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If you have sold or otherwise transferred all of your Existing ZDP Shares, please send this document and the accompanying documents (but not any accompanying personalised Form of Election) to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Existing ZDP Shares, you should retain this document and the accompanying documents and consult the bank, stockbroker or agent through whom the sale was effected. If you have recently purchased or been transferred Existing ZDP Shares and, notwithstanding the instructions above, receive the Form of Election from the transferor of such Existing ZDP Shares, you should contact Link Group, PGIT Securities 2020 PLC's Receiving Agent, on the telephone number set out on page 17 of this document, to obtain a replacement Form of Election.

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Nplus1 Singer Advisory LLP, which is authorised and regulated in the UK by the Financial Conduct Authority, is acting exclusively for PGIT Securities 2020, PMGR Securities 2025 and the Parent in connection with the Proposals and for no one else and will not be responsible to anyone other than PGIT Securities 2020, PMGR Securities 2025 and the Parent for providing the protections afforded to its clients, for the content of this document, or for providing advice in relation to the Proposals.

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# **PGIT SECURITIES 2020 PLC**

*(Incorporated in England and Wales with registered number 09863364)*

**a wholly owned subsidiary of**

## **PREMIER GLOBAL INFRASTRUCTURE TRUST PLC**

**(to be renamed PREMIER MITON GLOBAL RENEWABLES TRUST PLC)**

*(Incorporated in England and Wales with registered number 04897881)*

### **Reconstruction and voluntary winding-up of PGIT Securities 2020 PLC**

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ZDP Shareholders who hold their Existing ZDP Shares in certificated form and who are not Overseas Shareholders will find enclosed with this document a Form of Election for use in connection with the Scheme. To be valid, Forms of Election must be completed and returned so as to be received by Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by 1.00 p.m. on 20 November 2020. ZDP Shareholders who hold their Existing ZDP Shares in uncertificated form will not receive a Form of Election and should elect by the submission and settlement of a TTE Instruction in CREST in accordance with the instructions under the section of this document entitled "Existing ZDP Shares held in CREST", in paragraph 1 of Part 2 of this document. All Elections will be irrevocable unless the prior consent of the Directors is obtained.

**Your attention is drawn to Part 2 of this document entitled "Action to be Taken" and to the section of this document entitled "Certain considerations relating to the Proposals", which can be found in paragraph 7 in Part 1 of this document.**

## KEY FEATURES OF THE NEW ZDP SHARES

The Proposals provide for a members' voluntary liquidation of PGIT Securities 2020 and scheme of reconstruction pursuant to section 110 of the Insolvency Act 1986.

ZDP Shareholders will be able to elect to receive their Final Capital Entitlement in respect of their Existing ZDP Shares upon the winding-up of PGIT Securities 2020:

- in cash; or
- to roll over some or all of their investment into New ZDP Shares to be issued by PMGR Securities 2025, a new subsidiary of the Parent formed for the purpose of the Proposals.

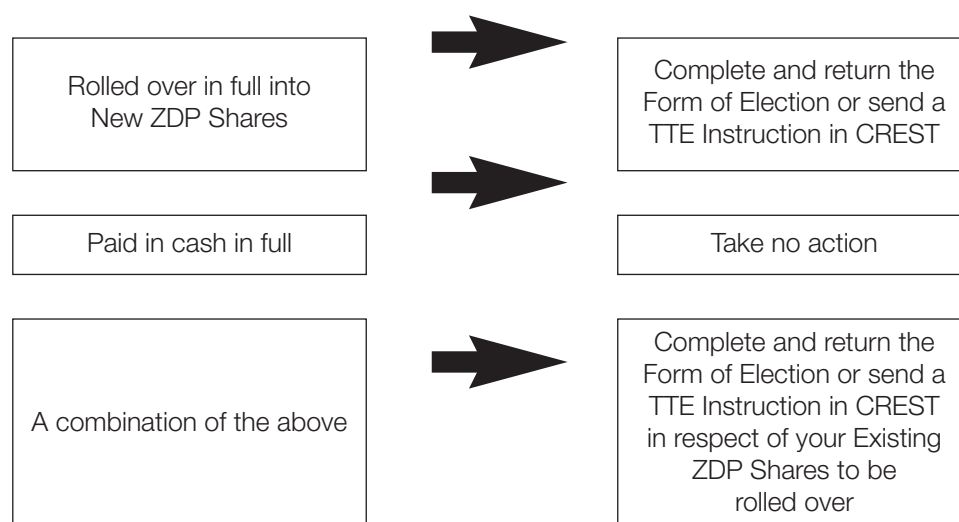
New ZDP Shares are also being made available under the Placing.

The New ZDP Shares will have the following key features:

<b>Issue price</b>	100p per New ZDP Share
<b>Gross redemption yield based on issue price</b>	5.0 per cent.
<b>Term</b>	Five years to 28 November 2025
<b>Final capital entitlement due on 28 November 2025</b>	127.6111 pence per New ZDP Share
<b>Minimum Initial Cover</b>	1.5 times

## SUMMARY OF ACTION TO BE TAKEN

To elect for your Final Capital Entitlement to be<sup>1</sup>:



Shareholders who are considering applying for further New ZDP Shares in the Placing should contact their broker or N+1 Singer.

<sup>1</sup> Elections for the Rollover Option are subject to scaling back as described at paragraph 14 of Part 4 of this document.

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## EXPECTED TIMETABLE

2020

Latest time and date for receipt of the Forms of Election or TTE Instructions from ZDP Shareholders <sup>2</sup>	1.00 p.m. on 20 November
Record Date for entitlement to the Scheme	6.00 p.m. on 20 November
First General Meeting <sup>3</sup>	10.00 a.m. on 23 November
Date from which it is advised that dealings in Existing ZDP Shares should only be for cash settlement and immediate delivery of documents of title	23 November
Latest time and date for commitments under the Placing	1.00 p.m. on 26 November
Existing ZDP Shares reclassified, Official List amended and dealings in Reclassified Shares commence on the London Stock Exchange <sup>4</sup>	8.00 a.m. on 27 November
Dealings in Reclassified Shares suspended	8.00 a.m. on 30 November
<b>Second General Meeting<sup>3</sup> and, if the Scheme becomes unconditional, Effective Date for the implementation of the Proposals and commencement of liquidation</b>	10.00 a.m. on 30 November
Publication of the results of the Placing and the Scheme	30 November
New ZDP Shares admitted to Official List, Existing ZDP Shares cancelled and dealings in New ZDP Shares commence on the London Stock Exchange	8.00 a.m. on 1 December
CREST accounts credited with New ZDP Shares (for holders in uncertificated form)	as soon as practicable after 1 December
Consideration expected to be despatched to ZDP Shareholders who elect or are deemed to have elected for the Cash Option to CREST participants by the crediting through CREST and to certificated holders by cheque in the week commencing	1 December
Despatch of New ZDP Share certificates (to holders in certificated form) in the week commencing	7 December

All of the times and dates in the expected timetable may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service provider.

All references to time in this document are to UK time.

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2 ZDP Shareholders who wish to receive their Final Capital Entitlement in respect of their entire holding of Existing ZDP Shares in cash do not need to complete a Form of Election or send a TTE Instruction and will be deemed to have elected for the Cash Option.

3 **Neither ZDP Shareholders nor Ordinary Shareholders are entitled to attend or vote at either General Meeting.**

4 Reclassified Shares are a technical requirement of the Scheme and will be created if Resolution 1 to be proposed at the First General Meeting is passed and becomes effective. Existing ZDP Shares will be reclassified according to the Elections made (or deemed to have been made) by ZDP Shareholders.

## PART 1

### CHAIRMAN'S LETTER

# PGIT SECURITIES 2020 PLC

*(Incorporated in England and Wales with registered number 09863364)*

*Directors:*

Gillian Nott OBE (*Chairman*)  
Melville Trimble (*Non-executive Director*)  
Victoria Muir (*Non-executive Director*)

*Registered Office:*

6th Floor  
65 Gresham Street  
London  
EC2V 7NQ

3 November 2020

To: ZDP Shareholders

Dear ZDP Shareholder

### **Reconstruction and voluntary winding-up of PGIT Securities 2020 PLC**

#### **1. Introduction**

As you will be aware, PGIT Securities 2020 PLC ("**PGIT Securities 2020**") is due to be wound up on 30 November 2020 and ZDP Shareholders repaid their Final Capital Entitlement of 125.6519p per Existing ZDP Share.

Your Board announced today proposals for an issue of New ZDP Shares and the opportunity for existing ZDP Shareholders to roll over their capital entitlement into New ZDP Shares.

The Proposals provide for a members' voluntary liquidation of PGIT Securities 2020 and scheme of reconstruction pursuant to section 110 of the Insolvency Act 1986. Under the Proposals, ZDP Shareholders may receive their Final Capital Entitlement in cash upon the winding-up of PGIT Securities 2020 or elect to roll over some or all of their investment into New ZDP Shares to be issued by PMGR Securities 2025 PLC ("**PMGR Securities 2025**"), a new subsidiary of the Parent formed for the purpose of the Proposals. A rollover of an investment in the Existing ZDP Shares to the New ZDP Shares issued by PMGR Securities 2025 provides an alternative to the cash payment to which ZDP Shareholders are entitled upon a straight winding-up and will allow ZDP Shareholders who elect for the rollover to continue their investment in the Group. ZDP Shareholders who elect to roll over their investment into New ZDP Shares should not generally be treated as making a disposal for the purposes of UK taxation of chargeable gains as a result of doing so (as to which, please see the discussion at paragraph 2 of Part 5 of this document).

In addition to the Scheme, the Proposals also include a conditional Placing of further New ZDP Shares. The number of New ZDP Shares to be issued pursuant to the overall Issue is limited to the Maximum Issue Size, which is designed to protect New ZDP Shareholders by ensuring that the Cover on the New ZDP Shares as at Admission (calculated by reference to the Gross Assets as at 20 November 2020, the deadline for submission of Elections) is at least the Minimum Initial Cover. ZDP Shareholders seeking to roll over their investment into New ZDP Shares will be allocated New ZDP Shares in preference to any subscriptions from investors under the Placing. Accordingly, if there is sufficient demand for the Rollover Option from ZDP Shareholders, it is possible that no New ZDP Shares will be issued pursuant to the Placing. Shareholders who are considering applying for further New ZDP Shares in the Placing should contact their broker or N+1 Singer.

The Proposals are not conditional on the approval of ZDP Shareholders or Ordinary Shareholders of the Parent. The Proposals are conditional on the approval of the ordinary shareholder of PGIT Securities 2020, which is the Parent, at the General Meetings. This document is being sent to provide ZDP Shareholders with information regarding the Proposals and the Elections that may be made in respect of the Scheme.

**Details of the action to be taken by ZDP Shareholders in relation to the Proposals are set out in Part 2 of this document.**

**It is important that ZDP Shareholders read Part 2 carefully and, if they wish to make a full or partial election for New ZDP Shares, where their Existing ZDP Shares are held in certificated form, return their Forms of Election or, where their Existing ZDP Shares are held in uncertificated form, submit their transfer to escrow instruction via CREST (TTE Instruction) so as to be received no later than 1.00 p.m. on 20 November 2020.**

**Failure to return or submit a valid Form of Election or a TTE Instruction in CREST or the return or submission of a Form of Election or a TTE Instruction which is not validly completed will result in the relevant ZDP Shareholder being deemed to have elected for the Cash Option.**

The attention of Shareholders is drawn to paragraph 2 of Part 5 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice.

This document should be read in conjunction with the accompanying Prospectus relating to PMGR Securities 2025.

## **2. Key features of the New ZDP Shares**

The New ZDP Shares:

- will have a repayment date of 28 November 2025 and will effectively rank as to capital in priority to the Ordinary Shares;
- provide for a pre-determined level of capital growth equivalent to a gross redemption yield of 5.0 per cent. per annum based on the issue price of a New ZDP Share of 100p (subject to the Group having sufficient assets at the relevant time), which represents an increase from the gross redemption yield of 4.75 per cent. provided for by the Existing ZDP Shares; and
- subject to the Group having sufficient assets at the time and assuming the Scheme is effective on 30 November 2020, will carry the right to be paid the 2025 Final Capital Entitlement of 127.6111p in cash on 28 November 2025.

The issue price will be 100 pence per New ZDP Share. Accordingly, if a ZDP Shareholder were to elect for the Rollover Option, where there is no scaling back, they would receive 1,256 New ZDP Shares for every 1,000 Existing ZDP Shares held on the Effective Date (entitlements to New ZDP Shares under the Scheme will be rounded down to the nearest whole number).

However, the number of New ZDP Shares that may be issued under the Issue is limited to the Maximum Issue Size. The Board has determined that the gearing to be provided to the Group by the New ZDP Shares will be no greater than the gearing currently provided to the Group by the Existing ZDP Shares. Accordingly, if a sufficient number of ZDP Shareholders were to elect for the Rollover Option and assuming that the Maximum Issue Size is achieved, such ZDP Shareholders may be scaled back in accordance with paragraph 14 of Part 4 of this document and would receive part of their Final Capital Entitlement in cash. By way of example, if all ZDP Shareholders elect for the Rollover Option, each ZDP Shareholder will be scaled back to the extent that they would receive approximately 80.7 per cent. of their Final Capital Entitlement in New ZDP Shares and the remainder of their Final Capital Entitlement in cash.

On the assumption that (i) Gross Assets on 20 November 2020 are £55.8 million, which were the Gross Assets as at the Latest Practicable Date; and (ii) the Maximum Issue Size is achieved, then it is expected that following completion of the Scheme, Gross Assets would need to fall by 33.3 per cent. in total, and 5.9 per cent. annually, in order for the New ZDP Shares not to receive their full 2025 Final Capital Entitlement of 127.6111p per New ZDP Share on 28 November 2025.

## **3. Background to the Proposals**

In December 2015, the Parent approved proposals to re-organise the Group by way of a scheme of reconstruction, pursuant to which PEWT Securities, a wholly-owned subsidiary of the Parent formed in 2014 for the sole purpose of issuing zero dividend preference shares in the Group, was placed into members'

voluntary liquidation and old zero dividend preference shares issued by PEWT Securities were replaced with the Existing ZDP Shares issued by PGIT Securities 2020, a wholly-owned subsidiary of the Parent incorporated in 2015 for the purposes of the reconstruction.

As part of that reconstruction, holders of zero dividend preference shares maturing in 2015 were afforded the opportunity to elect (i) to receive cash in the liquidation in respect of all or part of their investment in PEWT Securities or (ii) to roll over some or all of their investment in PEWT Securities into the Existing ZDP Shares in order to receive a final cash entitled in respect of each Existing ZDP Share held on a winding-up of PGIT Securities 2020 on 30 November 2020. A significant number of holders of the old zero dividend preference shares elected to do so.

At the time of the reconstruction in 2015, the Board informed Shareholders of its intention to consider the options that may be available for refinancing the Existing ZDP Shares nearer to the planned winding-up of PGIT Securities 2020. The Board stated that it may consider the issuance by the Group of a follow-on zero dividend preference share at that time, to allow ZDP Shareholders who wish to do so the opportunity to roll over their investment into a similar investment in the event that the Board believed there would be sufficient demand for such an investment.

The Group's current capital structure would provide ZDP Shareholders with a Final Capital Entitlement of 125.6519p in cash per Existing ZDP Share on the planned winding-up date of PGIT Securities 2020 of 30 November 2020, and the Articles provide for PGIT Securities 2020 to be wound up on that date. On a winding-up, Shareholders' entitlements, after payment of PGIT Securities 2020's creditors, are determined in accordance with the Articles as follows:

- (i) first, there shall be paid to ZDP Shareholders an amount equal 100p per Existing ZDP Share as increased with effect from and including 1 January 2016 on a daily basis at such compounded rate as results in a final entitlement on 30 November 2020 of 125.6519p per Existing ZDP Share; and
- (ii) secondly, the Parent, as the holder of all of the ordinary shares of PGIT Securities 2020, shall receive the surplus assets of PGIT Securities 2020 available for distribution.

Accordingly, the Group is committed to repaying the Final Capital Entitlement of the Existing ZDP Shares of approximately £30.25 million on 30 November 2020.

Against this background, the Board requested the Group's Investment Manager, Premier Fund Managers Limited, and its financial adviser, N+1 Singer, to consult with certain of the Group's ZDP Shareholders to ascertain their views. There was support for an option that would enable ZDP Shareholders to roll over all or some of their investment in Existing ZDP Shares, in a tax efficient manner, into New ZDP Shares issued by the Group. This option is being provided in conjunction with a Placing of further New ZDP Shares which may be issued to ZDP Shareholders who wish to increase their holdings of New ZDP shares and to third party investors.

The purpose of this document is to explain the Proposals and the actions required to be taken in order for ZDP Shareholders to make their Election in respect of the Proposals. The Board, which has been advised by N+1 Singer, believes that the Proposals are in the best interests of Shareholders as a whole and of ZDP Shareholders as a class. In providing its advice, N+1 Singer has taken into account the commercial assessments of the Board.

**ZDP Shareholders are recommended to make an Election for the Option(s) they would prefer in respect of their Existing ZDP Shares. The Form of Election need only be completed, or a TTE Instruction submitted, as appropriate, by ZDP Shareholders who wish to make a full or partial election for New ZDP Shares pursuant to the Rollover Option. If ZDP Shareholders wish to receive the Cash Option, no action needs to be taken.**



## 4. The Proposals

### 4.1 **Options available to ZDP Shareholders**

Under the Proposals, PGIT Securities 2020 will be wound up on 30 November 2020. ZDP Shareholders who are on the Register as at 6.00 p.m. on 20 November 2020 will be entitled to elect:

- (i) to roll over some or all of their investment into New ZDP Shares issued by PMGR Securities 2025, a newly incorporated subsidiary of the Parent (the “**Rollover Option**”); and/or
- (ii) to receive cash in the liquidation in respect of all or part of their investment in PGIT Securities 2020 (the “**Cash Option**”).

ZDP Shareholders may make different Elections in respect of different parts of their holdings of Existing ZDP Shares, as suits their personal investment requirements.

**The default option under the Scheme will be the Cash Option, meaning that a ZDP Shareholder who, in respect of all or part of his or her holding of Existing ZDP Shares, fails to submit a valid Form of Election or a valid TTE Instruction, as appropriate, by the due date or submits a Form of Election which has not been duly completed or an invalid TTE Instruction, will be deemed to have elected for the Cash Option in respect of such holding.**

Subject to paragraph 9 of Part 4 of this document, Overseas Shareholders will be deemed to have elected for the Cash Option in respect of their entire holding of Existing ZDP Shares.

If the number of New ZDP Shares which would be issuable pursuant to the Scheme as a result of giving full effect to Elections for the Rollover Option would exceed the Maximum Issue Size, then the number of New ZDP Shares issuable pursuant to the Scheme shall be scaled back in the manner set out in paragraph 14 of Part 4 of this document.

New ZDP Shares are also being made available under the Placing (subject also to the Maximum Issue Size). Shareholders who are considering applying for further New ZDP Shares in the Placing should contact their broker or N+1 Singer.

### 4.2 **Benefits of the Proposals**

The Proposals offer ZDP Shareholders the option of receiving their Final Capital Entitlement in cash or, if they prefer, the opportunity to roll over all or part of their capital entitlement into New ZDP Shares issued by the Group. ZDP Shareholders who may be subject to UK capital gains tax or corporation tax on gains on their investment in PGIT Securities 2020 should generally be able to roll over their investment into PMGR Securities 2025 without crystallising an immediate charge to UK capital gains tax or corporation tax on gains (as to which, please see the discussion at paragraph 2 of Part 5 of this document).

The choice between the Options available under the Proposals will be a matter for each ZDP Shareholder to decide and will be influenced by their individual circumstances and investment objectives. ZDP Shareholders should, before making any Election, read carefully the information on the Options in this document and the accompanying Prospectus in relation to PMGR Securities 2025 and the New ZDP Shares.

**Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately seek their own personal financial advice from their independent professional adviser authorised under the Financial Services and Markets Act 2000.**

### 4.3 **Features of the proposed capital structure and the New ZDP Shares**

In planning the proposed capital structure of the Group, the Directors have had regard to the requirement to maintain a balance between, on the one hand, the objective of providing a competitive yield and security of repayment for the New ZDP Shareholders and, on the other hand, the objective of providing Ordinary Shareholders with a high level of income coupled with capital growth over the long-term.

The New ZDP Shares will be issued by PMGR Securities 2025, a newly formed subsidiary of the Parent. The number of New ZDP Shares that may be issued under the Issue is limited to the Maximum Issue



Size. On the assumption that Gross Assets on 20 November 2020 are £55.8 million, which were the Gross Assets as at the Latest Practicable Date, and the Maximum Issue Size is achieved, then it is expected that following completion of the Scheme there will be 24,424,500 New ZDP Shares in issue. The ordinary shares of PMGR Securities 2025 are unlisted and are all held by the Parent.

The New ZDP Shares will have a repayment date of 28 November 2025 and will effectively rank as to capital in priority to the Ordinary Shares (as is the case with the Existing ZDP Shares, holders of Ordinary Shares will be, in effect, entitled to the net revenue profits of the Group (including accumulated revenue reserves) in priority to the repayment of the 2025 Final Capital Entitlement). The objective of PMGR Securities 2025 is to repay the 2025 Final Capital Entitlement on the 2025 ZDP Repayment Date.

The New ZDP Shares should provide a pre-determined level of capital growth equivalent to a gross redemption yield of 5.0 per cent. per annum based on the issue price of a New ZDP Share of 100p (subject to the Group having sufficient assets available at the relevant time), which represents an increase from the gross redemption yield of 4.75 per cent. provided for by the Existing ZDP Shares. The initial capital entitlement of 100p per New ZDP Share will be increased from Admission at a daily compound rate to the 2025 ZDP Repayment Date, being 28 November 2025 on which PMGR Securities 2025 is expected to be wound up. Subject to the Group having sufficient assets at the time and assuming the Scheme is effective on 30 November 2020, the 2025 Final Capital Entitlement of a New ZDP Share will be 127.6111p. The capital entitlement of the New ZDP Shares will rank behind the Group's other liabilities but ahead of the capital entitlement of the Ordinary Shareholders (holders of Ordinary Shares being entitled to the net revenue profits of the Group in priority to the repayment of the 2025 Final Capital Entitlement).

The New ZDP Shares will be admitted to a standard listing on the Official List and traded on the premium segment of the London Stock Exchange's main market.

Further information on the New ZDP Shares, including the rights attaching to them and certain undertakings given by the Group for the benefit of the New ZDP Shareholders, are set out in the Prospectus accompanying this document.

#### 4.4 ***Intra-Group arrangements***

PMGR Securities 2025 will not directly hold any of the Group's portfolio of investments, which will continue to be held by the Parent.

In order for PMGR Securities 2025 to have sufficient assets to repay the 2025 Final Capital Entitlement on the 2025 ZDP Repayment Date (or the accrued capital entitlement of New ZDP Shares at an earlier date, if required), the Parent and PMGR Securities 2025 have entered into arrangements whereby the assets of the Parent will effectively be made available to meet the repayment entitlements of the New ZDP Shares.

The Parent has entered into the New Undertaking Agreement with PMGR Securities 2025 by which the Parent has undertaken to contribute (by way of gift, capital contribution or otherwise) such amount as will result in PMGR Securities 2025 having sufficient assets to satisfy the then current capital entitlement or, as the case may be, the 2025 Final Capital Entitlement of the New ZDP Shares on the 2025 ZDP Repayment Date or any earlier winding up of PMGR Securities 2025. The Parent has also agreed to meet all of the running costs of PMGR Securities 2025.

The Parent has given certain undertakings for the benefit of PMGR Securities 2025 and the New ZDP Shareholders whilst the Parent remains liable to make any payment under the New Undertaking Agreement.

In addition, pursuant to the New Undertaking Agreement, PMGR Securities 2025 has agreed to transfer to the Parent an amount equal to the value of the assets (other than the Rollover Option Undertaking described in paragraph 4.5 below) received by it from PGIT Securities 2020 pursuant to the terms of the Scheme and any net proceeds pursuant to the Placing (further details of which are set out at paragraph 4.6 below).

The arrangements outlined above will effectively result in all of the Group's net assets being available to meet the repayment entitlements of the New ZDP Shares. The repayment entitlements of the New ZDP Shares will effectively rank in priority to the capital entitlement of the Ordinary Shares, although they will be subordinated to any bank borrowings the Group may incur (although it is the Parent's policy not to employ any long-term gearing other than by way of the issue of zero dividend preference shares) and other creditors from time to time. As is the case with the Existing ZDP Shares, holders of Ordinary Shares will be entitled to the net revenue profits of the Group, including revenue reserves, in priority to the repayment of the 2025 Final Capital Entitlement.

The terms of the agreements referred to above are summarised in paragraph 9 of Part 7 of the Prospectus. The provisions of the articles of association of PMGR Securities 2025 are summarised in paragraph 4 of Part 7 of the Prospectus. The rights attached to the New ZDP Shares are also summarised in Part 3 of this document.

#### 4.5 **Operation of the Scheme**

If the Scheme proceeds, before any assets are transferred to PMGR Securities 2025 under the Scheme or set aside to pay ZDP Shareholders who have or are deemed to have elected for the Cash Option, the Liquidators will set aside sufficient assets in the Liquidation Fund to meet all estimated current and future, actual and contingent liabilities and costs which PGIT Securities 2020 has agreed to pay.

After provision for liabilities (if any) as described above has been made in the Liquidation Fund, the assets of PGIT Securities 2020 will be appropriated into two pools, the ZDP Cash Pool and the ZDP Rollover Pool, at the Effective Date. The appropriation of the assets of PGIT Securities 2020 will be on the basis of the value attributable to Elections for the Cash Option and the value attributable to Elections for the Rollover Option. The remaining assets of PGIT Securities 2020 will form part of the Liquidation Fund.

The only material asset of PGIT Securities 2020 is the Existing Undertaking Agreement, by which the Parent has undertaken to contribute (by way of gift, capital contribution or otherwise) such amount as will result in PGIT Securities 2020 having sufficient assets to satisfy the then current or, as the case may be, Final Capital Entitlement of the Existing ZDP Shares on 30 November 2020, or any earlier winding up of PGIT Securities 2020. PGIT Securities 2020 currently has no liabilities other than the Final Capital Entitlement of ZDP Shareholders.

Accordingly, the split of assets into the Liquidation Fund, Cash Pool and Rollover Pool will be achieved by way of terminating and restating the Existing Undertaking Agreement, as at the Effective Date, such that the undertaking contained therein is split into two new undertakings:

- (i) an undertaking from the Parent to contribute such amount as will result in PGIT Securities 2020 having sufficient assets to satisfy the aggregate Final Capital Entitlements of all those ZDP Shareholders electing for the Cash Option and any other liabilities of PGIT Securities 2020 (the "**PGIT Securities 2020 Undertaking**"); and
- (ii) an undertaking from the Parent to contribute such amount as will result in PGIT Securities 2020 having sufficient assets to satisfy the aggregate Final Capital Entitlements of all those ZDP Shareholders electing for the Rollover Option (the "**Rollover Option Undertaking**").

In order to give effect to the Elections made (or deemed to be made) by ZDP Shareholders, the Existing ZDP Shares will be split into two classes of Reclassified Shares. Reclassified Shares will either have "A" rights, in respect of the Rollover Option, or "B" rights, in respect of the Cash Option.

On the Effective Date, the Liquidators will transfer the assets in the ZDP Rollover Pool (the only material asset of which is expected to be the Rollover Option Undertaking) to PMGR Securities 2025. In consideration for such transfer, New ZDP Shares will be issued fully paid at a subscription price of 100p to ZDP Shareholders with "A" rights who have elected for New ZDP Shares.

The transfer of the ZDP Rollover Pool will be carried out in accordance with the terms of the Transfer Agreement. Further details of the Transfer Agreement are set out in paragraph 1 of Part 5 of this document. The terms of the Rollover Option Undertaking provide that PGIT Securities 2020 shall be entitled to assign the Rollover Option Undertaking to PMGR Securities 2025 in connection with the

Scheme. Further details of the Rollover Option Undertaking are set out in paragraph 9.1 of Part 7 of the Prospectus.

The ZDP Cash Pool (the only material asset of which is expected to be the PGIT Securities 2020 Undertaking) will be used to pay the Final Capital Entitlements of ZDP Shareholders with “B” rights who have elected, or are deemed to have elected, for the Cash Option.

Any remaining assets of PGIT Securities 2020 in the Liquidation Fund will be paid in cash to the Parent as holder of the ordinary shares of PGIT Securities 2020.

#### 4.6 **The Maximum Issue Size and the Placing**

The maximum number of New ZDP Shares that may be issued under the Issue is the Maximum Issue Size.

If the number of New ZDP Shares which would be issuable pursuant to the Scheme as a result of giving full effect to Elections for the Rollover Option would exceed the Maximum Issue Size, then the number of New ZDP Shares issuable pursuant to the Scheme shall be scaled back in the manner set out in paragraph 14 of Part 4 of this document.

To the extent that Elections for the Rollover Option under the Scheme do not require such maximum number of New ZDP Shares to be issued to ZDP Shareholders, it is intended that the excess may be issued pursuant to the Placing.

N+1 Singer will use its reasonable endeavours to procure subscribers for the balance of New ZDP Shares up to the Maximum Issue Size. No commission will be paid by the Group to any placee in connection with the Placing, which is not underwritten. The Placing closes at 1.00 p.m. on 26 November 2020.

ZDP Shareholders seeking to roll over their investment into New ZDP Shares will be allocated New ZDP Shares in preference to any subscriptions from investors under the Placing.

A summary of the placing agreement entered into among the Parent, the AIFM, PGIT Securities 2020 and N+1 Singer is set out in paragraph 9.5 of Part 7 of the Prospectus.

#### 4.7 **The General Meetings and winding-up of PGIT Securities 2020**

The implementation of the Proposals requires the passing of the Resolutions at the First General Meeting and the Second General Meeting. **Neither ZDP Shareholders nor Ordinary Shareholders are entitled to attend or vote at either General Meeting.** The Parent, as the holder of all of the ordinary shares in the capital of PGIT Securities 2020, shall be the only person entitled to attend and vote at the General Meetings.

At the First General Meeting, special resolutions will be proposed to: (i) re-classify the rights attaching to the Existing ZDP Shares such that those ZDP Shareholders who elect, or are deemed to elect, to roll over into New ZDP Shares will hold shares with “A” rights giving them the right to receive New ZDP Shares on a winding-up of PGIT Securities 2020 and those ZDP Shareholders who elect, or are deemed to elect, to receive cash will hold Existing ZDP Shares with “B” rights giving them the right to receive cash on the winding-up of PGIT Securities 2020; (ii) authorise the implementation of the Scheme by the Liquidators including an application to delist the Existing ZDP Shares from the Official List of the FCA; and (iii) amend the Articles for the purposes of the implementation of the Scheme. The amendments to the Articles are set out in full in the Appendix to this document.

The First General Meeting has been convened for 10.00 a.m. on 23 November 2020 to be held at the offices of Stephenson Harwood LLP at 1 Finsbury Circus, London EC2M 7SH, United Kingdom. Neither ZDP Shareholders nor Ordinary Shareholders may attend or vote at the First General Meeting.

At the Second General Meeting, special resolutions will be proposed to: (i) wind up PGIT Securities 2020 voluntarily; (ii) appoint the Liquidators; and (iii) confer certain powers on the Liquidators.

The Second General Meeting has been convened for 10.00 a.m. on 30 November 2020 to be held at the offices of Stephenson Harwood LLP at 1 Finsbury Circus, London EC2M 7SH, United Kingdom. Neither ZDP Shareholders nor Ordinary Shareholders may attend or vote at the Second General Meeting.

#### **4.8 Dealings in Existing ZDP Shares and Reclassified Shares**

It is advised that the last day for trading in the Existing ZDP Shares on the London Stock Exchange for normal settlement (in order to enable settlement prior to the Record Date) will be 17 November 2020. As from 23 November 2020, dealings shall be for cash settlement only and, in the case of certificated Existing ZDP Shares, will only be registered if documents of title are delivered immediately.

The Record Date, being the date for determining which ZDP Shareholders are entitled to participate in the Scheme, is 6.00 p.m. on 20 November 2020. Application for the amendment of the Official List to reflect the Reclassified Shares will be made, and it is expected that such amendment will become effective, and that dealings in such Shares will commence, at 8.00 a.m. on 27 November 2020. For the purposes of dealings in the Reclassified Shares, all ZDP Shareholders will be treated as certificated holders. It is expected that dealings on the London Stock Exchange in the Reclassified Shares will be suspended at 8.00 a.m. on 30 November 2020.

If ZDP Shareholders dispose of their Existing ZDP Shares otherwise than through the London Stock Exchange, they must make their own arrangements with the other parties concerned as regards entitlement under the Scheme.

#### **4.9 Share certificates and payment of cash entitlements**

Certificates will not be issued in respect of Reclassified Shares. Existing certificates in respect of Existing ZDP Shares will cease to be of value for any purpose, and any existing credit of Existing ZDP Shares in any stock account in CREST will be cancelled, following the despatch to ZDP Shareholders of share certificates in respect of the New ZDP Shares issued under the Scheme (or, in the case of ZDP Shareholders previously holding their Existing ZDP Shares in uncertificated form, the appropriate stock accounts in CREST of such ZDP Shareholders are credited with their respective entitlements to New ZDP Shares) or, as the case may be, their cash entitlements.

If the Scheme becomes effective, cheques in respect of the Final Capital Entitlements due to ZDP Shareholders holding their Existing ZDP Shares in certificated form who have elected or are deemed to have elected for the Cash Option are expected to be despatched by the Receiving Agent on 1 December 2020. All ZDP Shareholders who hold their Existing ZDP Shares in CREST will receive payment of their cash entitlement through the CREST system.

All documents and remittances despatched to or from ZDP Shareholders or their appointed agents in connection with the Scheme and liquidation of PGIT Securities 2020 will be despatched at Shareholders' own risk and no acknowledgement will be issued for receipt of Forms of Election or TTE Instructions.

#### **4.10 Overseas Shareholders**

ZDP Shareholders who are Overseas Shareholders will not receive a Form of Election and will (unless the Directors determine otherwise) receive their Final Capital Entitlement in cash in respect of their entire holding of Existing ZDP Shares unless they have satisfied the Directors that it is lawful for New ZDP Shares to be issued to them under any relevant overseas laws and regulations.

#### **4.11 Taxation**

The attention of ZDP Shareholders is drawn to paragraph 2 of Part 5 of this document which sets out a general guide to certain aspects of current UK taxation law and HMRC published practice.

### **5. Costs of the Proposals**

On the assumption that (i) the Gross Assets on 20 November 2020 are £55.8 million, which were the Gross Assets as at the Latest Practicable Date, (ii) the number of Existing ZDP Shares in issue as at the Effective

Date is 24,073,337, which is the number of Existing ZDP Shares in issue as at the date of this document, and (iii) all ZDP Shareholders are eligible to, and do, elect for the Rollover Option, then the costs of implementing the Proposals are expected to be approximately £470,000 (equivalent to approximately 1.83 per cent. of the Net Asset Value as at the Latest Practicable Date). These costs will be borne by the Parent and so will effectively be borne by the Ordinary Shareholders.

If the Proposals are not implemented, the costs of the Proposals will, in any event, be borne by the Parent and so will effectively be borne by the Ordinary Shareholders.

## **6. Conditions to the Proposals**

The Scheme which provides for, and which will effect, the Rollover Option, is conditional upon:

- (i) the passing of the Resolutions to be proposed at the First General Meeting (or any adjournment thereof) and upon any conditions of such Resolutions being satisfied and the passing of the Resolutions to be proposed at the Second General Meeting (or any adjournment thereof);
- (ii) the FCA agreeing to admit to the standard segment of the Official List the Reclassified Shares and the London Stock Exchange agreeing to admit the Reclassified Shares to trading on its main market, and, subject only to allotment thereof, the New ZDP Shares to be issued pursuant to the Issue also being agreed to be so admitted; and
- (iii) the Minimum Issue Size being achieved.

## **7. Certain considerations relating to the Proposals**

The implementation of, and an Election for one or more Options under, the Proposals carry with them certain considerations for ZDP Shareholders as described below:

- ZDP Shareholders will need to consider the tax consequences of the Proposals, based on their particular circumstances. As described in paragraph 2 of Part 5 of this document, UK resident ZDP Shareholders who elect for, or who are deemed to elect for the Cash Option (including as a result of scaling back of elections under the Scheme), will generally be treated as making a disposal of their Existing ZDP Shares and may incur a tax liability as a result. Similarly, ZDP Shareholders who elect to roll over some or all of their entitlement into New ZDP Shares may incur tax liabilities on any subsequent disposal of their New ZDP Shares. ZDP Shareholders who elect to roll over their investment into New ZDP Shares should not generally be treated as making a disposal for the purposes of UK taxation of chargeable gains as a result of doing so. Shareholders who are in any doubt as to the tax consequences of the Proposals should seek independent professional advice;
- elections for New ZDP Shares may be subject to scaling back under the Scheme. This may result in ZDP Shareholders receiving part of their Final Capital Entitlements under the Scheme in cash rather than in New ZDP Shares;
- the default option under the Scheme is for a ZDP Shareholder to receive the Final Capital Entitlement in cash. ZDP Shareholders making no Election under the Scheme will therefore receive cash;
- the New ZDP Shares are designed to be held over the long-term and may not be suitable as short-term investments. There can be no guarantee that any appreciation in the value of the Group's investments will occur and investors may not get back the full value of their investment. The past performance of the Group is not a guide to the future performance of the Group. On the assumption that (i) Gross Assets on 20 November 2020 are £55.8 million, which were the Gross Assets as at the Latest Practicable Date; and (ii) the Maximum Issue Size is achieved, then it is expected that following completion of the Scheme, Gross Assets would need to fall by 33.3 per cent. in total, and 5.9 per cent. annually, in order for the New ZDP Shares not to receive their full 2025 Final Capital Entitlement of 127.6111p per New ZDP Share on 28 November 2025;
- there can be no guarantee that the investment objective of the Parent will be achieved. A failure to meet the investment objective may have a material adverse effect on the ability of the Parent to meet its obligations under the New Undertaking Agreement and thereby on the ability of PMGR Securities 2025 to pay the 2025 Final Capital Entitlement in full on the 2025 ZDP Repayment Date; and
- the ability of PMGR Securities 2025 to pay such amounts is dependent on it having sufficient cash resources to meet such obligation and therefore on the Parent meeting its obligation under the New

Undertaking Agreement to contribute such funds to PMGR Securities 2025 so as to ensure PMGR Securities 2025 has sufficient assets at the relevant time.

## **8. Action to be taken**

**Details of the action to be taken by ZDP Shareholders in relation to the Proposals are set out in Part 2 of this document.**

**It is important that ZDP Shareholders read Part 2 carefully and, if they wish to make a full or partial election for New ZDP Shares, where their Existing ZDP Shares are held in certificated form, return their Forms of Election or, where their Existing ZDP Shares are held in uncertificated form, submit their TTE Instructions so as to be received no later than 1.00 p.m. on 20 November 2020.**

**Failure to return or submit a Form of Election or a TTE Instruction or the return or submission of a Form of Election or a TTE Instruction which is not validly completed will result in the relevant ZDP Shareholder being deemed to have elected for the Cash Option.**

## **9. No recommendation**

Your Board considers that the Proposals set out in this document are in the best interests of Shareholders as a whole and of ZDP Shareholders as a class. However, the Directors make no recommendation to ZDP Shareholders as to whether or not they should elect to receive New ZDP Shares or cash under the Scheme. The benefits of the Options under the Scheme to ZDP Shareholders will depend on their own personal, financial and tax circumstances and their investment objectives. Accordingly, you are recommended to read carefully all the information in this document and in the Prospectus before making any election. The choice between the Options is a matter for each ZDP Shareholder to decide.

**ZDP Shareholders in any doubt as to the action they should take should consult an appropriately qualified independent adviser, authorised under the Financial Services and Markets Act 2000, without delay.**

Yours faithfully

**Gillian Nott OBE**  
*Chairman*



## PART 2

### ACTION TO BE TAKEN

**ZDP Shareholders should read the following sections of this document carefully. If ZDP Shareholders are unsure as to the contents of this document or as to what action they should take, they are recommended to seek immediately their own personal financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if they are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000.**

#### **1. Procedure for making Elections**

**The default option under the Scheme will be the Cash Option, meaning that a ZDP Shareholder who, in respect of all or part of his or her holding of Existing ZDP Shares, fails to submit a valid Form of Election or a valid TTE Instruction, as appropriate, by the due date or submits a Form of Election which has not been duly completed or an invalid TTE Instruction, will be deemed to have elected for the Cash Option in respect of such holding.**

**Overseas Shareholders and stockbrokers, banks or other agents holding Existing ZDP Shares for Overseas Shareholders should read the section headed “Overseas Shareholders” at paragraph 3 below.**

#### ***Existing ZDP Shares held in certificated form***

A Form of Election (which has been personalised) accompanies this document for ZDP Shareholders (other than Overseas Shareholders) who hold their Existing ZDP Shares in certificated form. Those ZDP Shareholders who wish to elect for the Rollover Option in respect of all or part of their holding of Existing ZDP Shares should complete and return the Form of Election using the enclosed reply-paid envelope, by post or by hand (during normal business hours only) to the Receiving Agent, Link Group, as soon as possible but in any event so as to be received by not later than 1.00 p.m. on 20 November 2020.

If ZDP Shareholders hold Existing ZDP Shares in certificated form, but under different designations, they should complete a separate Form of Election in respect of each designation. Further Forms of Election are available on request by calling Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice or provide advice on the merits of the Proposals and calls may be recorded and monitored for security and training purposes.

Those who wish to receive cash in respect of their entire holding of Existing ZDP Shares do not need to complete the Form of Election and will be deemed to have elected for the Cash Option.

Instructions on how to complete the Forms of Election are set out in the guidance notes attached thereto. Elections, once made, will be irrevocable unless the consent of the Directors is obtained.

#### ***ZDP Shareholders holding Existing ZDP Shares in both certificated form and in CREST***

If any ZDP Shareholders hold Existing ZDP Shares in both certificated and uncertificated form (that is, in CREST) and wish to elect for the Rollover Option, they should complete a Form of Election for their certificated holding and send a TTE Instruction for their CREST uncertificated holding.

#### ***Existing ZDP Shares held in CREST***

If your Existing ZDP Shares are held in uncertificated form (that is, in CREST) you will not receive and must not complete or return a Form of Election. You should however take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Existing ZDP Shares in respect of which you are making an Election for the Rollover Option to an escrow balance, specifying Link Group in its capacity as Receiving Agent (under its participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles not later than the time and date referred to below.



If you are a CREST personal member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Existing ZDP Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Existing ZDP Shares which you wish to tender.

If any ZDP Shareholders hold Existing ZDP Shares in uncertificated form, but under different member account IDs, they must send a TTE Instruction in respect of each member account ID.

If you wish to elect for the Cash Option in respect of all of your holding of Existing ZDP Shares, you do not need to take any further action. If you wish to elect for New ZDP Shares in respect of only some of your holding of Existing ZDP Shares, you should send (or, if you are a CREST personal member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- the number of Existing ZDP Shares to be transferred to an escrow account;
- the ISIN for the Existing ZDP Shares, which is GB00BYP98L62;
- your member account ID;
- your participant ID;
- the relevant Participant ID of the Receiving Agent, which is RA10;
- the member account of the Receiving Agent, which is 20919PGI;
- the corporate action number for the Proposals, which is allocated by the Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow, which should be as soon as possible and in any event no later than 1.00 p.m. on 20 November 2020;
- contact name and telephone number inserted at the beginning of the shared note field; and
- input with standard delivery instruction priority of 80.

ZDP Shareholders only need to submit an election through CREST in respect of the number of Existing ZDP Shares held on which they wish to elect for the Rollover Option. Those who hold Existing ZDP Shares in CREST and who wish to elect for the Cash Option in respect of their entire holding of Existing ZDP Shares need take no action, as this is the default option which ZDP Shareholders will be deemed to have elected for unless an alternative Election is made.

## **2. Participants in savings schemes or ISAs**

Recipients of this document who are the beneficial owners of Existing ZDP Shares in PGIT Securities 2020 held through savings schemes or ISAs may participate in the Scheme. The Elections available to holders of Existing ZDP Shares through savings schemes or ISAs are the same as those available to ZDP Shareholders. Such persons should follow the instructions provided by the relevant plan manager or consult the plan manager or their professional adviser if no instructions have been provided.

## **3. Overseas Shareholders**

The implications of the Scheme for, and the distribution of this document to, Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this document comes to satisfy themselves as to their full observance of the laws of the relevant jurisdiction in connection with the Scheme and the distribution of this document and/or the accompanying documents, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

Forms of Election will not be sent to any ZDP Shareholders who are Overseas Shareholders. If the Scheme becomes effective, all Overseas Shareholders will, unless they are able to satisfy the Group that they are permitted to hold New ZDP Shares without breaching the laws of any relevant jurisdictions, be treated as having validly elected for cash in respect of their entire holding of Existing ZDP Shares. Overseas Shareholders should contact Link Group on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice or provide advice on the merits of the Proposals and calls may be recorded and monitored for security and training purposes.

**Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.**

**This document does not constitute an invitation or offer to sell or the solicitation of an invitation or offer to buy any security. None of the securities referred to in this document shall be sold, issued, subscribed for, purchased, exchanged or transferred in any jurisdiction in contravention of applicable law.**

## PART 3

### THE NEW ZDP SHARES

The New ZDP Shares shall have the following rights. In this Part 3, references to “ordinary shares” are to ordinary shares of £1 each in the capital of PMGR Securities 2025.

#### 1. Dividend rights

The New ZDP Shares shall carry no rights to receive dividends.

#### 2. Voting rights

The holders of New ZDP Shares shall have the right to receive notice of general meetings of PMGR Securities 2025 but shall not have the right to attend or vote thereat, except upon:

- (a) any resolution to alter, modify or abrogate the special rights or privileges attached to the New ZDP Shares;
- (b) any resolution to consolidate and divide or sub-divide the share capital of PMGR Securities 2025; or
- (c) any resolution to wind up PMGR Securities 2025,

but subject to the provisions summarised at paragraph 4.5 below and provided that at any meeting where such business is to be considered such holders shall be entitled to vote in relation to such business alone.

#### 3. Rights on a winding up attaching to the New ZDP Shares

On a return of assets, on a liquidation or otherwise, the surplus assets of PMGR Securities 2025 after payment of all its debts and satisfaction of all its liabilities shall be applied as follows:

- (a) first, there shall be paid to holders of the New ZDP Shares an amount equal 100p per New ZDP Share as increased with effect from and including 1 December 2020 on a daily basis at such compounded rate as results in a final entitlement on 28 November 2025 of 127.6111p per New ZDP Share; and
- (b) secondly, there shall be paid to the holders of the ordinary share(s) (all of the ordinary shares being held by the Parent) the surplus assets of PMGR Securities 2025 available for distribution pro rata to the number of ordinary share(s) then held by them.

#### 4. Class rights attaching to the New ZDP Shares

4.1 Except as otherwise permitted by the articles of association of PMGR Securities 2025 (the “**PMGR Securities Articles**”), PMGR Securities 2025 shall not, and (if applicable) shall, so far as it is able, procure that the Parent shall not, without the previous sanction of a special resolution of the holders of New ZDP Shares passed at a separate meeting of such holders convened and held in accordance with the provisions of the PMGR Securities Articles:

- (a) issue any further shares or rights to subscribe or convert any securities into shares or reclassify issued share capital into shares of a particular class where such shares rank, or would on issue, conversion or reclassification rank, as to capital in priority to, or *pari passu* with, the New ZDP Shares, other than as otherwise permitted by the PMGR Securities Articles;
- (b) incur any external borrowings which would rank ahead of the capital entitlement of the New ZDP Shares on a winding-up of PMGR Securities 2025 (excluding monies determined by the Directors in their absolute discretion to be borrowed for temporary purposes only and in the ordinary course of business including, without limitation, for the purpose of settling transactions and any monies borrowed for the purpose of paying the 2025 Final Capital Entitlement or then accrued entitlement of the New ZDP Shares);
- (c) pass a resolution to reduce the capital of PMGR Securities 2025 or any member of the Group in any manner or to repurchase shares in PMGR Securities 2025 or any member of the Group, other than as otherwise permitted by the PMGR Securities Articles;

- (d) pass a resolution releasing the directors from their obligation to wind up PMGR Securities 2025 on 28 November 2025 or otherwise varying its effect;
- (e) pass a resolution for the voluntary winding up of PMGR Securities 2025 or any member of the Group where such winding up would take effect prior to 28 November 2025;
- (f) pass any resolution which authorises or permits the payment of a dividend or other distribution out of the capital reserves of the Group;
- (g) change the investment policy of the Parent or any member of the Group materially;
- (h) make any material increase to the allocation to the Parent's capital account of the Parent's expenses;
- (i) pass a resolution at any general meeting of any member of the Group where that general meeting has been called otherwise than by order of the board of directors of PMGR Securities 2025 or any member of the Group; or
- (j) make any variation of the terms of the New Undertaking Agreement which, at the time of being made, could reasonably be considered to be materially prejudicial to the interests of the holders of the New ZDP Shares;

4.2 Notwithstanding paragraph 4.1(c) above, no such sanction will be required for the passing of a resolution authorising PMGR Securities 2025 or, where applicable, the Parent to repurchase:

- (a) Ordinary Shares in the capital of the Parent where such shares may only be purchased at prices below their prevailing net asset value per Ordinary Share (as determined by the Directors in accordance with the articles of association of the Parent as at a date falling no more than 10 days before the date of the relevant repurchase and taking into account the costs of the repurchase) and where:
  - (i) the Cover of the New ZDP Shares would not be reduced below 1.75 times; or
  - (ii) the Cover of the New ZDP Shares would not be less than the Cover of the New ZDP Shares in issue immediately prior to the repurchase,

in each case as determined by the Directors as at a date falling not more than 10 days before the date of repurchase and taking account of any purchases of New ZDP Shares proposed to be made at or about the same time; or

- (b) Ordinary Shares in the capital of the Parent and New ZDP Shares in such proportions and at such prices so as to effect an increase in the net asset value per Ordinary Share (as determined by the Directors in accordance with the Parent Articles as at a date falling no more than 10 days before the date of the relevant repurchases and taking into account the costs of the repurchases) and where
  - (i) the Cover of the New ZDP Shares would not be reduced below 1.75 times; or
  - (ii) the Cover of the New ZDP Shares would not be less than the Cover of the New ZDP Shares in issue immediately prior to the repurchases,

in each case as determined by the Directors as at a date falling not more than 10 days before the date of repurchases; or

- (c) New ZDP Shares where such shares may only be purchased at prices below their prevailing accrued capital entitlement (as determined by the directors in accordance with the Articles as at a date falling not more than 10 days before the date of the relevant repurchase and taking into account the costs of the repurchase),

or for any repurchase of such shares in accordance with any such resolution.

- 4.3 Notwithstanding paragraph 4.1(a) above, PMGR Securities 2025 may, subject as provided in the Articles, issue further New ZDP Shares ranking pari passu with the New ZDP Shares, provided that the Directors shall have calculated that, were the further New ZDP Shares to be issued at the NAV Calculation Date:
- (i) those New ZDP Shares in issue immediately thereafter would have a Cover of not less than 1.75 times; or
  - (ii) those New ZDP Shares in issue immediately thereafter would have a Cover of not less than the Cover of the New ZDP Shares in issue immediately prior to the NAV Calculation Date.

The "NAV Calculation Date" for this purpose shall mean the close of business on the latest practicable date prior to the date of the proposed issue or, at the discretion of the Directors, the close of business on the latest practicable date prior to the date of the announcement of such proposed issue or, if applicable and earlier, the date of any announcement of the intention to make such proposed issue. In calculating such Cover, the Directors shall where available:

- (A) use the Gross Assets of the Group published by the Parent at the most recent practicable date before the NAV Calculation Date;
- (B) adjust the Gross Assets of the Group used for the purposes of A by adding the minimum net consideration (if any) which would be received upon such issue;
- (C) take account of the entitlements to be attached to the New ZDP Shares to be issued;
- (D) aggregate the final capital entitlements of the existing New ZDP Shares and the capital entitlements of the New ZDP Shares to be issued as aforesaid in each case as at 28 November 2025; and
- (E) make such other adjustments as they consider appropriate.

The Directors shall have absolute discretion to determine whether the conditions set out above are satisfied in any case and no independent valuation need be carried out.

- 4.4 Each holder of New ZDP Shares shall have the right to receive, for information purposes only, notice of general meetings of the Parent but (without prejudice to the rights of holders of New ZDP shares summarised above) shall not have the right to attend or vote at any such meeting.

- 4.5 Notwithstanding the provisions of the PMGR Securities Articles summarised at paragraph 4.1 above:

- (a) if any offer is made to all holders of the New ZDP Shares (other than the offeror and/or persons acting in concert with the offeror) which becomes or is declared unconditional in all respects prior to 28 November 2025, and which entitles holders of New ZDP Shares to receive no later than the date falling 14 days after 28 November 2025, an amount in cash not less than that to which they would be entitled on the winding up of PMGR Securities 2025 on 28 November 2025 in accordance with the PMGR Securities Articles, then whether or not such offer is accepted in any particular case, holders of the New ZDP Shares shall not thereafter be entitled to vote at any general meetings of PMGR Securities 2025 and the previous sanction of a special resolution of the holders of the New ZDP Shares shall not be required in any case in which it would be otherwise required by the PMGR Securities Articles provided that where, notwithstanding the foregoing, such sanction is required in any case by the Act, all holders of such New ZDP Shares present in person or by proxy and entitled to vote at such meeting shall (in respect of the votes attached to all such shares) vote in favour of any resolution or resolutions recommended by the board and where any vote is not cast or is cast against any such resolution or resolutions recommended by the board it shall be deemed to have been cast in favour by virtue of this provision, save that the provisions relating to general meetings and class resolutions shall cease as regards the holders of the New ZDP Shares if either the board considers that the aforementioned offer is unlikely to be honoured or the offeror breaches a material term of the offer or otherwise manifests an intention not to implement the offer; and
- (b) if at any time before the passing of the winding up resolution on 28 November 2025 a resolution is proposed at a general meeting (including the meeting convened to consider the winding up of PMGR Securities 2025) asking shareholders to sanction any form of arrangement or other proposal which provides for the holders of the New ZDP Shares to receive, no later than the date

falling 14 days after 28 November 2025, an amount in cash not less than that to which they would be entitled on a winding up on 28 November 2025 in accordance with the PMGR Securities Articles then they shall not be entitled to vote on such resolution to sanction such arrangement or on the resolution for winding up and the previous sanction of a special resolution of the holders of the New ZDP Shares shall not be required in any case in which it would be otherwise required by the PMGR Securities Articles.

## PART 4

### THE SCHEME

#### 1. Definitions and interpretation

Words and expressions defined in Part 6 of this document have the same meanings when used in the context of the Scheme.

#### 2. Entitlements and elections for ZDP Shareholders under the Scheme

2.1 Save in relation to Overseas Shareholders (the rights of which are set out in paragraph 9 below), pursuant to the Scheme, ZDP Shareholders may elect to receive New ZDP Shares and/or cash in respect of some or all of their holding.

2.2 Subject to Resolution 1 being passed at the First General Meeting (or any adjournment thereof) and with effect from amendment to the Official List in respect of the Reclassified Shares:

2.2.1 Existing ZDP Shares in respect of which Elections are made for New ZDP Shares and are not scaled back under paragraph 14 below shall be reclassified as Shares with “A” rights; and

2.2.2 Existing ZDP Shares in respect of which Elections are made, or are deemed to have been made, for cash shall be reclassified as Shares with “B” rights,

(together the “**Reclassified Shares**”). No dividends are payable on the Reclassified Shares. The Reclassified Shares will rank *pari passu* with each other.

2.3 The Reclassified Shares shall have the special rights set out in Article 19.A of the Articles pursuant to Resolution 1 set out in the notice convening the First General Meeting, such new Article being set out in the Appendix to this document. For all other purposes, the Reclassified Shares shall continue to have the same rights as the Existing ZDP Shares and references to “**ZDP Shareholders**” shall be construed accordingly.

2.4 ZDP Shareholders who elect or are deemed to elect for the Cash Option will receive their Final Capital Entitlement out of the ZDP Cash Pool (satisfied by way of the payment by the Parent of an amount under the PGIT Securities 2020 Undertaking) and this will be paid on or after 1 December 2020.

2.5 Under the Scheme:

2.5.1 a ZDP Shareholder who, in respect of all or part of his or her holding of Existing ZDP Shares, fails to submit a valid Form of Election or a valid TTE Instruction by the due date or submits a Form of Election which has not been duly completed or an invalid TTE Instruction, will be deemed to have elected for the Cash Option in respect of such holding;

2.5.2 subject to paragraph 9 below, ZDP Shareholders who are Overseas Shareholders will be deemed to have elected for the Cash Option in respect of their entire holding;

2.5.3 if an election is made in respect of a number of Existing ZDP Shares which (when added to the holding indicated on any other Forms of Election submitted by such ZDP Shareholder) exceeds the ZDP Shareholder’s actual holding on the Record Date, then any election made or deemed to be made by any such ZDP Shareholder shall be deemed to be in respect of the whole of his or her actual holding; and

2.5.4 if elections are made by ZDP Shareholders in respect of fewer Existing ZDP Shares than those held by such ZDP Shareholders, such ZDP Shareholders shall be deemed to have elected to receive cash in respect of all Existing ZDP Shares in respect of which they have not elected for New ZDP Shares.

2.6 By signing and delivering a Form of Election or submitting a TTE Instruction and in consideration of PGIT Securities 2020 agreeing to process the Form of Election or TTE Instruction, each ZDP Shareholder agrees that an election made on a Form of Election or in a TTE Instruction will be irrevocable (unless the prior consent of the Directors is obtained) and, by signature and delivery or by



such despatch or making thereof, such ZDP Shareholder represents and warrants that the election is valid and binding and is made in accordance with all applicable legal requirements.

- 2.7 All questions as to the extent (if any) to which any election will be met and as to the validity of any Form of Election or TTE Instruction shall be at the discretion of the Directors, notwithstanding the provisions of this paragraph 2, and the Directors' determination shall be final.

### **3. Apportionment of the total assets of PGIT Securities 2020**

- 3.1 On or prior to the Effective Date, the Company, in consultation with the Liquidators, shall divide the undertaking (including the assets) of PGIT Securities 2020 to the Liquidation Fund, the ZDP Cash Pool and the ZDP Rollover Pool as follows:

3.1.1 first to the Liquidation Fund there shall be appropriated any cash and other assets of PGIT Securities 2020, which the Liquidators may call in, realise and convert into cash as they consider necessary to be sufficient to meet the outstanding current and future actual or contingent liabilities and unknown and unascertained liabilities of PGIT Securities 2020 including, without prejudice to the generality of the foregoing (and save to the extent that the same have already been paid):

- (a) the costs and expenses incurred and to be incurred by PGIT Securities 2020 and the Liquidators in formulating, preparing and implementing the Scheme, including the Transfer Agreement;
- (b) the costs and expenses of winding up PGIT Securities 2020, including the fees and expenses of the Liquidators;
- (c) any tax and contingent liabilities of PGIT Securities 2020;
- (d) the costs of purchasing (or making provision for the purchase of) the interests of ZDP Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act 1986;
- (e) any unclaimed dividends (so far as not previously paid);
- (f) any unpaid dividends; and

in each case, including any VAT in respect thereof;

3.1.2 second, to the Liquidation Fund there shall be appropriated, after the appropriation to the ZDP Rollover Pool and the ZDP Cash Pool referred to in paragraphs 3.1.3 and 3.1.4 below, all the remaining cash and other assets of PGIT Securities 2020;

3.1.3 to the ZDP Rollover Pool there shall be appropriated a proportion by value of cash, undertaking and other assets of PGIT Securities 2020 (including the Rollover Option Undertaking, the value of which will be calculated on the Effective Date) equal to the aggregate value of the Final Capital Entitlements of holders of Reclassified Shares with "A"; and

3.1.4 to the ZDP Cash Pool there shall be appropriated a proportion by value of cash, undertaking and other assets (including the PGIT Securities 2020 Undertaking) of PGIT Securities 2020 equal to the aggregate value of the Final Capital Entitlements of holders of Reclassified Shares with "B" rights.

### **4. Calculations of value**

- 4.1 Except as otherwise provided in the Scheme, for the purposes of the calculations of value (including for the purposes of appropriating assets to the Liquidation Fund, the ZDP Cash Pool and the ZDP Rollover Pool) required to be made under the Scheme:

4.1.1 the Rollover Option Undertaking and the PGIT Securities 2020 Undertaking shall each be valued on the Effective Date;

4.1.2 cash and deposits with, or balances at, banks, together with all bills receivable shall be valued at the amount thereof together with any interest accrued less any tax payable thereon to that date;

- 4.1.3 any sums owing from debtors shall be valued at their actual amount less such provision for diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as determined by the Directors in accordance with PGIT Securities 2020's accounting policies;
  - 4.1.4 all other tangible assets shall be valued by the Directors who, in so doing, shall, if appropriate, value such assets in accordance with PGIT Securities 2020's normal accounting policies;
  - 4.1.5 all income earned or accrued shall be treated as an asset and all expenses (including interest costs) incurred or accrued up to the Effective Date shall be treated as a liability; and
  - 4.1.6 any assets denominated in currencies other than sterling shall be converted into sterling at the ruling middle market rates of exchange available in the London foreign exchange market.
- 4.2 Notwithstanding the foregoing, the Directors or a duly authorised committee thereof, may, in their absolute discretion, permit an alternative method of valuation to be used if they, acting in good faith, consider that such valuation better reflects the fair value of any asset or security.
- 4.3 None of the Directors, the AIFM, the Investment Manager, PMGR Securities 2025 nor the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation.

## **5. Provision of information by Liquidators**

On the Effective Date, the Liquidators shall deliver to PMGR Securities 2025 and the Investment Manager particulars of the assets comprised in the ZDP Rollover Pool and a list certified by the Registrars of the names and addresses of, and the numbers of Existing ZDP Shares with "A" rights held by, ZDP Shareholders on the Register on the Record Date.

## **6. Transfer of assets**

- 6.1 On the Effective Date, the Liquidators shall, and shall procure that PGIT Securities 2020 shall, enter into and implement the Transfer Agreement (subject to such non-material modifications as may be agreed between the parties thereto) whereby the Liquidators shall procure the transfer of the ZDP Rollover Pool to PMGR Securities 2025 in exchange for the issue of New ZDP Shares to holders of Existing ZDP Shares with "A" rights on the basis set out in paragraph 7.2 below.
- 6.2 The Transfer Agreement provides that the assets to be transferred to PMGR Securities 2025 shall be transferred with such rights and title as PGIT Securities 2020 may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, including the right to all income, dividends (including the rights to receive any unclaimed dividends), distributions, interest and other rights and benefits attaching thereto or accruing therefrom except for any such income, dividend, distribution, interest or other right or benefit on any investments marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Effective Date. The Transfer Agreement further provides that PGIT Securities 2020, acting by the Liquidators, shall, insofar as they are reasonably able to do so by law or otherwise, comply with all reasonable requests made by PMGR Securities 2025 in respect of vesting in PMGR Securities 2025 the title to and enjoyment of the ZDP Rollover Pool to be transferred to it and shall, in particular, account to PMGR Securities 2025 for all income, dividends, distributions, interest and other rights and benefits in respect of such assets received after the Effective Date, except for any such income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Effective Date.

## **7. Distribution of cash and issue of New ZDP Shares to ZDP Shareholders**

- 7.1 Following the Effective Date, out of the ZDP Cash Pool which forms part of the Liquidation Fund the Liquidators shall distribute to ZDP Shareholders who have elected, or are deemed to have elected, for the Cash Option pursuant to this document and the Form(s) of Election, the Final Capital Entitlements

of holders of Shares with “B” rights. The Registrars shall provide to the Liquidators a certified list of shareholders with “B” rights as at the Record Date.

- 7.2 Upon the transfer of the ZDP Rollover Pool in accordance with paragraph 6 above, the issue of New ZDP Shares shall be made to ZDP Shareholders who have elected, or are deemed to have elected, to receive such New ZDP Shares pursuant to this document and the Form(s) of Election on the basis that the number of New ZDP Shares to be issued to each holder of Shares with “A” rights shall be determined by the following formula and otherwise on the terms and in the manner prescribed in the Transfer Agreement:

$$\frac{A \times B}{100p}$$

where:

“A” is the Final Capital Entitlement of a ZDP Shareholder; and

“B” is the number of Shares with “A” rights held by such Shareholder on the Record Date.

- 7.3 No fractions of a New ZDP Share will be issued under the Scheme. Entitlements to New ZDP Shares under the Scheme will be rounded down to the nearest whole number.
- 7.4 The New ZDP Shares to be issued pursuant to paragraph 7.2 above shall be issued to the Shareholders with Shares with “A” rights as soon as practicable after the transfer to PMGR Securities 2025 pursuant to paragraph 6 above and the delivery to PMGR Securities 2025 and the Investment Manager of the particulars referred to in paragraph 5 above.
- 7.5 The New ZDP Shares to be issued pursuant to paragraph 7.2 shall be issued to the Liquidators (as nominee for the Shareholders entitled to them) immediately following the transfer of the Rollover Fund. The Liquidators shall renounce the relevant New ZDP Shares to the ZDP Shareholders entitled to them and the Registrars shall arrange for the despatch of certificates in respect of the New ZDP Shares on the day following the Effective Date or as soon as practicable thereafter to the persons entitled thereto at their respective addresses appearing in the register of members of PGIT Securities 2020 (and, in the case of joint holders, to the address of the first named) or to such other person and address as may be nominated by such persons in accordance with the provisions of the Form of Election, or, in the case of ZDP Shareholders previously holding their Existing ZDP Shares in uncertificated form, the Registrars shall procure that CREST is instructed to credit the appropriate stock accounts in CREST of such ZDP Shareholders with their respective entitlements to New ZDP Shares, in each case at the risk of the persons entitled thereto. The New ZDP Shares to be issued pursuant to the Scheme shall be credited as fully paid.
- 7.6 PMGR Securities 2025 shall be entitled to assume that all information delivered to it in accordance with paragraph 5 above is correct and to utilise the same in procuring registration in the relevant registers of the holders of New ZDP Shares under the Scheme.

## **8. Application of Liquidation Fund**

- 8.1 On or following the Effective Date, the Liquidators shall, so far as necessary, take all practicable steps to realise any non-cash assets remaining in the Liquidation Fund. The Liquidation Fund shall be applied by the Liquidators in discharging the liabilities of PGIT Securities 2020 (including those referred to in paragraph 3.1.1 above).
- 8.2 Any surplus in the Liquidation Fund shall be paid as soon as practicable in cash to the holder(s) of the ordinary shares in the capital of PGIT Securities 2020 on the Register on the Effective Date pro rata to their respective holdings as one or more liquidation distributions. The Liquidators shall be entitled to make interim distributions to such holder(s) of the ordinary shares in the capital of PGIT Securities 2020 pro rata to their respective holdings as at the close of business on the Effective Date.
- 8.3 The Liquidators shall have the sole discretion to close the liquidation notwithstanding there remain any unrealised assets of PGIT Securities 2020, which shall be distributed to the holder(s) of the ordinary shares in the capital of PGIT Securities 2020 in accordance with paragraph 8.2 above.

## **9. Overseas Shareholders**

Save to the extent that the Directors are satisfied that a Shareholder may hold New ZDP Shares without breaching any relevant securities laws:

- 9.1 ZDP Shareholders with addresses on the Register which are outside the UK; and
- 9.2 ZDP Shareholders whom PGIT Securities 2020, PMGR Securities 2025 or any of their respective agents believes to be resident in or citizens of, or holding Existing ZDP Shares on behalf of a person who is resident in or a citizen of, any jurisdiction outside the UK,

shall receive cash in respect of their entire holding of Existing ZDP Shares and shall be deemed to have elected for the Cash Option.

## **10. Modifications**

The provisions of the Scheme shall have effect subject to such non-material modifications or additions as the parties to the Transfer Agreement may from time to time approve in writing.

## **11. Reliance on information**

PGIT Securities 2020, the Directors, the Liquidators, the AIFM, the Investment Manager, PMGR Securities 2025 and the Auditors shall be entitled to act and rely without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the Scheme and the Transfer Agreement, including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by PGIT Securities 2020, the Directors (or any of them), the Investment Manager, PMGR Securities 2025, the Receiving Agent, the Auditors, bankers or other professional advisers and, except as expressly provided in this document and the Prospectus, no such persons shall be liable or responsible for any loss suffered as a result thereof by PGIT Securities 2020, any Shareholder or PMGR Securities 2025.

## **12. Liquidators' liability**

Nothing in the Scheme or in any document executed under or in connection with the Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, fraud, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme or the Transfer Agreement.

## **13. Conditions**

13.1 The Scheme is conditional upon:

- 13.1.1 the passing of the Resolutions to be proposed at the First General Meeting (or any adjournment thereof) and upon any conditions of such Resolutions being satisfied and the passing of the Resolutions to be proposed at the Second General Meeting (or any adjournment thereof);
- 13.1.2 the FCA agreeing to admit to the Official List the Reclassified Shares and the London Stock Exchange agreeing to admit the Reclassified Shares to trading on its main market, and, subject only to allotment thereof, the New ZDP Shares to be issued pursuant to the Issue also being agreed to be so admitted; and
- 13.1.3 the Minimum Issue Size being achieved.

13.2 Unless the conditions set out in paragraph 13.1 above have been satisfied or, to the extent permitted, waived at or before the time of the passing of the Resolutions to be proposed at the Second General Meeting, the Scheme shall not become effective.

13.3 Subject to paragraph 13.1 above, the Scheme shall become effective on the date on which the Resolutions to be proposed at the Second General Meeting are passed.

13.4 If it shall become effective, the Scheme shall be binding on all Shareholders and on all persons claiming through or under them, subject to the rights of any persons who have validly exercised their rights under section 111(2) of the Insolvency Act 1986.

#### **14. Scaling back**

14.1 Notwithstanding anything in this Scheme to the contrary, if the number of New ZDP Shares which would be issuable pursuant to the Scheme as a result of giving full effect to Elections for the Rollover Option (assuming no scaling back under this paragraph) would exceed the Maximum Issue Size, then the number of New ZDP Shares issuable pursuant to the Scheme on the above basis shall be scaled back in the manner set out in this paragraph 14.

14.2 New ZDP Shares issuable pursuant to Elections for the Rollover Option shall be scaled back to the Cash Option in a manner which, as near as practicable, is *pari passu* and *pro rata* amongst all the ZDP Shareholders entitled, pursuant to such Elections, to the New ZDP Shares.

14.3 Any scaling back under this paragraph 14 shall be carried out by the Board after consultation with PMGR Securities 2025.

#### **15. General**

The Scheme shall, in all respects, be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales shall have exclusive jurisdiction in relation to all matters (including non-contractual matters) arising out of or in connection with the Scheme.

## PART 5

### GENERAL INFORMATION

#### 1. Transfer Agreement

If the Scheme becomes effective, the Liquidators (in their personal capacity and on behalf of PGIT Securities 2020) and PMGR Securities 2025 will enter into the Transfer Agreement on or about the Effective Date pursuant to which the ZDP Rollover Pool will be transferred to PMGR Securities 2025 in exchange for the issue of New ZDP Shares to the ZDP Shareholders entitled to receive such New ZDP Shares pursuant to the Rollover Option.

Each of the parties to the Transfer Agreement has undertaken to enter into the agreement subject to the Scheme becoming unconditional.

#### 2. Taxation

**The following comments are intended only as a general guide to certain aspects of current UK law and HMRC published practice and do not constitute tax advice. They apply only to Shareholders who are resident in the UK and who hold their Existing ZDP Shares and/or New ZDP Shares beneficially as an investment (and otherwise than in an ISA). They do not address the position of certain classes of Shareholder such as dealers in securities, insurance companies, collective investment schemes or Shareholders who have (or are deemed to have) acquired their Shares in connection with any office or employment.**

**Shareholders who are subject to tax in a jurisdiction other than the UK or who are in any doubt as to their tax position or the tax consequences of the Proposals should consult their own professional advisers.**

#### **ZDP Shareholders**

##### *Reclassification of Existing ZDP Shares*

PGIT Securities 2020 has been advised that, for the purposes of UK taxation of chargeable gains, the reclassification of the Existing ZDP Shares into two classes (one class of shares with “A” rights to New ZDP Shares (“**A Shares**”) and one class of shares with “B” rights to cash (“**B Shares**”) should be treated as a reorganisation of share capital and accordingly should not be treated as giving rise to a disposal by ZDP Shareholders of their Existing ZDP Shares. Instead, the Reclassified Shares should, for the purposes of UK taxation of chargeable gains, be treated as the same asset as and acquired at the same time and for the same consideration as the Existing ZDP Shares.

To the extent that Shareholders receive a combination of A Shares and B Shares, it will be necessary to apportion the original base cost in the Existing ZDP Shares between those two classes of Reclassified Shares. This apportionment will generally fall to be made by reference to the respective market values of the two classes of Reclassified Shares. Where a Shareholder participates only in the Rollover Option or only in the Cash Option (such that the Shareholder receives only one class of Reclassified Shares), the whole of the base cost in that Shareholder’s Existing ZDP Shares should generally be attributed to that class of Reclassified Share.

##### *The Rollover Option*

PGIT Securities 2020 has been advised that, for the purposes of UK taxation of chargeable gains, the exchange of A Shares for New ZDP Shares should also generally be treated as a reorganisation of the share capital and accordingly, to the extent that Shareholders are issued with New ZDP Shares in exchange for their Existing ZDP Shares pursuant to the Scheme, they should not generally be treated as making a disposal for the purposes of UK taxation of chargeable gains. Instead, the New ZDP Shares should be treated as the same asset as and acquired at the same time as the Shareholder’s A Shares and as having the same base cost as those A Shares (based on the apportionment described above).



Any subsequent disposal of the New ZDP Shares may result in the holder of those New ZDP Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder's particular circumstances.

Clearance has been received from HMRC under section 138 of the Taxation of Chargeable Gains Act 1992 to the effect that HMRC is satisfied that the exchange of Existing ZDP Shares for New ZDP Shares pursuant to the Scheme is for *bona fide* commercial purposes and does not form part of any scheme of arrangements whose main purpose, or one of whose main purposes, is the avoidance of capital gains tax or corporation tax. Accordingly, the anti-avoidance provisions contained in section 137 of Taxation of Chargeable Gains Act 1992 should not prevent the treatment described above from applying.

#### *The Cash Option*

ZDP Shareholders who elect or who are deemed to have elected to receive cash under the Scheme will, for the purposes of UK taxation of chargeable gains, generally be treated as disposing of the B Shares which they will have received pursuant to the Cash Option mechanism and accordingly may realise a chargeable gain or allowable loss depending on their particular circumstances. For the purposes of calculating any such chargeable gain or loss, the Shareholder's base cost in the B Shares will generally be the proportion of the original base cost in the Shareholder's Existing ZDP Shares which, on the basis described above, was apportioned to the B Shares.

PGIT Securities 2020 will not be required to withhold UK tax at source when paying cash amounts to the holders of Existing ZDP Shares pursuant to the Cash Option.

#### *If the Scheme is not implemented*

If the Scheme is not implemented, PGIT Securities 2020 will in any event be wound up at the Second General Meeting and ZDP Shareholders should generally be treated as disposing of their Existing ZDP Shares for the purposes of UK taxation of chargeable gains and this may lead to a chargeable gain or allowable loss, depending on the ZDP Shareholder's particular circumstances.

#### *"Disguised Interest" rules*

The statements above relating to the taxation of Shareholders assume that the so-called "disguised interest" rules contained in Chapter 2A of Part 4 of the Income Tax (Trading and Other Income) Act 2005 and Chapter 2A (Disguised interest) and 6A (Shares Accounted for as Liabilities) of Part 6 to the Corporation Tax Act 2009 do not apply. Were these provisions to apply, amounts received by Shareholders in relation to a disposal of their Existing ZDP Shares, Reclassified Shares or New ZDP Shares could be subject to tax as income, rather than as capital.

The disguised interest provisions can apply where there are arrangements relating to shares which would produce a return which is "economically equivalent to interest", one of the requirements for which is that there must be no "practical likelihood" that the return will cease to be produced. In principle, the disguised interest rules are capable of applying to zero dividend preference shares. However, HMRC's published guidance confirms that an investment portfolio genuinely exposed to investment risk is unlikely to be caught by these rules and PGIT Securities 2020 has been advised that, based on what is understood to be HMRC's practice in this context, these provisions should not apply provided that the underlying investment portfolio is genuinely exposed to investment risk. The current investment policy of the Parent is to invest in equity and equity-related securities of companies operating primarily in the renewable energy sector, as well as other sustainable infrastructure investments (see paragraphs 2 and 3 of Part 2 of the Prospectus).

### **Stamp Duty and Stamp Duty Reserve Tax**

#### *The ZDP Shareholders*

It is not expected that any UK stamp duty or UK stamp duty reserve tax ("**SDRT**") will be payable by the ZDP Shareholders on the liquidation.

#### *PGIT Securities 2020*

It is not expected that any UK stamp duty or SDRT will be payable by PGIT Securities 2020 on the liquidation.



*PMGR Securities 2025*

It is not expected that any UK stamp duty or SDRT will be payable in respect of the transfer of assets of PGIT Securities 2020 to PMGR Securities 2025 under the Transfer Agreement. Any such charge that does arise will be met by PMGR Securities 2025.

**3. Miscellaneous**

- 3.1 The Liquidators have given and not withdrawn their written consent to the issue of this document with the inclusion of their names and references to them in the form and context in which they appear.
- 3.2 Each of N+1 Singer, the AIFM and the Investment Manager has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.

Dated 3 November 2020

## PART 6

### DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

<b>2025 Final Capital Entitlement</b>	the final entitlement of a New ZDP Share on a winding-up of PMGR Securities 2025 on 28 November 2025 pursuant to its articles of association, which is 127.6111p in cash per New ZDP Share
<b>2025 ZDP Repayment Date</b>	28 November 2025
<b>Admission</b>	admission of the New ZDP Shares to a standard listing on the Official List and to trading on the premium segment of the London Stock Exchange's main market and " <b>Admission becoming effective</b> " means it becoming effective in accordance with paragraph 3.2.7 of the Listing Rules and the Admission and Disclosure Standards published by the London Stock Exchange
<b>AIFM</b>	the alternative investment fund manager of the Parent, being Premier Portfolio Managers Limited
<b>Articles</b>	the articles of association of PGIT Securities 2020, as amended from time to time
<b>Auditors</b>	KPMG LLP
<b>Cash Option</b>	the option for ZDP Shareholders to receive their Final Capital Entitlement in cash under the terms of the Scheme, as described in this document
<b>Cover</b>	the ratio of the Group's Gross Assets (excluding current period income and revenue reserves) to the aggregate of (i) the total amount which the holders of New ZDP Shares would be entitled to receive on 28 November 2025, (ii) the principal amount of all outstanding borrowings of the Group on 28 November 2025 and (iii) the costs expected to be charged against the Group's capital reserves over the period to 28 November 2025, in each case, calculated on the assumption of no capital or revenue growth in the Group's portfolio, incorporating adjustments made by the Board in calculating cover in accordance with the articles of association of PMGR Securities 2025
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities, operated by Euroclear
<b>Directors or Board</b>	the board of directors of PGIT Securities 2020, PMGR Securities 2025 and/or the Parent, as the context requires, and being at the date of this document the same persons
<b>Effective Date</b>	the date on which the Scheme becomes effective and PGIT Securities 2020 is placed in winding-up, which is expected to be 30 November 2020
<b>Election</b>	an election (including, except where the context requires otherwise, a deemed election) for New ZDP Shares or cash, or a combination of them, as the case may be, in respect of Existing ZDP Shares, pursuant to the Scheme, and any reference to "elect" shall, except where the context requires otherwise, mean "elect, or is deemed to elect"

<b>Euroclear</b>	Euroclear UK & Ireland Limited in its capacity as the operator of CREST
<b>Existing Undertaking Agreement</b>	the undertaking agreement between PGIT Securities 2020 and the Parent dated 20 November 2015
<b>Existing ZDP Shares</b>	zero dividend preference shares of 1p each in the capital of PGIT Securities 2020
<b>FCA</b>	the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of the Financial Services and Markets Act 2000 (as amended)
<b>Final Capital Entitlement</b>	the final entitlement of an Existing ZDP Share on a winding-up of PGIT Securities 2020 on 30 November 2020 pursuant to the Articles, which is 125.6519p in cash per Existing ZDP Share
<b>First General Meeting</b>	the first General Meeting of PGIT Securities 2020 referred to in this document
<b>Form of Election</b>	the form of election for use by ZDP Shareholders who hold their Existing ZDP Shares in certificated form in connection with the Proposals
<b>General Meetings</b>	the First General Meeting and/or the Second General Meeting, as the context requires
<b>Gross Assets</b>	the aggregate value of all the assets of the Group including net distributable but undistributed income, less current liabilities (excluding from current liabilities (i) any proportion of monies borrowed for investment whether or not treated under accounting rules as current liabilities and (ii) for the avoidance of doubt, the amount outstanding in respect of the New ZDP Shares (or the Existing ZDP shares, as the context requires))
<b>Group</b>	the Parent and its subsidiaries from time to time and being, as at the date of this document, PGIT Securities 2020 and PMGR Securities 2025
<b>HMRC</b>	HM Revenue & Customs
<b>Investment Manager</b>	Premier Fund Managers Limited
<b>ISA</b>	an individual savings account maintained in accordance with the ISA Regulations
<b>ISA Regulations</b>	the Individual Savings Account Regulations 1998 as amended or replaced from time to time
<b>Issue</b>	the issue of New ZDP Shares in connection with the Scheme and the Placing
<b>Latest Practicable Date</b>	30 October 2020, being the latest practicable date prior to the date of this document for ascertaining certain information contained herein
<b>Liquidation Fund</b>	the pool of assets to be established under the Scheme and to be held and managed by the Liquidators in accordance with the Scheme for the purpose of discharging all the outstanding actual and contingent liabilities of PGIT Securities 2020

<b>Liquidators</b>	the liquidators of PGIT Securities 2020, to be appointed by resolutions at the Second General Meeting, acting jointly and severally, and their successors
<b>Link Group</b>	a trading name of Link Market Services Limited
<b>London Stock Exchange</b>	London Stock Exchange Plc
<b>Maximum Issue Size</b>	such number of New ZDP Shares as at Admission as shall result in the Cover being at least the Minimum Initial Cover, determined by reference to the Gross Assets as at 20 November 2020
<b>Minimum Initial Cover</b>	Cover of 1.5 times
<b>Minimum Issue Size</b>	gross consideration received by PMGR Securities 2025 pursuant to the Issue of not less than £1 million
<b>N+1 Singer</b>	Nplus1 Singer Advisory LLP, trading as N+1 Singer Advisory LLP, a limited liability partnership registered in England and Wales and authorised and regulated in the United Kingdom by the Financial Conduct Authority
<b>Net Asset Value</b>	the net asset value of the Group as determined in accordance with the Group's normal accounting policies
<b>New Undertaking Agreement</b>	the undertaking agreement between PMGR Securities 2025 and the Parent dated 3 November 2020
<b>New ZDP Shares</b>	zero dividend preference shares of 1p each in the capital of PMGR Securities 2025
<b>New ZDP Shareholder</b>	a holder of New ZDP Shares
<b>Official List</b>	the Official List of the FCA
<b>Options</b>	the Rollover Option and the Cash Option
<b>Ordinary Shareholder</b>	a holder of Ordinary Shares
<b>Ordinary Shares</b>	the ordinary shares of 1p in the capital of the Parent
<b>Overseas Shareholders</b>	persons resident in, or citizens or nationals of, jurisdictions outside the United Kingdom
<b>Parent</b>	Premier Global Infrastructure Trust PLC, a public company incorporated in England and Wales with registered number 04897881
<b>PEWT Securities</b>	PEWT Securities PLC, a public company incorporated in England and Wales with registered number 09148176, being a wholly-owned subsidiary of the Parent placed into members' voluntary liquidation and dissolved on 2 November 2016
<b>PGIT Securities 2020</b>	PGIT Securities 2020 PLC, a public company incorporated in England and Wales with registered number 09863364
<b>PGIT Securities 2020 Undertaking</b>	has the meaning set out at paragraph 4.5 of Part 1 of this document
<b>Placing</b>	the conditional placing of New ZDP Shares by N+1 Singer on behalf of PMGR Securities 2025, as described in the Prospectus

<b>PMGR Securities 2025</b>	PMGR Securities 2025 PLC, a public company incorporated in England and Wales with registered number 12964714 and a newly incorporated subsidiary of the Parent
<b>Proposals</b>	the proposals for the reconstruction and voluntary winding-up of PGIT Securities 2020 and the Issue as described in this document, including the Scheme
<b>Prospectus</b>	the prospectus relating to PMGR Securities 2025 and the New ZDP Shares, prepared in accordance with the Prospectus Regulation Rules and published by PMGR Securities 2025 on the date of this document
<b>Prospectus Regulation Rules</b>	the prospectus regulation rules of the FCA made under Part VI of FSMA
<b>Receiving Agent</b>	Link Group
<b>Reclassified Shares</b>	Existing ZDP Shares with “A” rights and “B” rights arising as a result of the Proposals
<b>Record Date</b>	the record time and date for ZDP Shareholders’ entitlements under the Scheme which is 6.00 p.m. on 20 November 2020
<b>Register</b>	the register of members of PGIT Securities 2020
<b>Registrar</b>	Link Group
<b>Resolutions</b>	the resolutions to be proposed for approval by the ordinary shareholder of PGIT Securities 2020 at the General Meetings, or any of them as the context requires, as described at paragraph 4.7 of Part 1 of this document
<b>Rollover Option</b>	the option for ZDP Shareholders to receive New ZDP Shares under the terms of the Scheme, as described in this document (and subject to possible scaling back)
<b>Rollover Option Undertaking</b>	has the meaning set out at paragraph 4.5 of Part 1 of this document
<b>Scheme</b>	the proposed scheme of reconstruction of PGIT Securities 2020 set out in Part 4 of this document
<b>Second General Meeting</b>	the second General Meeting of PGIT Securities 2020 as referred to in this document
<b>Share</b>	an Existing ZDP Share, a New ZDP Share or an Ordinary Share as the context requires, including, where the context requires, a Reclassified Share
<b>Shareholder</b>	a holder of Shares as the context requires
<b>Transfer Agreement</b>	the agreement to be entered into between the Liquidators (in their personal capacity and on behalf of PGIT Securities 2020) and PMGR Securities 2025 providing, inter alia, for the transfer of the ZDP Rollover Pool from PGIT Securities 2020 to PMGR Securities 2025, the terms of which are summarised in paragraph 1 of Part 5 of this document
<b>TTE Instruction</b>	transfer to escrow instruction
<b>UK</b>	the United Kingdom

<b>ZDP Cash Pool</b>	the pool of assets to be established under the Scheme for the purpose of meeting Elections by ZDP Shareholders for the Cash Option
<b>ZDP Rollover Pool</b>	the pool of assets to be established under the Scheme, to be transferred to PMGR Securities 2025 pursuant to the Transfer Agreement, for the purpose of meeting Elections by ZDP Shareholders for the Rollover Option
<b>ZDP Shareholder</b>	a holder of Existing ZDP Shares

## APPENDIX

### PROPOSED AMENDMENTS TO THE ARTICLES OF PGIT SECURITIES 2020 PLC

Under the Scheme and pursuant to the Resolutions to be proposed at the First General Meeting, the Articles are proposed to be amended as follows:

1. the insertion of the following as a new Article 19.A:
  - “19.A(1) Words and expressions defined in the circular to ZDP shareholders of the Company dated 3 November 2020 (the “**Circular**”) shall bear the same meanings in this Article 19.A, save where the context otherwise requires.
  - 19.A(2) If at any time, the Existing ZDP Shares in the capital of the Company are reclassified into Existing ZDP Shares with “A” rights and Existing ZDP Shares with “B” rights, then the rights attaching to the Existing ZDP Shares with “A” rights and the Existing ZDP Shares with “B” rights shall be identical, save that on a winding-up of the Company for the purposes of the reconstruction described in the Circular, notwithstanding anything to the contrary in these Articles:
    - (i) the rights of holders of Existing ZDP Shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof of the number of New ZDP Shares to which they shall be entitled in accordance with the Scheme; and
    - (ii) the rights of holders of Existing ZDP Shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall be respectively entitled in accordance with the Scheme.provided that if the Scheme does not become effective, the rights attaching to the Existing ZDP Shares with “A” rights and the Existing ZDP Shares with “B” rights shall be identical.
  - 19.A(3) Subject to the special rights set out in this Article 19.A, for all other purposes of these Articles, the Existing ZDP Shares with “A” rights and the Existing ZDP Shares with “B” rights shall continue to be Existing ZDP Shares and the Articles of Association shall be construed accordingly.”; and
2. such further amendments to the Articles as may be required to give effect to the relevant Resolution and the Proposals.



