

## APPENDIX 4E

Partners Group Global Income Fund (ARSN 634 678 381)

### DETAILS OF REPORTING PERIOD

Current: 18 July 2019 to 31 December 2019 (the "Period")  
Previous corresponding\*: N/A

\* This is the first period of operations of the Trust and hence there are no prior period comparatives.

The directors of Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), the **Responsible Entity** of Partners Group Global Income Fund (ARSN 634 678 381) (the "Trust"), announce the results of the Trust for the period 18 July 2019 to 31 December 2019 as follows:

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

Extracted from the Annual financial report for the Period.

	\$'000
Total investment income/(loss) (Revenue from ordinary activities)	8,062
Operating profit/(loss)	6,302
Total comprehensive income/(loss)	6,302

### REVIEW AND RESULTS OF OPERATIONS

During the Period, the Trust continued to invest its funds in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

The Trust's performance was 2.4% (net of fees and based on ASX unit price) for the period ended 31 December 2019. The Trust targeted a cash distribution of RBA Cash Rate + 4% per annum (net of fees, costs and taxes incurred by the Trust) as the benchmark index to measure its performance.

### STATEMENT OF FINANCIAL PERFORMANCE

Refer to the Annual Report for the period 18 July 2019 to 31 December 2019 attached to this Appendix 4E for further information.

### STATEMENT OF FINANCIAL POSITION

Refer to the Annual Report for the period 18 July 2019 to 31 December 2019 attached to this Appendix 4E for further information.



## STATEMENT OF CASH FLOWS AND CHANGES IN EQUITY

Refer to the Annual Report for the period 18 July 2019 to 31 December 2019 attached to this Appendix 4E for further information.

### DETAILS OF DISTRIBUTIONS

DISTRIBUTIONS <sup>(1), (2)</sup>	AS AT 31 DECEMBER 2019			
	RECORD DATE	PAYMENT DATE	AMOUNT PER UNIT (CPU)	FRANKED AMOUNT PER UNIT (CPU) <sup>(3)</sup>
Distribution – December 2019 (payable)*	2 January 2020	16 January 2020	0.7917	-

\* The Trust declared a distribution as at 31 December 2019 of 0.7917 cents per unit, with a record date of 2 January 2020. The distribution was subsequently paid on 16 January 2020.

(1) A distribution was declared on 31 January 2020 of 0.7916 cents per unit, with a record date of 3 February 2020 and paid on 17 February 2020; DRP election date was 5 February 2020.

(2) An estimated distribution of 0.7917 cents per unit was announced on 25 February 2020, with an ex-date of 28 February 2020, a record date of 2 March 2020 and a payment date of 17 March 2020.

(3) The Trust is a flow through vehicle for tax purposes and thus there is no franked amount per unit.

### DETAILS OF DISTRIBUTION REINVESTMENT PLAN

The Responsible Entity adopted the Distribution Reinvestment Plan ("DRP") in September 2019. An eligible unit holder may elect into the DRP by completing an election notice and sending it to the registry. An eligible member may elect to partially or fully participate in the DRP and is recorded on the register once the Responsible Entity has accepted the election.

Under the DRP, the Responsible Entity has the discretion to determine re-investment price to apply:

- Where the market price is greater than or equal to the net asset value price or
- Where the market price is less than the net asset value price

Details on the DRP, may be found at <https://www.partnersgroupaustralia.com.au/en/global-income-fund/>

The Responsible Entity makes distributions on a monthly basis. In accordance with the DRP Rules, units are issued at the net asset value of a unit or other unit application price determined under the constitution for the Fund (**Constitution**), on the record date. The record date is the 2<sup>nd</sup> business day of each month.

### NET TANGIBLE ASSETS

AS AT 31 DECEMBER 2019	
Total Net Tangible Assts attributable to unit holders (\$'000)	554,125
Units on issue ('000)	275,000
Net Tangible Assets attributable to unit holders per unit (\$)	2.02

### CONTROL GAINED OR LOST OVER ENTITIES DURING THE PERIOD

There was no control gained or lost over entities by the Trust during the Period.



## **DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

The Trust did not have any interest in associates and joint venture entities during the Period.

## **INDEPENDENT AUDIT REPORT**

Additional disclosure requirements can be found in the notes to the Trust's Annual Report for the Period.

This report is based on the Annual Report which has been audited by the Trust's auditor. All the documents comprise the information required by ASX Listing Rule 4.3A.

## **COMMENTARY ON RESULTS FOR THE PERIOD**

Additional Appendix 4E disclosure requirements can be found in the Annual Report for the period 18 July 2019 to 31 December 2019 which contains the Directors' report, the financial statements and accompanying notes.

Philip Gentry, Director, Equity Trustees Limited, the **Responsible Entity** of Partners Group Global Income Fund, has authorised that this document be given to the ASX.

# **PARTNERS GROUP GLOBAL INCOME FUND**

ARSN 634 678 381

## **ANNUAL REPORT**

**FOR THE PERIOD 18 JULY 2019 TO 31 DECEMBER 2019**



# **PARTNERS GROUP GLOBAL INCOME FUND**

ARSN 634 678 381

## **ANNUAL REPORT**

### **FOR THE PERIOD 18 JULY 2019 TO 31 DECEMBER 2019**

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This annual report covers Partners Group Global Income Fund as an individual entity.

The Responsible Entity of Partners Group Global Income Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:  
Level 1, 575 Bourke Street  
Melbourne, VIC 3000.

## DIRECTORS' REPORT

The directors of Equity Trustees Limited, the Responsible Entity of Partners Group Global Income Fund (the "Trust"), present their report together with the financial statements of the Trust for the period 18 July 2019 to 31 December 2019.

### Principal activities

The Trust was constituted on 4 July 2019, registered with the Australian Securities and Investments Commission ("ASIC") on 18 July 2019, and commenced operations on 26 September 2019. There was no investment activity in the period 4 July 2019 to 25 September 2019. The Trust was listed on the Australian Securities Exchange ("ASX") on 26 September 2019 and is quoted under ticker code: PGG.

The Trust's investment strategy is to access a diversified portfolio of private global debt investments through active origination, portfolio construction and risk management.

The strategy is implemented by dynamically allocating investment across the following three distinct private debt strategies:

- The First Lien Loan Strategy, which will represent 60-100% of Gross Asset Value ("GAV");
- The Second Lien and Subordinated Loan Strategy, which will represent 0-20% of GAV; and
- The Special Situations Strategy, which will represent 0-25% of GAV.

As part of the First Lien Loan Strategy, Partners Group Global Income Investments Loan Strategy Designated Activity Company, a designated activity company limited by shares and incorporated under the laws of Ireland (the "Company") invests in the Partners Group Global Senior Loan Master Fund SICAV ("PGGSLMF"), which holds a diversified portfolio of loans consistent with the First Lien Loan Strategy. Partners Group Private Markets (Australia) Pty Limited (the "Investment Manager") invests in PGGSLMF when it has excess cash awaiting deployment into new private debt investments in order to minimise the impact this excess cash may have on unit holder returns.

The Trust has economic exposure to the loans comprising the strategies mentioned above via an investment in a profit participating note ("PPN") which is a security issued by the Company. The Company makes and holds the investments (in accordance with the Company's 'Investment Guidelines' which are consistent with the investment strategy of the Trust, as set out in the Product Disclosure Statement ("PDS")) and distribute income to the Trust via the PPN.

The Trust did not have any employees during the period.

There were no significant changes in the nature of the Trust's activities during the period 18 July 2019 to 31 December 2019.

The various service providers for the Trust are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	Partners Group Private Markets (Australia) Pty Limited
Custodian and Administrator	The Northern Trust Company
Statutory Auditor	PricewaterhouseCoopers

### Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the period and up to the date of this report:

Philip D Gentry	Chairman
Harvey H Kalman	
Ian C Westley	
Michael J O'Brien	
Carmen Lunderstedt	Company Secretary (resigned 8 October 2019)
Susan Taylor	Company Secretary (appointed 8 October 2019)

### Review and results of operations

During the period, the Trust continued to invest its funds in accordance with the PDS and the provisions of the Trust's Constitution.

## DIRECTORS' REPORT (CONTINUED)

The Trust's performance was 2.4% (net of fees and based on ASX unit price) for the period ended 31 December 2019. The Trust targeted a cash distribution of RBA Cash Rate + 4% per annum (net of fees, costs and taxes incurred by the Trust) as the benchmark index to measure its performance.

The performance of the Trust, as represented by the results of its operations, was as follows:

	For the period 18 July 2019 to 31 December 2019
Operating profit/(loss) for the period (\$'000)	6,302
Distributions paid and payable (\$'000)	2,177
Distributions (cents per unit)	0.7917

The Trust declared a distribution as at 31 December 2019 of 0.7917 cents per unit, with a record date of 2 January 2020. The distribution was subsequently paid on 16 January 2020.

### Significant changes in the state of affairs

Carmen Lunderstedt resigned as company secretary of Equity Trustees Limited on 8 October 2019 and was replaced on the same date by Susan Taylor.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Trust that occurred during the financial period.

### Matters subsequent to the end of the financial period

On 9 January 2020, the Company declared a distribution of \$2,550,000 for the period ending 31 December 2019. The distribution was received by the Trust on 15 January 2020.

Subsequently on 6 February 2020, the Company declared a distribution of \$2,540,000 for the month ending 31 January 2020. The distribution was received by the Trust on 13 February 2020.

Since 31 December 2019 and up to the signing date of this financial report, The Trust has announced the following distributions on the ASX:

- A distribution was declared on 31 January 2020 of 0.7916 cents per unit, with a record date of 3 February 2020 and paid on 17 February 2020; and
- The Trust announced an estimated distribution on 25 February 2020 of 0.7917 cents per unit, with an ex-date of 28 February 2020, a record date of 2 March 2020 and a payment date of 17 March 2020.

No other matters or circumstances have arisen since 31 December 2019 that have significantly affected, or may have a significant effect on:

- the operations of the Trust in future financial years;
- the results of those operations in future financial years; or
- the state of affairs of the Trust in future financial years.

### Likely developments and expected results of operations

The Trust will continue to be managed in accordance with the investment objectives and guidelines as set out in the PDS and the provisions of the Trust's Constitution.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. Investment performance is not guaranteed, and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

### Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Trust in regards to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Trust's Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust.

## DIRECTORS' REPORT (CONTINUED)

### Indemnification of auditor

The auditor of the Trust is in no way indemnified out of the assets of the Trust.

### Fees paid to and interests held in the Trust by the Responsible Entity and its associates

Fees paid to the Responsible Entity and its associates out of Trust's property during the period are disclosed in Note 16 to the financial statements.

No fees were paid out of Trust's property to the directors of the Responsible Entity during the period.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial period are also disclosed in Note 16 to the financial statements.

### Interests in the Trust

The movement in units on issue in the Trust during the period is disclosed in Note 8 to the financial statements.

The value of the Trust's assets and liabilities is disclosed on the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

### Environmental regulation

The operations of the Trust are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

### Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

The Trust is a registered scheme of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the Directors' report and financial statements.

### Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited.



Philip D Gentry  
Chairman

Melbourne  
27 February 2020



## **CORPORATE GOVERNANCE STATEMENT**

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) in its capacity as a responsible entity ("Responsible Entity") of the Partners Group Global Income Fund ("the Trust"), has established a corporate governance framework which sets out the rules, relationships, systems and processes within which the Responsible Entity operates to promote investor confidence and good corporate governance.

Refer to the URL below for the location of the Statement on the Investment Manager's website:

[https://www.partnersgrouppaustralia.com.au/fileadmin/PG\\_Australia/images/general/PGG\\_Corporate\\_Governance\\_Statement\\_Final\\_29072019.pdf](https://www.partnersgrouppaustralia.com.au/fileadmin/PG_Australia/images/general/PGG_Corporate_Governance_Statement_Final_29072019.pdf)



### *Auditor's Independence Declaration*

As lead auditor for the audit of Partners Group Global Income Fund for the period 18 July 2019 to 31 December 2019, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to be "G. Sagonas", with a long horizontal flourish extending to the right.

George Sagonas  
Partner  
PricewaterhouseCoopers

Melbourne  
27 February 2020

## STATEMENT OF COMPREHENSIVE INCOME

		For the period 18 July 2019 to 31 December 2019
	Note	\$'000
<b>Investment income</b>		
Net gains/(losses) on financial instruments at fair value through profit or loss	5	8,048
Other income		14
<b>Total investment income/(loss)</b>		<b>8,062</b>
<b>Expenses</b>		
Management fees	16	1,554
Responsible Entity fees	16	54
Custody and administration fees		37
Other expenses		115
<b>Total expenses</b>		<b>1,760</b>
<b>Operating profit/(loss) for the period</b>		<b>6,302</b>
Other comprehensive income/(loss)		-
<b>Total comprehensive income/(loss) for the period</b>		<b>6,302</b>
<b>Basic and diluted earnings per unit (cents per unit)</b>	9	<b>2.29</b>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*



## STATEMENT OF FINANCIAL POSITION

		As at 31 December 2019
	Note	\$'000
<b>Assets</b>		
Cash and cash equivalents	11	1,488
Receivables	13	2
Financial assets at fair value through profit or loss	6	556,548
<b>Total assets</b>		<b>558,038</b>
<b>Liabilities</b>		
Distributions payable	10	2,177
Payables	14	1,736
<b>Total liabilities</b>		<b>3,913</b>
<b>Net assets attributable to unit holders - equity</b>	8	<b>554,125</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

## STATEMENT OF CHANGES IN EQUITY

		For the period 18 July 2019 to 31 December 2019
	Note	\$'000
<b>Total equity at the beginning of the financial period</b>		-
<b>Comprehensive income for the period</b>		
Profit/(loss) for the period		6,302
Other comprehensive income		-
<b>Total comprehensive income</b>		<b>6,302</b>
<b>Transactions with unit holders</b>		
Applications	8	550,000
Distributions paid and payable	8	(2,177)
<b>Total transactions with unit holders</b>		<b>547,823</b>
<b>Total equity at the end of the financial period</b>		<b>554,125</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

## STATEMENT OF CASH FLOWS

		For the period 18 July 2019 to 31 December 2019
	Note	\$'000
<b>Cash flows from operating activities</b>		
Payments for purchase of financial instruments at fair value through profit or loss		(548,500)
Other income received		14
Other expenses paid		(24)
RITC received/(paid)		(2)
<b>Net cash inflow/(outflow) from operating activities</b>	12(a)	<b>(548,512)</b>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unit holders		550,000
<b>Net cash inflow/(outflow) from financing activities</b>		<b>550,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,488</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	11	<b>1,488</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

# NOTES TO THE FINANCIAL STATEMENTS

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## **1 GENERAL INFORMATION**

These financial statements cover Partners Group Global Income Fund (the "Trust") as an individual entity. The Trust is an Australian registered managed investment scheme, which was constituted on 4 July 2019, registered with Australian Securities and Investment Commission on 18 July 2019 and commenced investment operations on 26 September 2019. There was no investment activity in the period 4 July 2019 to 25 September 2019. The Trust will terminate in accordance with the provisions of the Trust's Constitution or by Law.

The Trust was listed on the Australian Securities Exchange ("ASX") on 26 September 2019 and is quoted under ticker code: PGG.

The Responsible Entity of the Trust is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

The Trust has economic exposure to the loans comprising the strategies mentioned in the Product Disclosure Statement ("PDS") via an investment in a profit participating note ("PPN") which is a security issued by Partners Group Global Income Investments Loan Strategy Designated Activity Company, a designated activity company limited by shares and incorporated under the laws of Ireland (the "Company"). The Company makes and holds the investments (in accordance with the Company's 'Investment Guidelines' which are consistent with the investment strategy of the Trust, as set out in the PDS) and distribute income to the Trust via the PPN.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated in the following text.

### **a. Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia. The Trust is a for-profit entity for the purpose of preparing the financial statements.

The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss.

The statement of financial position is prepared on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unit holders.

The Trust manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

#### **(i) Compliance with International Financial Reporting Standards (IFRS)**

The financial statements of the Trust also comply with IFRS as issued by the International Accounting Standards Board (IASB).

#### **(ii) New and amended standards adopted by the Trust**

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period that have a material impact on the Trust.

#### **(iii) New standards and interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2020, and have not been early adopted in preparing these financial statements. The directors are assessing the impact these new standards are expected to have on the financial statements of the Trust.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### a. Basis of preparation (continued)

#### (iv) Investment entity

The Trust and Company operate as an integrated structure whereby the Trust invests solely into the Company and is exposed to the underlying investments of the Company via the PPN. The Company allows redemptions with no less than a 14 business day notification period. Movements in the fair value of the Company's investment portfolio and corresponding movements in the fair value of the Company may expose the Trust to gains or losses.

Management has determined that it meets the definition of an 'Investment Entity' as defined by AASB 10 *Consolidated Financial Statements* and is required to account for the investment in the Company via the PPN at fair value through profit and loss. The Trust has multiple unrelated investors and indirectly holds multiple investments through the Company via the PPN. Ownership interests in the Trust are in the form of units which are classified as equity in accordance with AASB 132 *Financial Instruments: Presentation* and which are exposed to variable returns from changes in the fair value of the Trust's net assets. The Trust has been deemed to meet the definition of an Investment Entity per AASB 10 as the following conditions exist:

- (a) The Trust has obtained funds for the purpose of providing investors with investment management services;
- (b) The Trust's business purpose, which has been communicated directly to investors, is investing solely for returns from capital appreciation and investment income from the Company via the PPN; and
- (c) The performance of investments made through the Company are measured and evaluated on a fair value basis.

Although the Trust itself does not meet all of the typical characteristics of an Investment Entity (namely, the Trust does not have multiple investments), management believe it is nevertheless an Investment Entity because it was formed in conjunction with the Company and effects multiple investments through the Company via the PPN.

Based on the assessment above, management has concluded that the Trust and the Company meet the definition of an Investment Entity under AASB 10 and IFRS 10, respectively. As a result, the Trust is exempted from consolidation in accordance with AASB 10 and the Trust's investment in the Company via the PPN is measured as a financial asset at fair value through profit or loss. This conclusion will be reassessed should the investment strategy of the integrated structure change.

### b. Financial instruments

#### (i) Classification

- Financial assets

The Trust classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Trust classifies its assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Trust's portfolio of financial assets is managed, and performance is evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

The Trust's investment in the Company via the PPN is classified as measured at fair value through profit or loss.

For the PPN, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For cash and cash equivalents and receivables, these assets are held in order to collect the contractual cash flows and the contractual terms of these assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- Financial liabilities

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (distributions payable, management fees payable, custody and administration fees payable and other payables).

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### b. Financial instruments (continued)

#### (ii) Recognition and derecognition

The Trust recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date).

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Trust has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liabilities are discharged.

#### (iii) Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Trust measures financial assets and financial liabilities at their fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

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

For further details on how the fair value of financial instruments is determined please see Note 4 to the financial statements.

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured according to their classification.

#### (iv) Impairment

At each reporting date, the Trust shall measure the loss allowance on financial assets at amortised cost (cash and receivables) at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Trust shall measure the loss allowance at an amount equal to 12 month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

#### (v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Trust has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

As at the end of the reporting period, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

### c. Net assets attributable to unit holders

The units can be traded on the ASX at any time for cash based on its listed price. While the Trust is a listed investment trust and liquidity is generally expected to exist in the secondary market (ASX), there are no guarantees that an active trading market with sufficient liquidity will be available. In addition to being traded, requests for redemption to the Responsible Entity may be made, however redemption is dependent on the Responsible Entity's discretion.

The Trust's units are classified as equity.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### d. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represent the Trust's main income generating activity.

### e. Investment income

#### (i) Interest income

Interest income from financial assets at amortised cost is recognised on a time proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Trust estimates cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

#### (ii) Distribution income

Distribution income in respect of the PPN is recognised in the statement of comprehensive income on the ex-distribution date.

#### (iii) Other income

Other income is brought to account on an accruals basis.

#### (iv) Net gains/(losses) on financial instruments

Net gains/(losses) on financial instruments arising on a change in fair value are calculated as the difference between the fair value at the end of the reporting period and the fair value at the previous valuation point. Realised and unrealised gains/(losses) are shown in the notes to the financial statements.

Changes in fair value of financial instruments held at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

### f. Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

### g. Income tax

Under current legislation, the Trust is not subject to income tax provided it attributes the entirety of its taxable income to its unit holders.

### h. Distributions

The Trust is an Attribution Managed Investment Trust (AMIT) regime. The units in the Trust have been classified as equity. Under the Constitution, the Trust does not have an obligation to make distributions to unit holders by cash and/or reinvestment in accordance with AASB 132 *Financial Instruments: Presentation*.

Distribution to unit holders are recognised directly in equity, and presented in the statement of changes in equity. A distribution payable is recognised in the statement of financial position where the amount remains unpaid at reporting date.



## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### i. Foreign currency translation

#### (i) *Functional and presentation currency*

Balances included in the Trust's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

#### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The Trust does not isolate that portion of unrealised gains or losses on financial instruments that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates. Such fluctuations are included with the net gains/(losses) on financial instruments at fair value through profit or loss.

### j. Receivables

Receivables may include amounts for interest and trust distributions. Trust distributions are accrued when the right to receive payment is established. Where applicable, interest is accrued on a daily basis. Amounts are generally received within 30 days of being recorded as receivables.

### k. Payables

Payables include liabilities, accrued expenses owed by the Trust and any distributions declared which are unpaid as at the end of the reporting period.

A separate distribution payable is recognised in the statement of financial position.

Distributions declared effective 31 December in relation to unit holders who elects to reinvest distributions are recognised as reinvested effective 1 January of the following financial period.

### l. Earnings per Unit

Earnings per Unit are calculated by dividing the profit or loss of the Trust by the weighted average number of Units outstanding during the financial period.

### m. Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Units are not able to be redeemed while the Trust is listed on the ASX. However, the Responsible Entity may undertake a buy back of units which satisfies the requirements of the *Corporations Act 2001* and the Listing Rules.

### n. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties such as management, administration and custodian services where applicable, have been passed on to the Trust. The Trust qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 95.5%. Hence, fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

### o. Operating segment

An operating segment is a distinguishable component of the Trust that is engaged in business activity from which the Trust earns revenues and incurs expenses, whose operating results are regularly reviewed by the Trust's Investment Manager in order to make decisions about the allocation of resources to the segment and assess its performance, and for which discrete financial information is available.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### p. Use of estimates and judgements

The Trust makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current period and next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. For more information on how fair value is calculated, please refer to Note 4 to the financial statements.

The Trust estimates the expected credit loss (ECL) using impairment model, which has not materially impacted the Trust. Please see Note 3 for more information on credit risk.

For more information on the Trust and the Company's assessment of its Investment Entity status in accordance with AASB 10 and IFRS 10, please refer to Note 2(a)(iv) to the financial statements.

### (i) Comparative period

The Trust was constituted on 4 July 2019, registered with the Australian Securities and Investment Commission on 18 July 2019 and commenced investment operations on 26 September 2019. There was no investment activity in the period 4 July 2019 to 25 September 2019. The reporting period covers the period 18 July 2019, being the registration date to 31 December 2019, hence there is no comparative information.

### q. Rounding of amounts

The Trust is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars unless otherwise indicated.

## 3 FINANCIAL RISK MANAGEMENT

The Trust's activities expose it to a variety of financial risks including market risk (which incorporates price risk and foreign exchange risk), credit risk and liquidity risk.

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's PDS and the investment guidelines of the Trust. It also seeks to maximise the returns derived for the level of risk to which the Trust is exposed and seeks to minimise potential adverse effects on the Trust's financial performance. The Trust's policy allows it to use derivative financial instruments in managing its financial risks.

All securities investments present a risk of loss of capital. The maximum loss of capital on unlisted securities is limited to the fair value of those positions.

The investments of the Trust, and associated risks, are managed by a specialist Investment Manager, Partners Group Private Markets (Australia) ("Partners Group"), under an Investment Management Agreement ("IMA") approved by the Responsible Entity, and containing the investment strategy and investment guidelines of the Trust, consistent with those stated in the PDS.

The Trust uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

### a. Market risk

#### (i) Price risk

The Trust is exposed to price risk on its investment in the PPN. Price risk arises from investments held by the Trust for which prices in the future are uncertain.

The Trust has a significant concentration of risk arising from its exclusive investment via the PPN. As at 31 December 2019, the Trust's investment in the Company represents 100% of the Trust's financial assets at fair value through profit or loss.

The table at Note 3(b) summarises the sensitivities of the Trust's PPN to price risk. The analysis is based on the assumption that the markets in which the Trust invests move by +/- 3.5%.

#### (ii) Foreign exchange risk

The financial instruments of the Trust are denominated in Australian dollars. Accordingly, the Trust is not directly exposed to foreign exchange risk.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### a. Market risk (continued)

##### (iii) Interest rate risk

The Trust's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. The impact of interest rate risk on net assets attributable to unit holders and operating profit is considered immaterial to the Trust.

#### b. Summarised sensitivity analysis

The following table summarises the sensitivity of the Trust's operating profit/(loss) and net assets attributable to unit holders to market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical correlation of the Trust's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Trust invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on operating profit/net assets attributable to unit holders	
	Price risk	
	-3.5% \$'000	+3.5% \$'000
As at 31 December 2019	(19,479)	19,479

#### c. Credit risk

The Trust is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Trust.

The main concentration of credit risk, to which the Trust is exposed, arises from the Trust's investment in the Company via the PPN.

The Trust is also exposed to counterparty credit risk on cash and cash equivalents and other receivables.

The Trust determines credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss.

As at 31 December 2019, all receivables, cash and short-term deposits are held with counterparties limited to high credit quality financial institutions with a minimal credit rating of A-1+ or higher as assessed and determined by Standard & Poor's Financial Services (S&P) and are either callable on demand or due to be settled within 1 week. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Trust.

##### (i) Investment in the Company

The Trust has a significant concentration of credit risk that arises from its exposure to a single counterparty in relation to its investments in the Company via the PPN.

The risk is managed by the Company's Investment Manager and mitigated through investment diversification. The Company's Investment Manager monitors investment diversification parameters as specified in the PDS.

##### (ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA- (as determined by Standard and Poor's) or higher.

##### (iii) Other

The Trust is not materially exposed to credit risk on other financial assets.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### c. Credit risk (continued)

##### (iv) Maximum exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

#### d. Liquidity risk

Liquidity risk is the risk that the Trust may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

##### (i) Maturities of non-derivative financial liabilities

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

	Less than 1 month \$'000	1 to 6 months \$'000	6 to 12 months \$'000	Over 12 months \$'000	Total \$'000
<b>As at 31 December 2019</b>					
Distributions payable	2,177	-	-	-	2,177
Payables	-	1,736	-	-	1,736
<b>Contractual cash flows (excluding derivatives)</b>	<b>2,177</b>	<b>1,736</b>	<b>-</b>	<b>-</b>	<b>3,913</b>

### 4 FAIR VALUE MEASUREMENT

The Trust measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

The Trust has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Trust values its investments in accordance with the accounting policies set out in Note 2 to the financial statements.

#### a. Fair value in an inactive or unquoted market (level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

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

## 4 FAIR VALUE MEASUREMENT (CONTINUED)

### b. Recognised fair value measurements

The table below presents the Trust's financial assets measured and recognised at fair value as at 31 December 2019.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>As at 31 December 2019</b>				
<b>Financial assets</b>				
Profit Participating Note*	-	-	556,548	556,548
<b>Total financial assets</b>	-	-	556,548	556,548

\*As of 31 December 2019, the Trust valued the PPN using cum price. This comprised of the opening fair value adjusted for unrealised gains/(losses) and expected distribution income on the PPN for the period of 29 July 2019 to 31 December 2019.

### c. Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

### d. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the period from 18 July 2019 to 31 December 2019 by class of financial instrument.

	Profit Participating Note \$'000
Purchases	548,500
Gains/(losses) recognised in the statement of comprehensive income	8,048
<b>Closing balance - 31 December 2019</b>	<b>556,548</b>

#### (i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See Note 4(a) above for the valuation techniques adopted.

Description	Fair value \$'000	Unobservable inputs	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
<b>As at 31 December 2019</b>		<b>Net assets attributable to the PPN holder</b>		
Profit Participating Note	556,548		N/A	N/A

#### (ii) Valuation processes

Independent valuations of the PPN are obtained from available financial statements of the Company. When these are not available, the valuation is determined by the Investment Manager to ensure the carrying value of the PPN does not materially differ from its fair value.

At each reporting date, the Investment Manager determines the fair value of the PPN by adjusting the opening fair value of the PPN based upon the following factors as it relates to the Company, on a look through basis:

- Cumulative unrealised gains/(losses) recognised on the net assets attributable to the PPN holder during the reporting period; and
- Where a distribution is declared on or before reporting date, adjusting for ex-price. Where a dividend is not declared as of the reporting date, adjusting for cost for cum price, inclusive of estimated distribution income as determined appropriate by the investment manager.

#### 4 FAIR VALUE MEASUREMENT (CONTINUED)

##### d. Fair value measurements using significant unobservable inputs (level 3) (continued)

###### (ii) Valuation processes (continued)

Where applicable, the investment manager would also consider and adjust for the impact from events deemed material and with significant impact on the valuation of the PPN.

The stated fair value of the PPN at the end of the reporting period then represents the Investment Manager's best estimate as at the end of the reporting period.

##### e. Financial instruments not carried at fair value

The carrying value of financial assets and liabilities carried at amortised cost are assumed to approximate their fair value due to their short term nature.

#### 5 NET GAINS/(LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net gains/(losses) recognised in relation to financial assets at fair value through profit or loss:

	For the period 18 July 2019 to 31 December 2019 \$'000
<b>Financial assets</b>	
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	8,048
<b>Total net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>8,048</b>

#### 6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December 2019 \$'000
Profit Participating Note	556,548
<b>Total financial assets at fair value through profit or loss</b>	<b>556,548</b>

#### 7 STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangement.

The Trust considers its investment in the Company via the PPN to be a structured entity. The Trust invests in the Company for the purpose of capital appreciation and/or earning investment income.

The exposure to investments in the Company at fair value is disclosed in the following table:

	Fair value of investment 31 December 2019 \$'000
Partners Group Global Income Investments Loan Strategy Designated Activity Company	556,548
<b>Total investments</b>	<b>556,548</b>

The fair value of the Company is included in financial assets at fair value through profit or loss in the statement of financial position.

## 7 STRUCTURED ENTITIES (CONTINUED)

The Trust's maximum exposure to loss from its interest in the Company is equal to the fair value of its investments in the Company as there are no off-balance sheet exposures relating to the Company. Once the Trust has disposed the PPN, it ceases to be exposed to any risk from the Company.

During the period ended 31 December 2019, total gains/(losses) incurred on investments in the Company were \$8,048,365. On 9 January 2020, the Company declared a distribution of \$2,550,000 as the distribution for the PPN for the period ended 31 December 2019. The distribution was received by the Trust on 15 January 2020.

## 8 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Movements in the number of units and net assets attributable to unit holders during the period were as follows:

	For the period 18 July 2019 to 31 December 2019 Units '000	For the period 18 July 2019 to 31 December 2019 \$'000
Applications	275,000	550,000
Distributions paid and payable	-	(2,177)
Profit/(loss) for the period	-	6,302
<b>Closing balance</b>	<b>275,000</b>	<b>554,125</b>

As stipulated within the Trust's Constitution, each unit represents a right to an individual share in the Trust and does not extend to a right in the underlying assets of the Trust. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

## 9 BASIC AND DILUTED EARNINGS PER UNIT

	For the period 18 July 2019 to 31 December 2019
Operating profit/(loss) attributable to unit holders (\$'000)	6,302
Weighted average number of units on issue ('000)	275,000

**Basic and diluted earnings per unit attributable to unitholders (cents per unit)** **2.29**

The basic and diluted earnings per unit have been calculated using the profit attributable to unit holders of the Trust as the numerator. There is no difference between basic and diluted earnings per unit as no units are dilutive in nature.

## 10 DISTRIBUTIONS TO UNIT HOLDERS

The distributions declared during the period were as follows:

	For the period 18 July 2019 to 31 December 2019 \$'000	For the period 18 July 2019 to 31 December 2019 CPU
<b>Distributions</b>		
December (payable)	2,177	0.7917
<b>Total distributions</b>	<b>2,177</b>	<b>0.7917</b>

## 11 CASH AND CASH EQUIVALENTS

	As at 31 December 2019 \$'000
Cash at bank	1,488
<b>Total cash and cash equivalents</b>	<b>1,488</b>

## 12 RECONCILIATION OF PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	For the period 18 July 2019 to 31 December 2019 \$'000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>	
Profit/(loss) for the period	6,302
Purchase of financial instruments at fair value through profit or loss	(548,500)
Net (gains)/losses on financial instruments at fair value through profit or loss	(8,048)
Net change in receivables	(2)
Net change in payables	1,736
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(548,512)</b>

## 13 RECEIVABLES

	As at 31 December 2019 \$'000
GST receivable	2
<b>Total receivables</b>	<b>2</b>

## 14 PAYABLES

	As at 31 December 2019 \$'000
Custody fees payable	37
Management fees payable	1,554
Responsible Entity fees payable	54
Other payables	91
<b>Total payables</b>	<b>1,736</b>



## 15 REMUNERATION OF AUDITOR

During the period the following fees were paid or payable for services provided by the auditor of the Trust:

	For the period 18 July 2019 to 31 December 2019 \$
<b>PricewaterhouseCoopers</b>	
<i>Audit and other assurance services</i>	
Audit of the financial statements	45,000
Audit of compliance plan	5,000
<b>Total remuneration for audit and other assurance services</b>	<b>50,000</b>
<i>Taxation services</i>	
Tax compliance services	28,737
<b>Total remuneration for taxation services</b>	<b>28,737</b>
<b>Total remuneration of PricewaterhouseCoopers</b>	<b>78,737</b>

The auditor's remuneration is borne by the Investment Manager. Fees are stated exclusive of GST.

## 16 RELATED PARTY TRANSACTIONS

The Responsible Entity of Partners Group Global Income Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The Responsible Entity has contracted services to Partners Group Private Markets (Australia) Pty Limited, to act as Investment Manager for the Trust, and The Northern Trust Company to act as Custodian and Administrator for the Trust. The contracts are on normal commercial terms and conditions.

### a. Key management personnel

#### (i) Directors

Key management personnel include persons who were directors of Equity Trustees Limited at any time during or since the end of the financial period and up to the date of this report.

Philip D Gentry	Chairman
Harvey H Kalman	
Ian C Westley	
Michael J O'Brien	
Carmen Lunderstedt	Company Secretary (resigned 8 October 2019)
Susan Taylor	Company Secretary (appointed 8 October 2019)

#### (ii) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Trust, directly or indirectly during the reporting period.

### b. Transactions with key management personnel

	For the period 18 July 2019 to 31 December 2019 \$
Application for units	24,452
<b>Total</b>	<b>24,452</b>

## 16 RELATED PARTY TRANSACTIONS (CONTINUED)

### c. Key Management personnel unit holdings

Key management personnel held units in the Trust, as follows:

	Number of units held opening	Number of units held closing	Value of investment	Interest held	Number of units acquired	Number of units disposed	Distributions paid/payable by the Trust
<b>As at 31 December 2019</b>			\$	%			\$
<b>Unit holder</b>							
Phillip D Gentry	-	6,000	12,240	0.00221	6,000	-	48
Harvey H Kalman	-	6,160	12,566	0.00227	6,160	-	49

At the date of this report, none of the other current directors of the Responsible Entity hold any units in the Trust.

### d. Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Trust to Responsible Entity do not include any amounts directly attributable to the compensation of key management personnel.

### e. Key management personnel loans

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

### f. Other transactions within the Trust

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Trust during the reporting period and there were no material contracts involving management personnel's interests existing at period end.

### g. Responsible Entity's and Investment Manager's fees and other transactions

Under the terms of the Trust's Constitution and the PDS for the Trust, the Responsible Entity and the Investment Manager are entitled to receive management fees, calculated by reference to the average daily net assets (excluding net assets attributable to unit holders) of the Trust.

The transactions during the reporting period and amounts payable at period end between the Trust, and the Responsible Entity and the Investment Manager were as follows:

	For the period 18 July 2019 to 31 December 2019
	\$
Management fees for the period	1,553,986
Responsible Entity fees for the period	54,054
Management fees payable at period end	1,553,986
Responsible Entity fees payable at period end	54,054

For information on how management fees are calculated please refer to the Trust's PDS.

## 16 RELATED PARTY TRANSACTIONS (CONTINUED)

### h. Related party unit holdings

Parties related to the Trust (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited and the Investment Manager) hold units in the Trust as follows:

Unit holder	Number of units held opening	Number of units held closing	Fair value of investment \$	Interest held %	Number of units acquired	Number of units disposed	Distributions paid/payable by the Trust \$
<b>As at 31 December 2019</b>							
Partners Group Management Xiii	-	5,000,000	10,200,000	1.84	5,000,000	-	39,583
ETSL ATF AMG Super Members	-	400,722	817,473	0.15	400,722	-	3,172

### i. Investments

The Trust did not hold any investments in Equity Trustees Limited or its related parties during the reporting period.

## 17 EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 9 January 2020, the Company declared a distribution of \$2,550,000 for the period ending 31 December 2019. The distribution was received by the Trust on 15 January 2020.

Subsequently on 6 February 2020, the Company declared a distribution of \$2,540,000 for the month ending 31 January 2020. The distribution was received by the Trust on 13 February 2020.

Since 31 December 2019 and up to the signing date of this financial report, The Trust has announced the following distributions on the ASX:

- A distribution was declared on 31 January 2020 of \$0.7916 cents per unit, with a record date of 3 February 2020 and paid on 17 February 2020; and
- The Trust announced an estimated distribution on 25 February 2020 of 0.7917 cents per unit, with an ex-date of 28 February 2020, a record date of 2 March 2020 and a payment date of 17 March 2020.

No other significant events have occurred since the end of the period which would impact on the financial position of the Trust as disclosed in the statement of financial position as at 31 December 2019 or on the results and cash flows of the Trust for the period ended on that date.

## 18 CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2019.

## DIRECTORS' DECLARATION

In the opinion of the directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 7 to 26 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Trust's financial position as at 31 December 2019 and of its performance for the period ended on that date.
- (b) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable and
- (c) Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited.



Philip D Gentry  
Chairman

Melbourne  
27 February 2020



## *Independent auditor's report*

To the unit holders of Partners Group Global Income Fund

### *Report on the audit of the financial report*

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#### *Our opinion*

In our opinion:

The accompanying financial report of Partners Group Global Income Fund (the Trust) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Trust's financial position as at 31 December 2019 and of its financial performance for the period 18 July 2019 to 31 December 2019
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### ***What we have audited***

The financial report comprises:

- the statement of financial position as at 31 December 2019
- the statement of comprehensive income for the period 18 July 2019 to 31 December 2019
- the statement of changes in equity for the period 18 July 2019 to 31 December 2019
- the statement of cash flows for the period 18 July 2019 to 31 December 2019
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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#### *Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We are independent of the Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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**PricewaterhouseCoopers, ABN 52 780 433 757**

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### *Our audit approach*

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

Partners Group Global Income Fund is a listed investment trust on the Australian Securities Exchange. The Trust's investment strategy is to access a diversified portfolio of private global debt investments through active origination, portfolio construction and risk management through its holding of a profit participating note (PPN) in Partners Group Global Income Investments Loan Strategy Designated Activity Company (the Company).



#### *Materiality*

- For the purpose of our audit we used overall materiality of \$5.5 million, which represents approximately 1% of the Trust's net assets attributable to unit holders.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose net assets attributable to unit holders because, in our view it is:
  - the metric against which the performance of the Trust is most commonly measured, and
  - a generally accepted benchmark for listed investment trusts.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.



## Audit Scope

- Our audit focused on where the Trust made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The unit registry, custody and administration functions of the Trust are conducted by third party service providers. These third party service providers significantly contribute to the safe-keeping of the Trust's assets, the maintenance of the Trust's financial records and the preparation of the Trust's financial report.
- The Trust's third party service providers engaged independent external auditors to provide assurance reports over the design and operating effectiveness of the third party service providers' key internal controls relevant to the preparation and fair presentation of the Trust's financial report.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the board of directors of Equity Trustees Limited as responsible entity (the Responsible Entity) of the Trust.

### Key audit matter

### How our audit addressed the key audit matter

#### **Investment existence and valuation**

*Refer to note 2, note 4, note 6 and note 7*

At 31 December 2019, investments in financial assets at fair value through profit or loss of \$556,548,000 pertain to the Trust's investment in the Company through the PPN.

The investment is not traded in an active or quoted market. As such, the Trust needs to make judgements to estimate the fair value of the investment as outlined in note 2 and note 4 to the financial statements. Changes to estimates, assumptions and/or judgements may result in a material change to the valuation of the investment.

The Trust obtains independent valuation of the PPN from the available financial statements of the Company. When these are not available, the valuation

Our audit procedures on investment existence and valuation included, amongst others:

- Assessing our ability to place reliance on the service organisation's independent auditor assurance report by considering the auditor's independence, experience, competency and the results of their procedures.
- Inspecting the assurance report provided by the independent auditor of the Trust's third party service provider over controls in relation to custody and administration services which covered the reporting period from 18 July 2019 to 31 December 2019, and considering the Trust's analysis of the potential impact of reported exceptions identified in the report.
- Obtaining confirmation from the custodian and reconciling the investment holdings per the



#### **Key audit matter**

is determined by the Investment Manager.

The existence and valuation of this investment is a key audit matter because it represents the principal element of the statement of financial position, accounting for approximately 100% of net assets. A discrepancy in the existence or valuation of the investment could cause the net assets attributable to unit holders to be materially misstated which could also impact the Trust's performance as the valuation of financial assets is the main driver of movements in profit/loss.

#### **How our audit addressed the key audit matter**

custodian confirmation with the holdings per the Trust's accounting records. We assessed all material differences against supporting evidence.

- Assessing the Trust's initial recognition and classification of the PPN in accordance with Australian Accounting Standards.
- Developing an understanding of the valuation risk associated with the Company.
- Developing an understanding of and assessing the methodology applied by the Investment Manager in determining the fair value of the PPN.
- Obtaining the Investment Manager's calculation of fair value and agreeing key inputs to the Company's audited financial statements.
- Comparing the fair value of the PPN as calculated by the Trust to the audited financial statements of the Company.
- Examining the audit report over the Company's financial report for the year ended 31 December 2019.
- Assessing the completeness and accuracy of the disclosures in Note 2, Note 4, Note 6 and Note 7 to the financial report against the requirements of Australian Accounting Standards.





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### *Other information*

The directors of the Responsible Entity of the Trust (the directors) are responsible for the other information. The other information comprises the information included in the annual report for the period 18 July 2019 to 31 December 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### *Responsibilities of the directors for the financial report*

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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



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### *Auditor's responsibilities for the audit of the financial report*

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:  
[http://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf). This description forms part of our auditor's report.

  
PricewaterhouseCoopers



George Sagonas  
Partner

Melbourne  
27 February 2020



# ASX ADDITIONAL INFORMATION

Partners Group Global Income Fund (ARSN 634 678 381) (the "Trust")

Additional information required by the Australian Securities Exchange Limited ("ASX") Listing Rules and not disclosed elsewhere in this report is as follows. The information is current as at 11 February 2020 unless otherwise indicated.

## A. CORPORATE GOVERNANCE STATEMENT

Refer to the Annual Report, page 5.

## B. SUBSTANTIAL UNITHOLDERS

There is one unit holder holding at least 5% or more of the Trust's units, see Section F below.

## C. CLASSES OF UNITS

Refer to the Annual Report, Note 8, page 22.

## D. VOTING RIGHTS

Voting at a general meeting is by a show of hands unless a poll is validly demanded. On a show of hands each Unit holder (and each proxy, attorney or representative) has one vote, and on a poll, each Unit holder (and each proxy, attorney or representative) has one vote for each dollar value of units held. For voting purposes, the value of a unit in the Trust is the last sale price on the ASX on the trading day immediately before the day on which the poll is taken.

## E. DISTRIBUTION OF UNITS

Analysis of numbers of unit holders by size of holding as at 11 February 2020:

SIZE OF HOLDING	NO. OF HOLDERS	TOTAL UNITS	PERCENTAGE
<b>RANGES</b> 1 – 1,000	88	56,118	0.02
1,001 – 5,000	1,041	3,967,991	1.44
5,001 – 10,000	1,430	12,038,068	4.38
10,001 – 100,000	4,327	134,265,831	48.82
100,001 and over	246	124,702,437	45.34
	<b>7,132</b>	<b>275,030,445</b>	<b>100</b>



There are 7 unit holders each with an unmarketable parcel of units being a holding of 200 or less, for a combined total of 16 units. This is based on a closing price of \$2.07 per unit as at 11 February 2020.

## F. LARGEST UNIT HOLDERS

The names of the twenty largest holders of quoted units are listed below:

NO.	UNIT HOLDER	NO. OF UNITS	PERCENTAGE
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	46,579,033	16.94
2	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	8,638,366	3.14
3	PARTNERS GROUP MANAGEMENT XIII LIMITED	5,019,644	1.83
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	3,408,399	1.24
5	TANDOM PTY LTD	3,350,000	1.22
6	NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	3,138,108	1.14
7	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	2,350,858	0.85
8	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD DRP	1,617,580	0.59
9	G C F INVESTMENTS PTY LTD	1,500,000	0.55
10	INVIA CUSTODIAN PTY LIMITED <A/M UNIT A/C>	1,164,000	0.42
11	ASIA UNION INVESTMENTS PTY LTD	1,000,000	0.36
12	AURISCH INVESTMENTS PTY LTD	1,000,000	0.36
13	DASMIN PTY LTD	834,820	0.30
14	NCOBF PTY LTD <NOEL & CARMEL O'BRIEN FF A/C>	750,000	0.27
15	LISA FRANCES ROTHNER PTY LTD <LISA ROTHNER FAMILY A/C>	641,000	0.23
16	BOND STREET CUSTODIANS LIMITED <3M1CW - D70610 A/C>	600,000	0.22
17	MRS ANTONIA MARGARETTA JENKINS	596,468	0.22
18	LANDCHARM PTY LTD	549,255	0.20
19	GEAT INCORPORATED <GEAT-PRESERVATION FUND A/C>	527,500	0.19
20	INVIA CUSTODIAN PTY LIMITED <A/M UNIT A/C>	525,000	0.19
		<b>83,790,031</b>	<b>30.46</b>



## **G. UNQUOTED EQUITY SECURITIES**

There were no unquoted equity securities for the period 18 July 2019 to 31 December 2019 ("Reporting Period").

## **H. REVIEW OF OPERATIONS AND ACTIVITIES FOR THE REPORTING PERIOD**

Refer to the Directors' report at pages 1- 2 of the Annual Report.

## **I. ON-MARKET BUY-BACKS**

There have been no current on-market buy-backs.

## **J. CASH AND ASSETS USED**

During the Reporting Period, the Trust invested in accordance with the investment objective and guidelines as set out in the latest Product Disclosure Statement of the Trust dated 29 July 2019 and in accordance with the Trust's Constitution.

## **K. INVESTMENT TRANSACTIONS**

The total number of transactions during the Reporting Period was 1 (purchase). The total brokerage paid or accrued was nil.

## **L. TOTAL MANAGEMENT FEES PAID OR ACCRUED DURING THE REPORTING PERIOD**

Refer to the Annual Report, Note 16(g), page 25.

## **M. SECURITIES APPROVED**

There have been no issues of securities approved which have not yet been completed.

## **N. STOCK SECURITIES LISTING**

The Trust's units are listed on the ASX and are traded under the ticker code "PGG".

## **O. UNQUOTED UNITS**

There are no unquoted units on issue.

## **P. VOLUNTARY ESCROW**

There are no restricted units in the Trust or units subject to voluntary escrow.

## **Q. REGISTERED OFFICE OF RESPONSIBLE ENTITY**

Equity Trustees Limited  
Level 1, 575 Bourke Street  
Melbourne, VIC 3000  
Telephone: 03 8623 5200

## **R. UNIT REGISTRY**

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
Telephone: 02 9290 9600



**S. COMPANY SECRETARY OF THE RESPONSIBLE ENTITY**

Susan Taylor