35.49%
Global	23.29%	14.71%
North America	10.67%	11.48%
Latin America	3.07%	3.18%
China	0.00%	1.36%

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PORTFOLIO MARKET CAPITALISATION PROFILE		
	2024	2023
Large Cap (> Â£10bn)	13.6%	14.0%
Medium Cap (Â£2bn to Â£10bn)	33.5%	23.2%
Small Cap (Â£250m to Â£2bn)	38.7%	57.4%
Micro Cap (< Â£250m)	14.1%	5.5%

Yieldcos and Investment Companies

Like the renewable energy developers, renewable energy investment companies (in US terminology â€œyieldcosâ€), performed poorly in 2024, largely on the back of higher bond yields we believe.

In terms of the portfolioâ€™s larger London-listed holdings, Greencoat UK Wind, Octopus Renewables Infrastructure, NextEnergy Solar, and Foresight Solar Fund, saw share price declines of 15.7%, 24.4%, 29.1%, and 24.7% respectively.

Reported net asset values (â€œNAVâ€) declined by mid-single digits on average over the first three quarters of 2024, and hence, share prices have moved to substantial discounts when measured against NAV. NAV weakness has been caused, in the main, by lower long term power price assumptions, with higher interest rate assumptions being offset by the benefits of higher inflation.

Markets are concerned about sustainability of dividends, which I believe is misplaced. Cashflows have been good, and with power prices strengthening over the year, this should remain the case. Indeed, many companies in the sector are now using excess cashflows to buy back shares, taking advantage of depressed share prices.

Markets are also concerned about gearing; the debt levels carried by some of the companies. This is being addressed through asset sales, with both NextEnergy Solar and Octopus Renewables managing to sell assets during the year at valuation levels above that included within their NAVs, illustrating the divergence in valuations between private and public markets. Further progress should be made in 2025.

US listed â€œYieldcosâ€ fared better although still saw share price declines. Clearway Energyâ€™s share price (class A shares) fell by 4.4%. The position in Atlantica Sustainable Infrastructure was sold in the year into an offer for the company.

PORTFOLIO CONCENTRATION		
	2024	2023
10 largest investments	55.07%	55.95%
11th to 20th	28.73%	25.23%
21st to 30th	13.68%	13.20%
30th onwards	2.51%	5.63%

Other segments

Drax Groupâ€™s (biomass generation and production) share price increased by 32.2% on continued excellent financial results and the prospect of operating the Drax power station beyond the expiration in 2027 of existing power sales arrangements, utilising carbon capture technology.

London listed battery storage funds were a disappointment with the trading environment of UK assets having deteriorated. Dividends were suspended at both Gresham House Energy Storage Fund and Harmony Energy, and the entire holding in the former was sold in the year. We have focussed investment on Gore Street Energy Storage Fund, which is internationally diversified, and will commission two large projects in the US in early 2025. Harmony, which owns premium quality sites, is now evaluating offers for its assets, and we expect news on this in the first half of 2025. Gore Streetâ€™s share price fell by 45.6% in the year, and Harmony by 17.8%.

National Grid (electricity networks) carried out a Â£7 billion rights issue in the first half of the year, to help fund its substantial capital expenditure budget through to the end of the decade. Its shares fell by 3.3% in the year.

SSE (renewable focussed utilities) is also undertaking large scale investments in electricity transmission, together with the construction of new offshore wind farms in the North Sea. Its shares fell by 13.4% in the year.

The holding in Cadeler (renewable technology and service), which operates a fleet of offshore wind turbine installation vessels, was increased. It is undertaking a major fleet expansion, and its first new vessel was delivered at the end of the year, taking the operational fleet to five, with a further six on order. Its share price increased by 42.2% in 2024. Market participants believe there is likely to be a shortage of the very large vessels capable of installing the new generation of offshore turbines, and the company has signed contracts for future work at attractive prices.

Investment Activity

The portfolio was relatively stable during 2024, with investment activity being lower than 2023. Investment purchases totalled Â£7.5 million and sales Â£7.3 million.

Outlook

Another year of valuation declines in the renewable sector has left many companies trading at, what I believe to be, exceptional levels. Positive company results, asset growth, and stronger power prices, have often played second fiddle to macro-economic factors, and this has been frustrating to see.

I would therefore be hopeful of a recovery, although the timing is largely dependent on improved economic conditions, notably a stabilisation and subsequent reduction of bond yields and indications that inflation is being brought under control.

In the meantime, power prices look supported, which bodes well for the dividend coverage of renewable investment companies, and should enable new renewable assets to be built by developers at attractive investment returns.

Early figures show that power demand in Western markets increased in 2024, marking a turnaround from recent years of falling power consumption. Likely further demand growth from data centres and transportation applications would be positive for the sector.

James Smith

Premier Fund Managers Limited

5 March 2025

Investment Portfolio

as at 31 December 2024

Company	Activity	Principal location of operation	Value Â£000	% total investments	Ranking 2024	Ranking 2023
Greencoat UK Wind	Yieldcos and Investment Companies	United Kingdom	2,682	7.6	1	1
Grenergy Renovables	Renewable energy developers	Global	2,160	6.2	2	5
Clearway Energy â€˜Aâ€™	Yieldcos and Investment Companies	North America	2,148	6.1	3	3
Bonheur	Renewable energy developers	Europe (ex. UK)	1,991	5.7	4	9
Drax Group	Biomass generation and production	United Kingdom	1,943	5.5	5	6
Octopus Renewable Infrastructure	Yieldcos and Investment Companies	Europe (ex. UK)	1,876	5.3	6	4
Cadeler	Renewable technology and service	Europe (ex. UK)	1,721	4.9	7	19
Northland Power	Renewable energy developers	Global	1,687	4.8	8	15
NextEnergy Solar Fund	Yieldcos and Investment Companies	United Kingdom	1,539	4.4	9	2
RWE	Renewable energy developers	Europe (ex. UK)	1,537	4.4	10	8
SSE	Renewable focused utilities	United Kingdom	1,444	4.1	11	10
National Grid	Electricity networks	Global	1,349	3.8	12	14
Foresight Solar Fund	Yieldcos and Investment Companies	United Kingdom	1,307	3.7	13	11
Gore Street Energy Storage Fund	Energy storage	Global	1,049	3.0	14	12
AES Corporation	Renewable focused utilities	North America	976	2.8	15	16
Aquila European Renewables	Yieldcos and Investment Companies	Europe (ex. UK)	863	2.5	16	7
Enefit Green	Renewable energy developers	Europe (ex. UK)	844	2.4	17	20
SDCL Energy Efficiency Income Trust	Renewable financing and energy efficiency	Global	818	2.3	18	33
Harmony Energy Income Trust (incl. â€˜Câ€™ Shares)	Energy storage	United Kingdom	715	2.0	19	23
Cloudberry Clean Energy	Renewable energy developers	Europe (ex. UK)	697	2.0	20	21
Greencoat Renewables	Yieldcos and Investment Companies	Europe (ex. UK)	671	1.9	21	18
Fastned	Renewable fuels and charging	Europe (ex. UK)	670	1.9	22	â€“
GCP Infrastructure	Renewable financing and energy efficiency	United Kingdom	630	1.8	23	30
Corp. Acciona Energias Renovables	Renewable energy developers	Europe (ex. UK)	589	1.7	24	13
Polaris Renewable Energy	Renewable energy developers	Latin America	550	1.6	25	27
Orsted	Renewable energy developers	Global	449	1.3	26	â€“
MPC Energy Solutions	Renewable energy developers	Latin America	348	1.0	27	32
7C Solarparken	Renewable energy	Europe (ex. UK)	330	0.9	28	25

	developers					
US Solar Fund	Yieldcos and Investment Companies	North America	294	0.8	29	29
VH Global Sustainable Energy	Yieldcos and Investment Companies	Global	260	0.7	30	â€“
Scatec	Renewable energy developers	Global	196	0.6	31	â€“
Boralex	Renewable energy developers	Global	191	0.5	32	35
Serena Energia	Renewable energy developers	Latin America	178	0.5	33	34
Innergex Renewable	Renewable energy developers	North America	133	0.5	34	37
Westbridge Renewable	Renewable energy developers	North America	102	0.4	35	â€“
Clean Energy Fuels	Renewable fuels and charging	North America	79	0.3	36	â€“
			35,016	99.9		

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Unquoteds	Activity	Principal location of operation	Value Â£000	% total investments		
PMGR Securities 2025 PLC	ZDP Shares Subsidiary	United Kingdom	50	0.1		
Total investments			35,066	100.0%		

Review of Top Ten Holdings

at 31 December 2024

1.	Greencoat UK Wind
	Market cap: Â£2.9 billion
	www.greencoat-ukwind.com
	Greencoat UK Wind (â€œUKWâ€) is a UK focused renewable energy investment company, its portfolio containing both onshore (55% at June 2024) and offshore (45%) wind farms. It operates as an investment company, acquiring newly completed assets rather than developing projects in-house. Greencoat demonstrated its commitment to shareholder value in the year by progressing a Â£100 million share buyback programme. It has also changed its management fee structure to base the fee on the lower of share price and NAV, as opposed to NAV. During 2024, Greencoatâ€™s NAV per share fell by 7.9% to 151.20p, with its share price falling by 15.7% to 127.70p, standing at a discount of 15.5% to the year end NAV. However, strong cash flows have allowed the company to increase dividends, with the quarterly 2.50p dividend paid during 2024, being some 14% higher than the equivalent quarterly dividend paid during 2023.

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2.	Grenergy Renovables
	Market cap: Â£792 million
	www.grenergy.eu
	Grenergy is a Spain listed international solar developer, focussing on Spain and Chile. The company has grown steadily, now having 950 MW of operational solar capacity plus a further 1,326 MW solar and 3,624 MWh of battery storage capacity under construction. The construction is mainly focussed on Chile where the company is developing its â€˜Oasis Atacamaâ€™ solar plus storage project, totalling 2,000 MW of solar generation and 1,820 MW / 11,000 MWh battery storage capacity. The storage capacity enables the company to offer power sales contracts covering peak hours, receiving a premium price. In December the company sold the first three stages of the project for almost 1 billion, providing both a substantial profit over development cost and sufficient equity funding for the company to build and retain subsequent stages. Grenergyâ€™s share price fell 4.5% during 2024.

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3.	Clearway Energy
	Market cap: Â£2.3 billion
	www.investor.clearwayenergy.com
	Clearway Energy (â€œClearwayâ€) is a US listed yield, or investment, company (â€œyieldcoâ€), operating 3.8 GW of US wind energy, 2.5 GW of solar, and 2.5 GW of gas capacity (gas generation operates under contract to utilities for system stability services). US yieldcos usually operate with a sponsor which acts as both the companyâ€™s manager while also developing new projects which can be acquired by the yieldco, subject to the consent of independent directors. Clearwayâ€™s sponsor, Clearway Group, is also a major investor in the yieldco, and is one of the largest renewable energy developers in North America. Clearway Energy has committed to purchasing a further 1.3 GW of renewable energy capacity from its sponsor. Clearwayâ€™s A Shares held by PMGR fell by 4.4% in 2024 despite paying a 7.3% higher dividend than for 2023.

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4.	Bonheur
	Market cap: Â£782 million
	www.bonheur.no
	Bonheur is a Norway listed renewable energy company operating under the Fred Olsen Renewables brand. It also owns three offshore wind turbine installation vessels through the Fred Olsen Windcarrier business and operates four cruise ships through Fred Olsen Cruises. At September 2024, the renewables business operated 805 MW of wind farms, mainly in Scotland, but also in Sweden and Norway, with 49 MW under construction, 506 MW consented awaiting construction start, and 4,075 MW under longer term development. Its offshore installation vessels are highly contracted for coming years, and the cruise business has now recovered the loss of profitability incurred during the Covid pandemic. Bonheurâ€™s share price gained 8.4% in 2024.

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5.	Drax Group
	Market cap: Â£2.4 billion
	www.drax.com
	Drax Group operates the UKâ€™s largest renewable energy facility, utilising biomass pellets manufactured from sustainable wood waste. The facility benefits from subsidy schemes to 2027. Drax is also one of the worldâ€™s largest producers of biomass pellets from its facilities in North America. Growth options include adding carbon capture facilities at the Drax power station, expanding pellet manufacturing, adding additional capacity at their Cruachan pump storage hydro plant in Scotland, and developing new biomass power stations with carbon capture in the US. Its shares gained 32.2% during the year.

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6.	Octopus Renewables Infrastructure Trust
	Market cap: Â£378 million
	www.octopusrenewalesinfrastructure.com

	Octopus Renewables Infrastructure (â€œORITâ€) is a UK listed investment company with assets across Europe. It invests in a balanced portfolio of both wind and solar generation totalling 808 MW with a value of Â£1.1 billion, together with investments in renewable development platforms. ORIT has also created value by selling mature assets, recycling the capital released into new developments. In 2024 it completed the sale of a Swedish wind farm, and reinvested capital into Irish solar projects. During the year, ORITâ€™s NAV per share fell by 3.3% to 102.65p, although the share price fell by 24.4% to 68.00p, and therefore stood at a discount of 33.8% to the year end NAV.

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7.	Cadeler
	Market cap: Â£378 million
	www.cadeler.com
	Cadeler operates a fleet of five offshore wind turbine and foundation installation vessels, with a further six under construction, scheduled to be delivered over 2025 to 2027. Cadeler specialises in large vessels with the ability to install the new generation of large-scale turbines. Its new build programme is said to be progressing on time and budget. It is anticipated that there will be a shortage of the large vessels in future, and Cadeler has been active in signing contracts for work to be completed over coming years at attractive rates. Cadelerâ€™s share price gained 42.2% in 2024.

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8.	Northland Power
	Market cap: Â£2.6 billion
	www.northlandpower.com
	Northland Power is a Canada listed global renewable energy developer and operator. Its business includes offshore wind assets in the North Sea, plus onshore wind and solar assets in North America and Europe (Spain). Northlandâ€™s assets are highly contracted or regulated, leading to relatively stable revenues. The company also owns some natural gas generation facilities in Canada under contract to utility companies. It is currently constructing offshore wind farms off Poland in the Baltic Sea and off Taiwan, and a large battery storage project in Canada. These will be completed over 2025 to 2027, generating meaningful revenue growth for the company. Northlandâ€™s share price fell by 25.5% during 2024.

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9.	NextEnergy Solar Fund
	Market cap: Â£380 million
	www.nextenergysolarfund.com
	NextEnergy (â€œNESFâ€) is a UK listed renewable energy investment company, owning large-scale UK solar assets, although has approximately 10% of its portfolio invested in solar assets in Italy. The company has sold forward much of its expected power generation over coming years, with the result that the company has a high level of fixed revenues together with inflation linked renewable energy incentive payments, which have an average remaining life of over ten years. The company identified five assets that it would seek to find buyers for, and by the end of 2024 had managed to sell three, all of which were sold at valuations above that included in the NAV calculation. However, lower long-term power price assumptions meant that the NAV per share fell by 9.2% to 97.40p over the first 9 months of 2024, and the Companyâ€™s share price fell by 29.1% to 65.50p, a discount of 32.8% to the year end NAV. The share price decline has left the shares trading on a high yield of 12.8% based on the year end share price and 2024 dividend and the quarterly dividends paid by the company in 2024.

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10.	RWE
	Market cap: Â£17.6 billion
	www.rwe.com
	RWE is a German multi-national electricity generation company, which is transitioning from fossil fuels to clean energy. It has expanded rapidly in renewables, and financial results over recent years have been exceptionally strong, despite the company having closed several fossil fuel and nuclear plants. 2024 has seen a dip in group profitability resulting from lower electricity and gas prices as they normalise following the energy shock resulting from the Ukraine war. However, within this, profits in its renewable energy division have continued to grow. RWE is expanding its renewable energy generation fleet, and has approximately 11 GW under construction, including 4.4 GW of offshore wind, 3.4 GW of solar, and 1.5 GW of onshore wind (for context, total renewable capacity at the end of the 2023 year was 17.4 GW). This is translating into higher renewable generation volumes, which were up 19.1% in the first half of 2024 as compared to the prior year. RWEâ€™s share price fell by 30.4% in 2024.

Statement of Directorsâ€™ Responsibilities in Respect of the Annual Report and the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards 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 the Groupâ€™s profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

â€¢ select suitable accounting policies and then apply them consistently;
â€¢ make judgements and estimates that are reasonable, relevant and reliable;
â€¢ state whether they have been prepared in accordance with UK-adopted international accounting standards;
â€¢ assess the Group and Parent Companyâ€™s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
â€¢ 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 Companyâ€™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, Directorsâ€™ Report, Directorsâ€™ 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 Companyâ€™s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditorâ€™s report on these financial statements provides no assurance over the ESEF format.

Responsibility of the Directors in respect of the annual financial report

We confirm to the best of our knowledge:

â€¢ 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
â€¢ 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 Groupâ€™s position and performance, business model and strategy.

So far as each Director is aware at the time the report is approved:

â€¢ there is no relevant audit information of which the Groupâ€™s Auditor is unaware; and
â€¢ the Directors have taken all steps required of a Company Director to make themselves aware of any relevant audit information and to establish that the Groupâ€™s Auditor has been made aware of that information.

For and on behalf of the Board

Gillian Nott OBE

Chair

5 March 2025

Directors and Advisers

Directors
Gillian Nott OBE â€“ Chair
Melville Trimble â€“ Chair of the Audit Committee
Victoria Muir â€“ Chair of the Remuneration Committee

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www.premiermiton.com
Authorised and regulated by the Financial Conduct Authority

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(Tax services are delegated by Premier Portfolio Managers Limited)
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Canary Wharf
London E14 5NT

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Auditor

HaysMac LLP
10 Queen Street Place
London EC4R 1AG

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Stockbroker
Cavendish Capital Markets Limited
One Bartholomew Close
London EC1A 7BL
Telephone: 0207 220 0500

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Ordinary Shares	
SEDOL	3353790GB
LSE	PMGR

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Zero Dividend Preference Shares
SEDOL BNG43G3GB
LSEÂ Â Â Â Â PMGZ

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Global Intermediary Identification Number	
GIIN	W6S9MG.00000.LE.826

LEI: 2138004SR19RBRGX6T68