Partners Group
REALIZING POTENTIAL IN PRIVATE MARKETS

The Manager
Company Announcement Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

26 February 2021

Securities in an unlisted entity

Pursuant to Rule 4.8 of the ASX Listing Rules, please find attached the Audited Accounts of PG Global Income Investments Loan Strategy Designated Activity Company ("the Company") for the period 01 January 2020 to 31 December 2020.

Partners Group Global Income Fund ("the Trust") invests solely into the Company and is exposed to the underlying investments of the Company via an investment in a profit participating note ("PPN") issued by the Company pursuant to the Profit Participating Note Issuing and Purchase Agreement.

If you have any queries, please contact Partners Group Global Income Fund on 02 8216 1900

Yours sincerely

Russell Beasley
Director
Equity Trustees Limited (ACN 004 031 298, AFSL 240975) as the Responsible Entity for Partners Group Global Income Fund

Equity Trustees

Mr. Russell Beasley, Director, has authorised that this document be given to the ASX.

PG GLOBAL INCOME INVESTMENTS LOAN STRATEGY DESIGNATED ACTIVITY COMPANY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

COMPANY NUMBER: 650023

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COMPANY INFORMATION

DIRECTORS	Raja Gul (Appointed 4 September 2020) Stephen Healy (Appointed 20 September 2019) Danica Gutierrez (Appointed alternate 22 February 2021) John Hackett (Appointed 11 July 2019, resigned 4 September 2020) Enda Kelly (Appointed 14 May, resigned 11 July 2019) James Prins (Appointed 14 May, resigned 20 September 2019) Grainne Kirwan (Appointed 20 August, resigned 21 August 2019)
SECRETARY	TMF Administration Services Limited 3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland
REGISTERED OFFICE	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland
SOLICITORS	Arthur Cox Ten Earlsfort Terrace Dublin 2 Ireland
PORTFOLIO MANAGER	Partners Group AG Zugerstrasse 57 6341 Baar Switzerland
PORTFOLIO ADMINISTRATOR	The Bank of New York Mellon SA/NV, Dublin Branch Riverside II Sir John Rogerson’s Quay Grand Canal Dock Dublin 2 Ireland
ACCOUNT BANK, CUSTODIAN & PAYING AGENT	The Bank of New York Mellon, London Branch One Canada Square London E14 5 AL England
REGISTRAR	The Bank of New York Mellon SA/NV, Luxembourg Branch 2-4 Rue Eugene Ruppert L-2453 Luxembourg
INDEPENDENT AUDITOR	PricewaterhouseCoopers Chartered Accountants and Registered Auditors One Spencer Dock North Wall Quay Dublin 1 Ireland

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITY

PG Global Income Investments Loan Strategy Designated Activity Company an Irish registered Company, was incorporated on 14 May 2019. The registered number of the Company is 650023. The Company, a special purpose securitisation vehicle, was established as a "Qualifying Company" under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to issue Notes and to use the proceeds thereof to invest in a portfolio of assets.

The Company has issued a Profit Participating note to fund its investment activities. The Profit Participating note does not have a fixed maturity date. All outstanding PPN's will be redeemed by the Issuer and cancelled as soon as reasonably practicable after the last eligible investment has been repaid or sold and the final distribution has been made. The maximum amount which may be issued under the Profit Participating note listing is AUD 2 billion.

Under the terms of the Profit Participating note the noteholder is entitled to receive all income and gains received by the Company as a result of its investment activities less certain expenses and less an amount of € 1,000 per annum retained by the Company. Due to the limited recourse nature of the Profit Participating note any losses incurred by the Company arising from its investment activities are ultimately borne by the noteholder.

The Profit Participating note is listed on the MTF facility of the Vienna Stock Exchange.

REVIEW OF THE BUSINESS

Partners Group continues to see more stability in financial markets globally including the First Lien Senior Secured Loan markets. This has been driven by further signs that the COVID-19 pandemic is gradually being brought under control in many of the larger European economies as well as in certain areas of the US, most notably the New York area, along with promising vaccine distribution. In addition, we saw further action from the US Federal Reserve to expand its support for the markets in terms of a broadening of its various asset purchase programs. This provided the market with a further reason for optimism and we continued to see a slow upward trend in quoted prices on First Lien Senior Secured Loans, albeit, activity levels have been low.

The vast majority of the portfolio within the entity is now quoted at price levels at or very close to par (i.e. similar to pre-COVID) which is a sign that the price shock in the Senior Secured Loan markets due to COVID has largely dissipated. Whilst some names and sectors that are more exposed to COVID are still trading below par, the price recovery has been significant and the level of overall distress in the market (for example measured by the % of loans trading below 80% of par) is at similar levels to long term historical averages.

What we are seeing across our portfolio is that companies are moving quickly to cut costs, preserve liquidity and draw down on available revolving cash facilities or other funding lines that are available. We see most companies doing this regardless of the industry they are in on the view that it is important to preserve cash and liquidity due to an excess of caution. As a lender we view these moves as positive to ensure that companies can navigate a period of reduced revenue and have cash on hand if required. We are seeing, even in companies in more exposed sectors that they have liquidity to survive a significant full-stop in their business of 6 months or more. Also, to confirm again we have no company in the portfolio where there is any sort of payment default under its loan facility to date.

It is also worth mentioning again the defensive nature of First Lien Senior Secured Loans and in particular the value of security if a company were to default. A recent Moody's study published in February 2020 shows that the recovery rates on Senior Secured Loans in 2019 were on average nearly 68%, whereas those for senior unsecured bonds were just 18.7%. If these recovery rates were to be repeated in 2020 this would mean that a Senior Secured Loan Portfolio could withstand 2.5 times the default rate of a Senior Unsecured Bond portfolio and suffer the same overall loss.

Whilst COVID-19 remains a risk to the broader macro economy in terms of the level of GDP growth, the Portfolio Manager is continuing to manage the portfolio of the entity as it would do in the normal course of business. The team is generally working remotely and all personnel are able to work remotely as well as they would be able to in the office, notably having access to all the same information and systems and the same meetings such as Investment Committees continue to function as normal.

DIRECTORS' REPORT (continued)

FUTURE DEVELOPMENTS
It remains evident that the COVID-19 pandemic will continue to act as a major disruptor, that may be mitigated by an effective vaccine or medication being rolled out and distributed globally. As a result, the mid-term outlook for the economy remains quite uncertain.

The short-term market volatility and generally weak exit environment caused by COVID-19 has led to the postponement of several exit investment activities originally tabled throughout the year. While exit markets have largely stabilized for now and divestitures are planned for many assets, the actual timing of the more material realizations is not yet fully predictable.

The ongoing effects of the pandemic on the accounting and business performance of the portfolio companies and the industries, countries or market sectors in which they operate continue to develop, and the duration and full impact of the pandemic remain unknown. Some of these companies and industries may be harmed financially from the pandemic, while others may benefit financially. Based on current information, the directors and the portfolio manager are not aware of any material unrecorded impact on the financial statements arising from the COVID-19 outbreak. The directors and the portfolio manager continue to observe the efforts of governments to contain the spread of the virus in order to actively monitor and manage the economic impact on the companies in the portfolio and on the Company itself.

RESULTS AND DIVIDENDS
The results for the year are shown on page 14. Dividends declared and paid for the year were AUD Nil (2019: Nil).

CHANGES IN DIRECTORS, SECRETARY AND REGISTERED OFFICE

The Directors of the Company during the year and subsequently to the date of signing these financial statements are outlined below:

John Hackett (Resigned 4 September 2020)
Stephen Healy
Raja Gul (Appointed 4 September 2020)

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES
The Directors, their connected parties or the Company Secretary had no beneficial interest in the share capital of the Company at the date of appointment or at the end of the year.

ADEQUATE ACCOUNTING RECORDS
The measures taken by the directors to secure compliance with the Company's obligation to keep adequate accounting records, in line with sections 281 to 285 of the Companies Act 2014, include the use of appropriate systems and procedures and the employment of competent persons. The accounting records are kept at BNY Mellon, Riverside II, Sir John Rogerson's Quay, Dublin 2, Ireland.

PRINCIPAL RISK AND UNCERTAINTIES
The principal risks and uncertainties facing the Company relate to the financial instruments held by it and are set out in Note 3 to the financial statements.

Economic risk
There has been increased uncertainty and disruption in the global economy and financial markets due to the COVID-19 pandemic, that may be mitigated by an effective vaccine or medication being rolled out and distributed globally. As a result, efforts to contain its spread have impacted and will continue to impact the operations, financial condition, liquidity and cash flows of the Company and its underlying portfolio companies and industries for an indefinite period of time. Some of these companies and industries may be harmed financially from the pandemic, while others may benefit financially. Based on current information, the directors and the Portfolio Manager are not aware of any material unrecorded impact on the financial statements arising from the COVID-19 outbreak. In addition, there is no indication that the going concern assumption is inappropriate.

DIRECTORS' REPORT (continued)

PRINCIPAL RISK AND UNCERTAINTIES (continued)

Brexit

The European Union and Britain have agreed upon a post-Brexit trade deal on 24 December 2020. However, there may still be potential economic consequences of Brexit on investments with UK exposure, which have implications for all aspects of financial risk management. Although, there may be broader economic consequences, which cannot be accurately quantified, any impact is expected to be immaterial given the Company's limited exposure to the UK. These broader economic consequences include the impact on interest rate risk, credit risk, liquidity risk, capital risk, and market price risk.

IBOR

The risks of a potential discontinuation of interbank offered rates ("IBORs") by the end of 2021 also have implications for all aspects of financial risk management, including interest rate risk, credit risk, liquidity risk, capital risk and market price risk. The Portfolio Manager and the directors have performed an assessment of the potential impact that a possible discontinuation of IBORs and transition to alternative reference rates could have on its assets under management, balance sheet, investments, and valuations. The overall risk is assessed to be limited and management plans to update this assessment and agree on measures to prepare for this transition in the course of 2021, as additional visibility on the new market conventions become available.

SUBSEQUENT EVENTS

Subsequent to the year end the Company received interest distributions of AUD 3,038,173 from PG Global Income First Lien Loan Designated Activity Company.

The Company has paid interest distributions in the amount of AUD 4,792,521 to the noteholder Equity Trustees Limited, in its capacity as responsible entity of the Partners Group Global Income Fund.

Partners Group Global Income Investments Loan Strategy DAC has also invested additional amounts in the PPN of PG Global Income First Lien Loan Designated Activity Company. Amounts invested were AUD 16,862,233 and PPN amounts repaid were AUD 3,102,178.

POLITICAL DONATIONS

The Electoral Act, 1997, (as amended in 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the year.

SHAREHOLDERS' MEETINGS

The shareholder's rights and the operations of shareholder meetings are defined in the Company's Constitution and comply with the Companies Act 2014.

AUDIT COMMITTEE

The Company, although meeting the requirements to do so, has not established an audit committee under Section 167 of the Companies Act 2014. The reason for not establishing an audit committee is;

- An external service provider has been engaged for the preparation and maintenance of the books of account. The directors exercise appropriate supervision and review of their work.
- The directors monitor the financial reporting process of the Company, in addition to monitoring the effectiveness of the Company's system of internal control.

DIRECTORS' REPORT (continued)

DIRECTORS' COMPLIANCE POLICY STATEMENT

As required by section 225(2) of the Companies Act 2014, The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations and hereby confirm that they have completed the following:

a) drafted and reviewed a Compliance Policy Statement, setting out the Company's policies, (as defined in section 225(3)(a), which, in the Directors' opinion, are appropriate to ensure compliance with the Company's relevant obligations;

b) put in place appropriate arrangements and structures that are, in the Directors' opinion, appropriate to the Company and designed to secure material compliance with the Company's relevant obligations; and

c) have conducted a review of the aforementioned arrangements and structures during the financial period to which this report relates.

STATEMENT OF RELEVANT AUDIT INFORMATION

Each of the persons who are Directors at the time the report is approved confirms that:

a) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
b) The Director has taken all steps that ought to have been taken by the Director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

INDEPENDENT AUDITOR

PricewaterhouseCoopers, Chartered Accountants and Statutory Audit firm, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Raja Gul
Director

Danica Gutierrez
Alternate Director to Stephen Healy

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors' are responsible for preparing the Directors' report and the Financial Statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish Company law requires the directors to prepare Financial Statements for each financial year. Under the law, the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union ("relevant financial reporting framework"). 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 assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies for the Company's Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors' Report comply with the Companies Act 2014 and enable the Financial Statements to be audited.

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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Raja Gul	Danica Gutierrez
Director	Alternate Director to Stephen Healy

Independent auditors' report to the members of PG Global Income Investments Loan Strategy Designated Activity Company

Report on the audit of the financial statements

Opinion

In our opinion, PG Global Income Investments Loan Strategy Designated Activity Company's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2020 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report and Financial Statements, which comprise:

- the Statement of Financial Position as at 31 December 2020;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the Notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview

Materiality

- AUD 5,429,367 (2019: AUD 6,259,434)
- Based on 1% of Total Assets.

Audit scope

The Company is a special purpose securitisation vehicle established as a “Qualifying Company” under Section 110 of the Taxes Consolidation Act, 1997 (as amended). The Company’s investment activities are managed by Partners Group AG. The Company’s portfolio consists of quoted and unquoted debt investments. It also holds indirect investments through PG Global Income First Lien Loan DAC and PG Global Senior Loan Master Fund SICAV.

Key audit matters

- Existence of Investments at fair value through profit or loss
- Valuation of Investments at fair value through profit or loss

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors’ professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	***How our audit addressed the key audit matter***
Existence of Investments at fair value through profit or loss ***Refer to Note 2(d) financial instruments and Note 4 Investments – at fair value through profit or loss and levelling analysis*** The investments at fair value through profit or loss at 31 December 2020 are held in the name of the Company. The Company’s investments at fair value through	We agreed the direct debt positions to the independent Custodian confirmation. We also circulated a sample of confirmations to the underlying agent banks. For the indirect investments, we obtained an independent confirmation from the underlying transfer agent and registrar to confirm the holdings at 31 December 2020.

Key audit matter	*How our audit addressed the key audit matter*
profit or loss consists of direct debt investments. It also holds indirect investments through PG Global Income First Lien Loan DAC and PG Global Senior Loan Master Fund SICAV. We focused on this area because it represents a significant element of the Statement of Financial Position.	No material matters arose as a result of performing these procedures.
Valuation of Investments at fair value through profit or loss ***Refer to Note 2(d) financial instruments and Note 4 Investments – at fair value through profit or loss and levelling analysis*** The investments at fair value through profit or loss included in the Statement of Financial Position of the Company at 31 December 2020 are valued at fair value, in line with IFRS. The Company's investments at fair value through profit or loss consists of quoted and unquoted direct debt investments. It also holds indirect investments through PG Global Income First Lien Loan DAC and PG Global Senior Loan Master Fund SICAV. We focused on this area because it represents a significant element of the Statement of Financial Position. We also focused on the adequacy of the disclosures in the Notes to the Financial Statements.	We tested the valuation of the quoted debt investments by independently obtaining prices from the pricing vendors and evaluated the reasonableness of the prices obtained. For the unquoted debt, we obtained an independent valuation and performed procedures over the inputs to the valuations to ensure they were reasonable. For the indirect investments, we obtained the NAV from the underlying transfer agent of the PG Global Senior Loan Master Fund SICAV. We agreed the fair value of the investment in the PG Global Income First Lien Loan DAC to the fair value of the underlying Profit Participating Note. We also obtain the audited financial statements for these entities. No material matters arose as a result of performing these procedures. We considered the adequacy of the disclosures included in the financial statements relating to the valuation of investments at fair value through profit or loss and concluded that they were appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	AUD 5,429,367 (2019: AUD 6,259,434)
How we determined it	1% of Total Assets
Rationale for benchmark applied	We have applied this benchmark because the main objective of the company is to provide holders of the profit participation notes with a total return taking account of the capital and income returns.

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above AUD 542,937 (2019: AUD 625,943) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting includes the matters set out below.

The Company is a special purpose securitisation vehicle that was established to issue Notes and to use the proceeds thereof to invest in a portfolio of assets. The Notes do not have a fixed maturity date. The Notes issued are of limited recourse meaning the amounts ultimately repayable to the noteholders are restricted to the excess of the assets, excluding share capital and accumulated retained profits, over the other liabilities of the Company.

The Directors assessment of going concern considered 1) Management's intent with regard to the structure, 2) the obligations and purpose of the structure, 3) the liquidity and default rates of the investment portfolio, and 4) the profile and concentration of investors. See Note 3 - Financial Risk Management.

We considered the appropriateness of the going concern assessment of the Company and the measures to mitigate and manage these risks over the going concern period by:

- Obtaining an understanding of the obligations of the Company over the going concern period and purpose of the structure;
- Reviewing the cash flow forecasts and evaluating the relevance and reliability of the underlying data.

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

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

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

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

Reporting on other information

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

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

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Olwyn Alexander

Olwyn Alexander
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin, Ireland
23 February 2021

STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Notes	As at 31/12/2020 AUD	As at 31/12/2019 AUD
Non-Current Assets			
Investments – at fair value through profit or loss	**4**	490,251,446	470,789,781
		490,251,446	470,789,781
Current Assets			
Cash and cash equivalents		18,877,704	129,248,844
Forward contracts	**7**	17,555,414	6,955,296
Amounts receivable for securities sold		14,983,275	17,410,343
Interest receivable on investments at FVTPL		1,161,890	1,168,901
Other assets		106,976	370,243
		52,685,259	155,153,627
Total assets		542,936,705	625,943,408
Non-Current Liabilities			
Note issued – designated at fair value through profit or loss	**8**	525,041,395	554,458,751
		525,041,395	554,458,751
Current Liabilities			
Interest payable on note issued designated at FVTPL	**10**	204,763	2,089,972
Amounts payable for securities purchased		17,416,195	69,175,478
Expense accruals		271,974	218,008
		17,892,932	71,483,458
Total liabilities		542,934,327	625,942,209
Capital and reserves			
Share capital	**9**	2	2
Retained earnings		2,376	1,197
		2,378	1,199
Total liabilities and equity		542,936,705	625,943,408

The accompanying notes form an integral part of the financial statements.

On behalf of the board

Raja Gul
Director

Danica Gutierrez
Alternate Director to Stephen Healy

22 February 2021

STATEMENT OF TOTAL COMPREHENSIVE INCOME
For the financial year ended 31 December 2020

	Notes	Year ended 31/12/2020 AUD	Period ended 31/12/2019 AUD
Interest income	5	30,270,445	1,809,632
Net changes in financial assets at fair value through profit or loss	6	(51,339,802)	(1,641,468)
Interest expense on note issued designated at FVTPL	10	(29,291,703)	(2,089,972)
Net changes in note issued designated at FVTPL	8	29,417,356	(5,958,751)
Other foreign exchange movements		21,922,446	7,600,219
Total net investment income/(loss)		978,742	(280,340)
Other income		172,904	537,524
Other expenses	11	(1,150,060)	(255,587)
Net profit for the year/period before taxation		1,586	1,597
Tax on profit on ordinary activities	12	(407)	(400)
Net profit for the year/period		1,179	1,197
Total comprehensive income		1,179	1,197

The accompanying notes form an integral part of the financial statements.

Gains and losses arise solely from continuing operations. There were no gains or losses other than those dealt with in the Statement of Total Comprehensive Income.

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2020

	Share capital AUD	Share premium AUD	Retained earnings AUD	Total equity AUD
Total comprehensive income	-	-	1,179	1,179
Movements in shareholders' funds	-	-	1,179	1,179
Balance at 01 January 2020	2	-	1,197	1,199
Balance at 31 December 2020	2	-	2,376	2,378

	Share capital AUD	Share premium AUD	Retained earnings AUD	Total equity AUD
Share capital issued	2	-	-	2
Total comprehensive income	-	-	1,197	1,197
Movements in shareholders' funds	2	-	1,197	1,199
Balance at 14 May 2019	-	-	-	-
Balance at 31 December 2019	2	-	1,197	1,199

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENT
For the financial year ended 31 December 2020

	Year ended 31/12/2020 AUD	Period ended 31/12/2019 AUD
Cash flows from operating activities		
Interest received	30,277,456	640,731
Other income received	436,404	167,283
Other expenses paid	(1,095,694)	(37,979)
Cash generated from operating activities	29,618,166	770,035
Taxes paid	(1,037)	-
Net cash generated from operating activities	29,617,129	770,035
Cash flows from investing activities		
Purchase of investments – at fair value through profit or loss	(477,176,460)	(450,002,320)
Proceeds from sale of investments – at fair value through profit or loss	356,222,782	30,416,927
Net cash used in investing activities	(120,953,678)	(419,585,393)
Cash flows from financing activities		
Note issuance	-	548,500,000
Interest paid on notes issued	(31,176,912)	-
Net cash (used in) / generated by financing activities	(31,176,912)	548,500,000
Effects of exchange rate changes on cash and cash equivalents	12,142,321	(435,798)
Net (decrease) / increase in cash and cash equivalents	(110,371,140)	129,248,844
Cash and cash equivalents at beginning of the year/period	129,248,844	-
Cash and cash equivalents at end of the year/period	18,877,704	129,248,844

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

PG Global Income Investments Loan Strategy Designated Activity Company, an Irish registered Company, was incorporated on 14 May 2019. The registered number of the Company is 650023. The address of its registered office is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1.

The Company, a special purpose securitisation vehicle, was established as a "Qualifying Company" under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to issue Notes and to use the proceeds thereof to invest in a portfolio of assets.

The Company has issued a Profit Participating note to fund its investment activities. The Profit Participating note does not have a fixed maturity date. All outstanding PPN's will be redeemed by the Issuer and cancelled as soon as reasonably practicable after the last eligible investment has been repaid or sold and the final distribution has been made. The maximum amount which may be issued under the Profit Participating note listing is AUD 2 billion.

Under the terms of the Profit Participating note the noteholder is entitled to receive all income and gains arising to the Company as a result of its investment activities, less certain expenses, less an amount of € 1,000 per annum retained by the Company. Due to the limited recourse nature of the Profit Participating note any losses incurred by the Company arising from its investment activities are ultimately borne by the noteholder. The holder of the Company's Profit Participating note is Equity Trustees Limited, in its capacity as responsible entity of the Partners Group Global Income Fund.

The note is listed on the MTF of the Vienna Stock Exchange.

The Company's investment activities are managed by Partners Group AG (the "Portfolio Manager"), with the administration delegated to BNY Mellon.

These financial statements were authorised for issue by the Board of Directors on 22 February 2021.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

The entity's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company financial statements are disclosed in Note 2(c).

(b) Foreign currency translation

These financial statements are presented in Australian Dollars ("AUD") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The Company's sole investor is an Australian Listed Fund whom invested AUD in the Company. The Directors of the Company believe that AUD most faithfully represents the economic effects of the underlying transactions, events and conditions.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies

(c) Use of estimates and judgements (continued)

The fair value of financial assets and financial liabilities at FVTPL and derivative financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices at the close of business on the Statement of Financial Position date. For financial assets at FVTPL and derivative financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models. The fair value of financial liabilities at fair value through profit or loss are linked to the fair value movement of the financial assets and the fair value of the derivative financial instruments and any other assets and liabilities in accordance with the terms and conditions of the Notes as documented in the Profit Participating Note Issuing and Purchase Agreement.

(d) Financial instruments

Classification
On initial recognition, the Company classifies financial assets as measured at amortised cost or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows
- its contractual terms give rise on specified dates to cash flows that are Solely Payments of Principal & Interest (SPPI).

Cash and cash equivalents are held at amortised cost.

Equity holdings and investments in Funds are held as investments at fair value through profit or loss.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including: the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

The Company has determined that it has the two business models.

- Held for trading: this includes debt securities and senior secured floating rate loans. These financial assets are managed and their performance is evaluated, on a FVTPL basis, with frequent sales taking place.
- Other business model: this includes amounts receivable for investment disposals, these financial assets are held at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

Liabilities
The presentation and valuation of the Profit Participating note issued is directly linked to the underlying portfolio of security assets and consequently the note issued is designated at fair value through profit or loss.

Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets and financial liabilities designated at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or have expired.

Recognition, derecognition and measurement

Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities designated at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities designated at fair value through profit or loss in the period in which they arise.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The policy of the Company is to value its securities which are listed or admitted to trading, at the closing bid quotation.

Broker quotes are applied for debt investments for which there is an inactive market.

The fair value of certain investments has been determined and approved by the Portfolio Manager. Fair value is determined by the Portfolio Manager taking into consideration various factors considered relevant, including the cost of securities, prices of recent third party transactions, subsequent developments concerning the companies to which the securities relate, any financial data (including reported net asset value) and projection of such companies provided to the Portfolio Manager and such other factors as the Portfolio Manager may deem relevant.

A fair value may be assigned by the Portfolio Manager in the event they deem any of the foregoing valuation methods to be inadequately representative of an investment's value. As of 31 December 2020, the Portfolio Manager determined the fair value to be AUD 71,455,476 (2019: AUD 21,577,168).

Due to the nature of the Company's investments, fair values assigned at year end may differ significantly from fair values that would have been used had a ready market for the investments existed and such differences could be material to the Company's financial statements.

The fair value of the note issued is determined by reference to the value of the Company's assets other than amounts of share capital less the value of all other liabilities of the Company. The only assets held by the Company are its share capital and assets acquired by it with the note issuance proceeds and assets arising from amounts earned on those assets acquired with the note issuance proceeds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

Since the note issued is of limited recourse the amounts ultimately repayable to the noteholder is restricted to the excess of the assets, excluding share capital and accumulated retained profits, over the other liabilities of the Company. As such the fair value of the note issued is equal to the excess of the value of the assets of the Company, excluding share capital and accumulated retained profits, over the value of its liabilities.

Amortised cost measurement

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(e) Amounts payable for/due from unsettled trades

Amounts payable for/due from unsettled trades represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled on the statement of financial position date. The balances are held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Company shall measure the loss allowance on amounts payable for / due from unsettled trades at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If however, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

(f) Offsetting financial instruments

Financial assets and liabilities are not offset in the statement of financial position as the counterparties have generally elected to settle on a gross basis, however, each party has the option to settle all open contracts on a net basis in an early termination event as defined in the relevant master netting agreement.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less.

(h) Interest income and expense

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss includes interest from debt securities.

Interest expense on note issued designated at fair value through profit or loss is recorded on the accruals basis of accounting.

(i) Taxation

Corporation tax is provided on taxable profits at current rates applicable to the Company's activities. Deferred taxation is accounted for, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Statement of Financial Position date except as otherwise required by IAS 12 'Income Tax'. Provision is made at the tax rates which are expected to apply in the years in which the timing differences reverse.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies (continued)

(i) Taxation (continued)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Transactions in foreign currencies
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

(k) Operating expenses
Operating expenses are recognised on the accruals basis.

(l) New and revised accounting standards and interpretations

In preparing the financial statements the Company has adopted all applicable standards, amendments and interpretations.

A number of new standards, amendments to standards and interpretations in issue are not yet effective for the year ended 31 December 2020, and have not been applied in preparing these financial statements. See below for standards and applicable dates.

New requirements not yet effective and not yet applied	**Effective date: for financial years beginning on or after**
IFRS17 Insurance Contracts	Originally 1 January 2021, extended to 1 January 2023
Classification of Liabilities as Current or Non-Current – Amendments to IAS 1	1 January 2022 (possibly deferred to 1 January 2023)
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Reference to the Conceptual Framework – Amendments to IFRS 3	1 January 2022

None of the above new standards, amendments or interpretations are expected to have, when adopted, a significant impact on the Company’s reported financial position. To the extent applicable standards will require new or additional disclosures to be made.

The Company has not adopted any other new standards or interpretations that are not mandatory.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk (fair value interest and cash flow interest rate risk) and price risk).

The Company's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Company's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on debt securities is limited to the fair value of those positions. The maximum loss of capital on forward currency contracts is limited to the notional contract values of those positions.

The management of these risks is carried out by the Portfolio Manager under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

(a) Credit risk

Investments are subject to credit risk. Credit risk mainly refers to the Company being exposed to the ability of the issuers to make principal and interest payments when due in accordance with the terms and conditions of the debt instruments. Defaults of issuers negatively impact the performance of the Company. The Portfolio Manager is mitigating the credit risk through monitoring and ensuring that sufficient diversification across single positions and industry sectors is provided for the portfolio.

The analysis below summarises the credit quality of the Company's portfolio at 31 December.

	2020	**2019**
B	4.42%	13.54%
B-	5.88%	5.12%
B+	-	5.45%
BB	0.50%	0.67%
BB-	-	3.24%
CCC	4.25%	-
CCC+	1.70%	0.95%
D	0.63%	-
Unrated*	82.62%	71.03%
	100.00%	100.00%

*Unrated investments reflect the Company's investments in PG Global Income First Lien DAC and PG Global Senior Loan Master Fund SICAV.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk factors (continued)

(a) Credit risk (continued)

The Company also restricts its exposure to credit losses on the trading derivative instruments it holds by entering into master netting arrangements with counterparties (approved brokers) with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of statement of financial position assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Company's overall exposure to credit risk on derivative instruments subject to a master netting arrangement can change substantially within a short period, as it is affected by each transaction subject to the arrangement

The maximum exposure to credit risk at 31 December is the carrying amount of the financial assets as set out below:

	As at 31/12/2020 AUD	**As at 31/12/2019 AUD**
Debt instruments	136,779,512	162,393,742
Fund investments	353,471,934	308,396,039
Forward contracts	17,555,414	6,955,296
Cash and cash equivalents	18,877,704	129,248,844
Amounts receivable for securities sold	14,983,275	17,410,343
Interest receivable on investments at FVTPL	1,161,890	1,168,901
Other assets	106,976	370,243
	542,936,705	625,943,408

The Company measures credit risk using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2020 and 31 December 2019, amounts due from unsettled trades, cash and cash equivalents are held with highly rated counterparties and are due to be settled within one to three months after the period end. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised as any such impairment would be wholly insignificant to the Company.

The Company's exposure to credit risk is minimal as the note issued by it is of limited recourse. Consequently, any loss suffered on the investments held will reduce the amount which the Company is required to pay to the noteholder under the Profit Participation note agreement.

The Company's bank accounts held with The Bank of New York Mellon are held on an unsegregated basis. The credit rating of The Bank of New York Mellon as at 31 December 2020 according to Moody's was P-1.

Bankruptcy or insolvency of The Bank of New York Mellon may cause the Company's rights with respect to cash held to be delayed or limited and the Company would be treated as a general creditor of that entity in respect of its cash balances.

The shareholders are entitled to retain a profit as recognised under the Statement of Total Comprehensive Income before the accrual of interest for the period to enable it to break even in the event of net losses. As such, the value of the shareholders' funds fluctuates in line with the performance of the investment portfolio.

Offsetting and amounts subject to master netting arrangements and similar agreements

The Company is subject to master netting arrangements (typically one per counterparty) with one or more derivative counterparties for all derivative assets and liabilities held with these counterparties. The Company may maintain variation margin balances for the purpose of providing or receiving collateral on derivative positions.

The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk factors (continued)

(a) Credit risk (continued)

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

	2020 AUD	**2019 AUD**
FX forward contracts		
AUD/CHF	131,588	39,529
AUD/EUR	8,380,142	2,097,055
AUD/GBP	1,286,842	475,677
AUD/USD	15,080,834	9,637,778
CHF/AUD	(68,934)	(11,211)
EUR/AUD	(4,830,430)	(600,371)
GBP/AUD	(573,428)	(588,456)
USD/AUD	(1,851,200)	(4,094,705)
	17,555,414	6,955,296

The Company and its counterparties have elected to generally settle all transactions on a gross basis, however, each party has the option to settle all open contracts on a net basis in an early termination event as defined in the relevant master netting agreement. Under the terms of the master netting agreements, an early termination event includes the following:

- Failure by a party to make payment when due;
- Failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied within 20 business days after such failure; or
- Bankruptcy of a party

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

This is achieved by issuing notes with limited recourse so the noteholder is only paid when funds become available.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows

At 31 December 2020

	Carrying amount AUD	**Gross Contractual cash flows AUD**	**Due within one year AUD**	**Due in more than one year AUD**
Note issued designated at FVTPL	525,041,395	525,041,395	-	525,041,395
Amounts payable for securities purchased	17,416,195	17,416,195	17,416,195	-
Interest payable on note issued designated at FVTPL	204,763	204,763	204,763	-
Expense accruals	271,974	271,974	271,974	-
Contractual cash out flows (excluding derivatives)	542,934,327	542,934,327	17,892,932	525,041,395

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk factors (continued)

(b) Liquidity risk (continued)

At 31 December 2019

	Carrying amount AUD	**Gross Contractual cash flows AUD**	**Due within one year AUD**	**Due in more than one year AUD**
Note issued designated at FVTPL	554,458,751	554,458,751	-	554,458,751
Amounts payable for securities purchased	69,175,478	69,175,478	69,175,478	-
Interest payable on note issued designated at FVTPL	2,089,972	2,089,972	2,089,972	-
Expense accruals	218,008	218,008	218,008	-
Contractual cash out flows (excluding derivatives)	625,942,209	625,942,209	71,483,458	554,458,751

The Profit Participating note does not have a fixed maturity date. All outstanding PPN's will be redeemed by the Issuer and cancelled as soon as reasonably practicable after the last eligible investment has been repaid or sold and the final distribution has been made.

The following table illustrates the expected liquidity of assets held.

At 31 December 2020

	Less than 1 month AUD	**1 – 3 months AUD**	**3 – 12 months AUD**	**Due in more than one year AUD**
Investments at FVTPL	-	-	1,943,775	488,307,671
Cash and cash equivalents	18,877,704	-	-	-
Forward contracts	96,997	(736,684)	18,195,101	-
Amounts receivable for securities sold	11,830,651	3,152,624	-	-
Interest receivable on investments at FVTPL	722,673	219,310	219,907	-
Other assets	106,741	-	233	2
Total assets	31,634,766	2,635,250	20,359,016	488,307,673

At 31 December 2019

	Less than 1 month AUD	**1 – 3 months AUD**	**3 – 12 months AUD**	**Due in more than one year AUD**
Investments at FVTPL	-	-	-	470,789,781
Cash and cash equivalents	129,248,844	-	-	-
Forward contracts	-	-	6,955,296	-
Amounts receivable for securities sold	17,410,343	-	-	-
Interest receivable on investments at FVTPL	1,122,575	46,326	-	-
Other assets	370,241	-	-	2
Total assets	148,152,003	46,326	6,955,296	470,789,783

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as currency risk and interest rates will affect the company's income or the value of its holdings of investments and derivatives.

Market risk presents the potential for both gains and losses and includes currency risk, interest rate risk, and price risk.

(i) Currency risk

The Company is exposed to exchange rates between AUD, its functional currency and certain foreign currencies namely GBP, USD, CHF, CAD and EUR each time an investment denominated in a foreign currency is acquired. Due to the Profit Participation nature of the note issued any gains or losses arising from such currency movements are borne by the noteholder.

Total commitments to the Company are denominated in AUD, though payments may be made in EUR, GBP, CHF, CAD, USD or other currency as determined by the Company or by the portfolio manager on behalf of the Company.

The tables below show the AUD equivalent of foreign denominated assets and liabilities of the Company at 31 December.

At 31 December 2020

	Assets AUD	Liabilities AUD	Net Exposure AUD
Currency:			
EUR	49,964,819	(12,296,916)	37,667,903
GBP	24,794,596	(2,488,908)	22,305,688
USD	71,156,966	(2,902,345)	68,254,621
CHF	1,878,540	-	1,878,540
CAD	509	-	509
	147,795,430	(17,688,169)	130,107,261

At 31 December 2019

	Assets AUD	Liabilities AUD	Net Exposure AUD
Currency:			
EUR	45,042,318	(19,570,521)	25,471,797
GBP	23,169,971	(5,604,206)	17,565,765
USD	134,183,327	(44,218,759)	89,964,568
CHF	1,466,817	-	1,466,817
	203,862,433	(69,393,486)	134,468,947

The closing and average exchange rates used at 31 December 2020 and 31 December 2019 are as follows:

	2020 Closing	2020 Average	2019 Closing	2019 Average
AUD: EUR	0.6307	0.6041	0.6262	0.6170
AUD: GBP	0.5645	0.5369	0.5306	0.5441
AUD: USD	0.7717	0.6880	0.7030	0.6865
AUD: CHF	0.6821	0.6463	0.6807	0.6793
AUD:CAD	0.9831	0.9236	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(i) Currency risk (continued)

The table below summarises the sensitivity of the Company's assets and liabilities to changes in foreign exchange movements at 31 December. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by the percentage disclosed in the table below, with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

	Reasonable possible shift in rate 2020	Movement in Value AUD	Reasonable possible shift in rate 2019	Movement in Value AUD
EUR	+/- 0.70%	263,675	+/- 1.0%	254,718
GBP	+/- 6.00%	1,338,341	+/- 1.0%	175,658
USD	+/- 8.90%	6,074,661	+/- 1.0%	899,646
CHF	+/- 0.50%	9,392	+/- 3.0%	44,004
CAD	+/- 0.10%	-	-	-

(ii) Interest rate risk

The Company is exposed to interest rate risk on interest bearing investments held. Any gains or losses arising due to this interest rate exposure are borne by the noteholder.

The table below summarises the Company's exposure to interest rate risk. It includes the company's financial instruments at carrying amounts categorised by the earlier of contractual repricing or maturity dates.

31 December 2020

	Less than one month AUD	1 to 3 months AUD	3 to 12 months AUD	Due in more than one year AUD	Non-interest bearing AUD	Total AUD
Assets						
Investments at FVTPL	-	-	1,943,775	488,307,671	-	490,251,446
Cash and cash equivalents	18,877,704	-	-	-		18,877,704
Forward contracts	-	-	-	-	17,555,414	17,555,414
Amounts receivable for securities sold	-	-	-	-	14,983,275	14,983,275
Interest receivable on investments at FVTPL	722,673	219,310	219,907	-	-	1,161,890
Other assets	-	-	-	-	106,976	106,976
	19,600,377	219,310	2,163,682	488,307,671	32,645,665	542,936,705
Liabilities						
Note issued designated at FVTPL	-	-	-	(525,041,395)	-	(525,041,395)
Amounts payable for securities purchased	-	-	-	-	(17,416,195)	(17,416,195)
Interest payable on note issued designated at FVTPL	(204,763)	-	-	-	-	(204,763)
Expense accruals	-	-	-	-	(271,974)	(271,974)
	(204,763)	-	-	(525,041,395)	(17,688,169)	(542,934,327)
Net assets	19,395,614	219,310	2,163,682	(36,733,724)	14,957,496	2,378

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(ii) Interest rate risk (continued)

31 December 2019

	Less than one month	**1 to 3 months**	**3 to 12 months**	**Due in more than one year**	**Non-interest bearing**	**Total**
	AUD	**AUD**	**AUD**	**AUD**	**AUD**	**AUD**
Assets						
Investments at FVTPL	-	-	-	470,789,781	-	470,789,781
Cash and cash equivalents	129,248,844	-	-	-	-	129,248,844
Forward contracts	-	-	-	-	6,955,296	6,955,296
Amounts receivable for securities sold	-	-	-	-	17,410,343	17,410,343
Interest receivable on investments at FVPTL	1,122,575	46,326	-	-	-	1,168,901
Other assets	-	-	-	-	370,243	370,243
	130,371,419	46,326	-	470,789,781	24,735,882	625,943,408
Liabilities						
Note issued designated at FVTPL	-	-	-	(554,458,751)	-	(554,458,751)
Amounts payable for securities purchased	-	-	-	-	(69,175,478)	(69,175,478)
Interest payable on note issued designated at FVTPL	(2,089,972)	-	-	-	-	(2,089,972)
Expense accruals	-	-	-	-	(218,008)	(218,008)
	(2,089,972)	-	-	(554,458,751)	(69,393,486)	(625,942,209)
Net assets	128,281,447	46,326	-	(83,668,970)	(44,657,604)	1,199

The table below shows the interest rate spread profile of the Company's portfolio of financial assets at FVTPL as at 31 December.

31 December 2020

	GBP Libor	**Euribor**	**US Libor**	**BBSY**	**Total**
	AUD	**AUD**	**AUD**	**AUD**	**AUD**
0 – 200 bps	-	-	368,791	-	368,791
200-300 bps	-	-	3,234	-	3,234
300-400 bps	6,074,017	3,172,651	3,811,516	-	13,058,184
400-500 bps	7,025,736	6,110,494	4,146,957	3,904,956	21,188,143
500-600 bps	5,004,049	4,273,500	12,072,818	4,226,457	25,576,824
Greater than 600 Bps	3,751,546	21,697,710	28,506,292	7,752,380	61,707,928
	21,855,348	35,254,355	48,909,608	15,883,793	121,903,104

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(ii) Interest rate risk (continued)

31 December 2019

	GBP Libor	Euribor	US Libor	BBSY	Total
	AUD	AUD	AUD	AUD	AUD
0 – 200 bps	-	-	2,802,511	-	2,802,511
200-300 bps	-	7,512,170	23,131,831	-	30,644,001
300-400 bps	1,903,404	11,400,842	34,299,235	-	47,603,481
400-500 bps	13,104,891	5,538,642	21,287,024	3,940,000	43,870,557
500-600 bps	-	-	6,941,243	-	6,941,243
Greater than 600 Bps	7,505,641	6,645,574	6,807,955	7,789,500	28,748,670
	22,513,936	31,097,228	95,269,799	11,729,500	160,610,463

*Excluded from the analysis above are assets with a fair value of AUD 368,348,342 (2019: AUD 310,179,318) on which income earned is not linked to a specific market rate benchmark.

The risks of a potential discontinuation of interbank offered rates ("IBORs") by the end of 2021 has financial risk management implications, including, but not limited to, interest rate risk, foreign currency risk and capital risk. The directors and the portfolio manager have performed an assessment of the potential impact that a possible discontinuation of IBORs and transition to alternative reference rates could have on its assets under management, balance sheet, investments, valuations and investors. The overall risk is assessed to be limited and the directors and the portfolio manager plans to update this assessment and agree on measures to prepare for this transition in the course of 2021 as additional visibility on the new market conventions become available.

Sensitivity analysis
At 31 December 2020, if base Libor/Euribor had been higher/lower by 100 Bps with all other variables held constant, the increase/decrease in Total Comprehensive Income would have been AUD 30,447 (2019: AUD 39,268). This arises from the increase/decrease in the income earned on the debt positions held by the Company. Any increase/decrease would have been offset in an equal and opposite amount in interest expense on notes issued. Due to the short term nature of cash and cash equivalents and the current interest rate environment the expected impact of any changes in interest rates on cash holdings is considered to be minimal.

The Company has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Company invests. Therefore, the above sensitivity analysis may not fully indicate the total effect on the Company's interest bearing investments and cash of future movements in interest rates.

(iii) Other price risk
Price risk is the risk that the value of the investments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits. A summary analysis of investments by nature and geography is presented in the section below.

The Company is exposed to changes in the market values of the portfolio assets which it holds as investments.

Due to the limited recourse nature of the note issued any market value losses on the investments is offset by movements in the fair value of the note issued with no significant loss to the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(iii) Other price risk (continued)

Sensitivity analysis
If the closing market prices of debt securities had been 4.00% higher or lower this would have resulted in an increase/decrease in market value of AUD 19,610,058 (2019: 3.50%, AUD 16,477,642).

(iv) Concentration risk

Concentration risk can arise from the type of investments held in the portfolio, the maturity of assets, the concentration of sources of funding, concentration of counterparties or geographical locations. Prudent risk management implies maintaining the exposure to various risks at a reasonable level.

The Company's investment criteria stipulate maximum allocation to investment categories in order to limit concentration risk. The Portfolio Manager appointed by the Company monitors the exposures arising in the portfolios held by the Company to various risks including country/geographical, single obligor/counter-party, industry categories/segments and asset type.

The table below shows the geographical diversification and sectoral analysis of the Company's portfolio of financial assets at FVTPL and cash and cash equivalents as at 31 December.

Country	Sector	2020 Market Value AUD	2020 %
Australia	Diversified Telecommunication Services	2,447,877	0.48%
Australia	Food Products	4,212,600	0.83%
Australia	Health Care Providers & Services	7,662,536	1.51%
Australia	Internet & Direct Marketing Retail	1,560,780	0.31%
Belgium	Financials	18,877,704	3.70%
Belgium	Software	2,190,985	0.43%
Denmark	Professional Services	3,172,651	0.62%
France	Chemicals	2,378,442	0.47%
Germany	Chemicals	6,110,494	1.20%
Germany	Diversified Financial Services	3,756,035	0.74%
Germany	Internet & Direct Marketing Retail	2,361,459	0.46%
Ireland	Financials*	345,588,757	67.87%
Luxembourg	Financials*	7,883,177	1.55%
Netherlands	Health Care Providers & Services	1,318,697	0.26%
Netherlands	Professional Services	1,545,987	0.30%
Spain	Marine	1,385,740	0.27%
Switzerland	Diversified Consumer Services	3,336,271	0.66%
Switzerland	Personal Products	5,340,283	1.05%
United Kingdom	Commercial Services & Supplies	3,068,593	0.60%
United Kingdom	Consumer Finance	1,514,274	0.30%
United Kingdom	Diversified Consumer Services	5,257,956	1.03%
United Kingdom	Health Care Providers & Services	7,199,375	1.41%
United Kingdom	Hotels, Restaurants & Leisure	2,493,649	0.49%
United Kingdom	IT Services	1,767,780	0.35%
United Kingdom	Machinery	1,407,245	0.28%
United Kingdom	Personal Products	4,273,500	0.84%
United Kingdom	Software	7,952,494	1.56%
United Kingdom	Specialty Retail	1,561,741	0.31%

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(iv) Concentration risk (continued)

Country	Sector	2020 Market Value AUD	2020 %
United States	Auto Components	3,109,416	0.61%
United States	Diversified Consumer Services	3,997,278	0.79%
United States	Food Products	3,141,777	0.61%
United States	Health Care Providers & Services	2,452,457	0.48%
United States	Health Care Technology	3,029,974	0.60%
United States	Hotels, Restaurants & Leisure	3,234	0.00%
United States	Industrial Conglomerates	1,952,903	0.38%
United States	Insurance	3,780,612	0.74%
United States	Internet Software & Services	3,338,475	0.66%
United States	IT Services	17,917,641	3.52%
United States	Pharmaceuticals	1,619,905	0.32%
United States	Professional Services	1,914,764	0.38%
United States	Software	5,243,632	1.03%
		509,129,150	100.00%

*****Included in the table above are amounts of AUD 345,588,757 and AUD 7,883,177 representing the Company's investments in PG Global Income First Lien Loan Designated Activity Company and Partners Group Senior Loan Master Fund. The underlying investments in these Fund of Funds contain similar geographical and sector exposure to that of PG Global Income Investments Loan Strategy DAC.

Country	Sector	2019 Market Value AUD	2019 %
Australia	Consumer Discretionary	1,755,000	0.29%
Australia	Consumer Staples	4,054,500	0.68%
Australia	Healthcare	5,920,000	0.99%
Belgium	Financials	129,248,844	21.54%
Belgium	Information Technology	2,635,322	0.44%
Belgium	Telecommunications	1,432,058	0.24%
Canada	Healthcare	2,821,342	0.47%
Canada	Industrials	1,420,062	0.24%
Denmark	Industrials	3,188,252	0.53%
France	Information Technology	1,599,587	0.27%
Germany	Consumer Discretionary	4,244,158	0.71%
Germany	Industrials	6,437,863	1.07%
Germany	Materials	1,513,007	0.25%
Ireland	Financials*	171,673,439	28.60%
Luxembourg	Financials*	136,722,600	22.78%
Netherlands	Materials	4,945,584	0.82%
Singapore	Healthcare	3,571,167	0.60%
Spain	Consumer Discretionary	2,574,120	0.43%
Spain	Industrials	2,988,761	0.50%
Switzerland	Consumer Staples	5,077,002	0.85%

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Financial risk management (continued)

(iv) Concentration risk (continued)

Country	**Sector**	**2019 Market Value AUD**	**2019 %**
United Kingdom	Consumer Discretionary	16,634,112	2.77%
United Kingdom	Consumer Staples	1,419,376	0.24%
United Kingdom	Industrials	1,565,048	0.26%
United Kingdom	Information Technology	8,945,834	1.49%
United States	Consumer Discretionary	13,033,647	2.17%
United States	Consumer Staples	7,375,201	1.23%
United States	Financials	11,150,768	1.86%
United States	Healthcare	15,683,391	2.61%
United States	Industrials	6,794,669	1.13%
United States	Information Technology	18,107,507	3.02%
United States	Materials	1,378,760	0.23%
United States	Telecommunications	4,127,644	0.69%
		600,038,625	100.00%

*****Included in the table above are amounts of AUD 171,673,439 and AUD 136,722,600 representing the Company's investments in PG Global Income First Lien Loan Designated Activity Company and Partners Group Senior Loan Master Fund. The underlying investments in these Fund of Funds contain similar geographical and sector exposure to that of PG Global Income Investments Loan Strategy DAC.

4. Investments – at fair value through profit or loss and levelling analysis

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The Company utilises the last traded market price for financial assets. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised financial instruments include the use of indicative broker quotes, comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Fund investments are generally valued based on the latest net asset value reported by the portfolio fund investment manager. Any cash flows since the reference date of the last net asset value for a fund investment received by PGDAC from a portfolio fund investment manager until the measurement date are recognized by (i) adding the nominal amount of investment related capital calls and (ii) deducting the nominal amount of investment related distributions from the net asset value as reported by the portfolio fund investment manager.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Investments – at fair value through profit or loss and levelling analysis (continued)

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

Valuation of financial instruments
The Company measures fair values using the following hierarchy of methods:

- Level 1 – Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2 – Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived by prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 – Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Investments whose values are based on quoted market prices in active markets are classified within Level 1. The Company does not adjust the quoted price for such instruments. The determination of what constitutes "observable" requires significant judgment by the Company. The Company considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

Investments that trade in markets that are not considered to be active, but are valued based on alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 investments include positions that are not traded in active markets, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all and/or are subject to transfer restrictions. Level 3 investments may consist of direct and indirect equity and debt investments. Level 3 indirect investments are generally valued at the indirect investments' net asset values. When the reporting date of such net asset values does not coincide with the Company's reporting date, the net asset values are adjusted as a result of cash flows to/from an indirect investment between the most recently available net asset value reported, and the end of the relevant reporting period. The valuation may also be adjusted for further information gathered through an ongoing investment monitoring process. This monitoring process includes, but is not limited to, binding bid offers, non-public information on developments of portfolio companies held by indirect investments, syndicated transactions which involve such companies and the application of reporting standards by indirect investments which do not apply the principle of fair valuation.

The main inputs into the Company's valuation models for direct equity and debt investments include: EBITDA multiples (based on budgeted/forward looking EBITDA or historical EBITDA of the issuer and EBITDA multiples of comparable listed companies for the equivalent period), discount rates, capitalization rates, price to book as well as price to earnings ratios and enterprise value to sales multiples. The Company also considers the original transaction prices, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the model as deemed necessary. Further inputs consist of external valuation appraisals and broker quotes.

In order to assess level 3 valuations, the performance of the direct and indirect investments held are reviewed on a regular basis. The appropriateness of the valuation model inputs, as well as the valuation result, are considered using various valuation methods and techniques generally recognized within the industry. From time to time, the Company may consider it appropriate to change the valuation model or technique used in the fair valuation depending on the individual investment circumstances, such as its maturity, stage of operations or recent transaction.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Investments – at fair value through profit or loss and levelling analysis (continued)

Valuation of financial instruments (continued)

The Company utilises comparable trading multiples in arriving at the valuation for the direct investments. Such techniques assume that the valuation of unquoted direct investments can be assessed by comparing performance measure multiples of similar quoted assets for which observable market prices are readily available. Factors considered in the determination of appropriate comparable public companies include industry, size, development stage, and strategy. Consequently, the most appropriate performance measure for determining the valuation of the relevant direct investment is selected (these include but are not limited to EBITDA, price to earnings ratio for earnings or price to book ratio for book values). Trading multiples for each comparable company identified are calculated by dividing the market capitalization of the comparable company by the defined performance measure. The relevant trading multiples might be subject to adjustment for general qualitative differences such as liquidity, growth rate or quality of customer base between the valued direct investment and the comparable company set. The indicated fair value of the direct investment is determined by applying the relevant adjusted trading multiple to the identified performance measure of the valued company.

The valuation of a direct investment may alternatively be derived using the discounted cash flow method by discounting its expected future cash flows to a present value at a rate of expected return that represents the time value of money and reflects its relative risks. Direct investments can be valued by using the 'cash flow to investor' method (a debt instrument valuation), or indirectly, by deriving the enterprise value using the 'free cash flow to company' method and subsequently subtracting the direct investment's net debt in order to determine the equity value of the relevant direct investment. The expected future cash flows are determined based on agreed investment terms or expected growth rates. In addition, based on the current market environment an expected return of the respective direct investment is projected. The future cash flows are discounted to the date of the relevant reporting period end in order to determine the fair value.

Direct debt investment valuations are derived by applying widely acceptable valuation methods suitable for debt investments which include, but are not limited to, using indicative broker quotes and the comparable debt approach.

Indicative broker quotes for direct debt investments, which may or may not be traded in an active market, are provided by an independent third party. These quotes are applied on the nominal value of such investments to derive the fair value. The comparable debt approach arrives at the valuation of a direct debt investment by discounting its expected future cash flows to a present value with a benchmark rate derived from observable pricing levels of comparable debt instruments. Factors considered in the determination of such comparable instruments include, but are not limited to, industry, coupon, duration and maturity date.

No interrelationship between unobservable inputs used in the Company's valuation of its level 3 investments has been identified.

At the reporting date, the carrying amounts of investment securities held by the Company for which fair values were determined directly, in full or in part, by reference to published price quotations (including broker NAV quotes) and determined using valuation techniques (if NAV not actively traded) are as follows:

31 December 2020

Investments	Level 1 AUD	Level 2 AUD	Level 3 AUD	Total AUD
Investments at FVTPL				
Direct equity investments	-	-	2,337,809	2,337,809
Direct debt investments	-	-	134,441,703	134,441,703
Indirect investments	-	-	353,471,934	353,471,934
	-	-	490,251,446	490,251,446

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Investments – at fair value through profit or loss and levelling analysis (continued)

31 December 2019

Investments	**Level 1 AUD**	**Level 2 AUD**	**Level 3 AUD**	**Total AUD**
Investments at FVTPL				
Direct equity investments	-	-	1,783,508	1,783,508
Direct debt investments	-	-	160,610,234	160,610,234
Indirect investments	-	-	308,396,039	308,396,039
	-	-	470,789,781	470,789,781

There were no transfers of investments between levels.

	As at 31/12/2020 AUD	**As at 31/12/2019 AUD**
Movements on investments in portfolio assets		
Opening balance	470,789,781	-
Purchases	428,641,919	520,585,581
Paydowns and disposals	(357,840,452)	(48,154,332)
Realised losses	(10,371,691)	(640,592)
Unrealised (losses) / gains	(37,829,758)	2,254,673
FX movement	(3,138,353)	(3,255,549)
Closing balance	490,251,446	470,789,781

The following table summarises the valuation technique and significant unobservable inputs used for the Company's investments that are categorised within level 3 of the fair value hierarchy as of 31 December. The below table provides information on the significant, unobservable, and quantitative inputs.

Investment Category	**Fair Value at 31 Dec 2020 (AUD)**	**Valuation Technique**	**Unobservable Inputs**	**Weighted average input**	**Change in Valuation (+)**	**Change in Valuation (-)**
Direct equity	164,064	Recent financing transaction	Recent Transaction price	n/a	n/a	n/a
Direct equity	2,173,745	Market comparable companies	Enterprise value to EBITDA multiple	19.16x	183,362	(183,362)
Direct debt	65,324,036	Broker quotes	Indicative quotes for an inactive market	n/a	n/a	n/a
Direct debt	66,739,225	Discounted cashflow	Discount factor	7.49%	1,212,773	(1,212,773)
Direct debt	2,378,442	Recent financing transaction	Recent transaction price	n/a	n/a	n/a
Indirect investments	353,471,934	Reported net asset value	Reported net asset value	n/a	17,673,597	(17,673,597)
Total	490,251,446					

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Investments – at fair value through profit or loss and levelling analysis (continued)

The table below shows the fair value classification of the financial assets and liabilities not measured at fair value on the Statement of financial position.

Investment Category	Fair Value at 31 Dec 2019 (AUD)	Valuation Technique	Unobservable Inputs	Weighted average input	Change in Valuation (+)	Change in Valuation (-)
Direct equity	1,783,277	Recent financing transaction	Recent Transaction price	n/a	n/a	n/a
Direct debt	140,987,268	Broker quotes	Indicative quotes for an inactive market	n/a	n/a	n/a
Direct debt	11,178,375	Discounted cashflow	Discount factor	7.51%	248,590	(248,590)
Direct debt	8,444,822	Recent financing transaction	Recent transaction price	n/a	n/a	n/a
Indirect investments	308,396,039	Reported net asset value	Reported net asset value	n/a	15,419,802	(15,419,802)
Total	470,789,781					

31 December 2020

	Carrying Value AUD	Fair Value AUD	Level 1 AUD	Level 2 AUD	Total AUD
Cash and cash equivalents	18,877,704	18,877,704	18,877,704	-	18,877,704
Receivable for securities sold	14,983,275	14,983,275	-	14,983,275	14,983,275
Interest receivable on investments at FVTPL	1,161,890	1,161,890	-	1,161,890	1,161,890
Other assets	106,976	106,976	-	106,976	106,976
			18,877,704	16,252,141	35,129,845
Interest payable on note issued designated at FVTPL	(204,763)	(204,763)	-	(204,763)	(204,763)
Payable for securities purchased	(17,416,195)	(17,416,195)	-	(17,416,195)	(17,416,195)
Expense accruals	(271,974)	(271,974)	-	(271,974)	(271,974)
			-	(17,892,932)	(17,892,932)
			18,877,704	(1,640,791)	17,236,913

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Investments – at fair value through profit or loss and levelling analysis (continued)

31 December 2019

	Carrying Value AUD	Fair Value AUD	Level 1 AUD	Level 2 AUD	Total AUD
Cash and cash equivalents	129,248,844	129,248,844	129,248,844	-	129,248,844
Receivable for securities sold	17,410,343	17,410,343	-	17,410,343	17,410,343
Interest receivable on investments at FVTPL	1,168,901	1,168,901	-	1,168,901	1,168,901
Other assets	370,243	370,243	-	370,243	370,243
			129,248,844	18,949,487	148,198,331
Interest payable on note issued designated at FVTPL	(2,089,972)	(2,089,972)	-	(2,089,972)	(2,089,972)
Payable for securities purchased	(69,175,478)	(69,175,478)	-	(69,175,478)	(69,175,478)
Expense accruals	(218,008)	(218,008)	-	(218,008)	(218,008)
			-	(71,483,458)	(71,483,458)
			129,248,844	(52,533,971)	76,714,873

Other receivables, interest and other payables represent the contractual amounts and obligations due for/by the Company for settlement of interest and expenses. As such level 2 is deemed to be the most appropriate categorisation for the Company’s other receivables, interest and other payables. Due to the short-term nature of these financial assets and liabilities, the fair values approximate the carrying values.

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value with a maturity of three months or less. As such, level 1 has been deemed the most appropriate categorization for the Company’s cash and cash equivalents.

5. Interest income and interest from financial assets at fair value through profit or loss

	Year ended 31 December 2020 AUD	Period ended 31 December 2019 AUD
Interest from investments at fair value through profit or loss	30,270,445	1,809,632
	30,270,445	1,809,632

6. Net changes in financial assets at fair value through profit or loss

	Year ended 31 December 2020 AUD	Period ended 31 December 2019 AUD
Realised market losses	(10,371,691)	(640,592)
Unrealised market (losses) / gains	(37,829,758)	2,254,673
FX movement	(3,138,353)	(3,255,549)
	(51,339,802)	(1,641,468)

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Forward contracts

	As at 31/12/2020 AUD	As at 31/12/2019 AUD
FX Forwards – fair value		
AUD/CHF	131,588	39,529
AUD/EUR	8,380,142	2,097,055
AUD/GBP	1,286,842	475,677
AUD/USD	15,080,834	9,637,778
CHF/AUD	(68,934)	(11,211)
EUR/AUD	(4,830,430)	(600,371)
GBP/AUD	(573,428)	(588,456)
USD/AUD	(1,851,200)	(4,094,705)
	17,555,414	6,955,296

The nominal value of the forward contracts at 31 December is 326,915,000 (2019: 200,200,000). The counterparty of the forward contracts is Merrill Lynch International.

8. Note issued designated at fair value through profit or loss

		As at 31/12/2020 AUD	As at 31/12/2019 AUD
Debt securities issued	Interest Basis		
Nominal	Profit Participation	548,500,000	548,500,000
Fair value adjustment		(23,458,605)	5,958,751
Total financial liabilities designated at fair value through profit or loss		525,041,395	554,458,751
		525,041,395	554,458,751

The Profit Participating note does not have a fixed maturity date. All outstanding PPN’s will be redeemed by the Issuer and cancelled as soon as reasonably practicable after the last eligible investment has been repaid or sold and the final distribution has been made.

9. Share capital

	Number of shares	Number of shares
Authorised share capital		
100 Ordinary shares at €1 each	100	100
	100	100

	As at 31/12/2020 AUD	As at 31/12/2019 AUD
Issued share capital		
1 Ordinary shares at €1	2	2
	2	2

The Company has issued 1 share, which is held by TMF Management (Ireland) Limited on behalf of a charitable trust.

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Share capital (continued)

Capital management

The capital managed by the Company comprises of ordinary shares outstanding and the Note issued and outstanding as at the financial year-end. The Company is not subject to externally imposed capital requirements.

The Company manages its capital to ensure that it is able to continue as a going concern and for the purposes of achieving its investment objectives as outlined in note 1.

10. Interest expense on note issued designated at FVTPL

	Year ended 31/12/2020 AUD	Period ended 31/12/2019 AUD
Interest payable at the beginning of the year/period	2,089,972	-
Interest expense on note issued designated at FVTPL	29,291,703	2,089,972
Interest paid	(31,176,912)	-
Interest payable at the end of the year/period	204,763	2,089,972

As per the terms and conditions of the note issued, the Issuer shall, to the extent permitted by law and in consultation with the Portfolio Manager, determine if there are available funds on a payment date. To the extent that there are available funds on a payment date, the Issuer (in consultation with the Portfolio Manager) distribute the available funds (as defined below) to the Noteholder in accordance with the conditions (the "Distribution Policy"). Available funds means any amount received by the Issuer from time to time in connection with the portfolio, less: (a) any taxes (including tax accruals), costs, fees, expenses (including, without limitation, any hedging expenses and Issuer Expenses; (b) payments due or that may become due by the Issuer in respect of debt obligations; (c) cash that has been applied towards, or designated for the purposes of, reinvestment: (d) amounts necessary to satisfy any liquidity requirements and (e) the amount of the Issuer Profit Amount, in each case as determined by the Issuer, following consultation with the Portfolio Manager.

11. Other expenses

	Year ended 31/12/2020 AUD	Period ended 31/12/2019 AUD
Corporate administrator	39,531	11,265
Portfolio administrator, cash manager, custodian and Paying agent	94,058	42,287
Audit Fees	65,388	67,870
Legal and Professional fees	433,289	-
Other Expenses	517,794	134,165
	1,150,060	255,587

S.I.220 requires disclosure in the financial statements of Auditor's remuneration. Auditor's remuneration paid/payable to the Independent Auditor's, PricewaterhouseCoopers Ireland, comprised the following;

	Year ended 31/12/2020 EUR	Period ended 31/12/2019 EUR
Statutory audit	39,500	42,500
Tax advisory services	5,000	5,000
	44,500	47,500

The above amounts are exclusive of VAT.

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Taxation

The Company is subject to Irish Corporation tax at the rate of 25%, which is the Irish Corporation tax rate applying to income other than trading income. The effective tax rate is 25%.

	Year ended 31/12/2020 AUD	**Period ended 31/12/2019 AUD**
Corporation tax	407	400
	407	400

	Year ended 31/12/2020 AUD	**Period ended 31/12/2019 AUD**
Factors affecting tax charge for the year Corporation taxation has been calculated based on the results for the period and the resulting taxation charge is as follows		
Profit on ordinary activities before tax	1,586	1,597
Profit on ordinary activities multiplied by standard rate of Irish corporation tax (12.5%)	198	200
Effect of 25% rate applicable to Section 110 companies	198	200
Prior year underaccrual	11	-
Taxation charge	407	400

The company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997. As such, the profits are chargeable to corporation tax under Case III of Schedule D of the Taxes Consolidation Act at the rate of 25%, but are computed in accordance with the provisions applicable to Case I of Schedule D.

13. Related party transactions

The Portfolio Manager of the Company is Partners Group AG. Portfolio Manager fees for the year ended 31 December 2020 amounted to AUD Nil (2019: AUD Nil).

The holder of the Company's Profit Participating note is Equity Trustees Limited, in its capacity as responsible entity of the Partners Group Global Income Fund. Please refer to note 8 for details of movements on debt securities issued by the Company.

The shareholder of the Company at 31 December 2020 and 31 December 2019 is as follows:

Name		***Number of shares***
TMF Management (Ireland) Limited	Ordinary shares	1
		1

All shares held by TMF Management (Ireland) Limited are held on trust for a charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Subsequent Events

Subsequent to the year end the Company received interest distributions of AUD 3,038,173 from PG Global Income First Lien Loan Designated Activity Company.

The Company has paid interest distributions in the amount of AUD 4,792,521 to the noteholder Equity Trustees Limited, in its capacity as responsible entity of the Partners Group Global Income Fund.

Partners Group Global Income Investments Loan Strategy DAC has also invested additional amounts in the PPN of PG Global Income First Lien Loan Designated Activity Company. Amounts invested were AUD 16,862,233 and PPN amounts repaid were AUD 3,102,178.

15. Approval of financial statements

The financial statements were approved by the Board of Directors on 22 February 2021.