

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Focused on discovering compelling investments

SEPTEMBER 2024

Closed-end investment company, traded on the London Stock Exchange

OBJECTIVE

UIL Limited ("UIL") seeks to maximise shareholder returns by identifying and investing in compelling long-term investments worldwide, where the underlying value is not fully recognised.

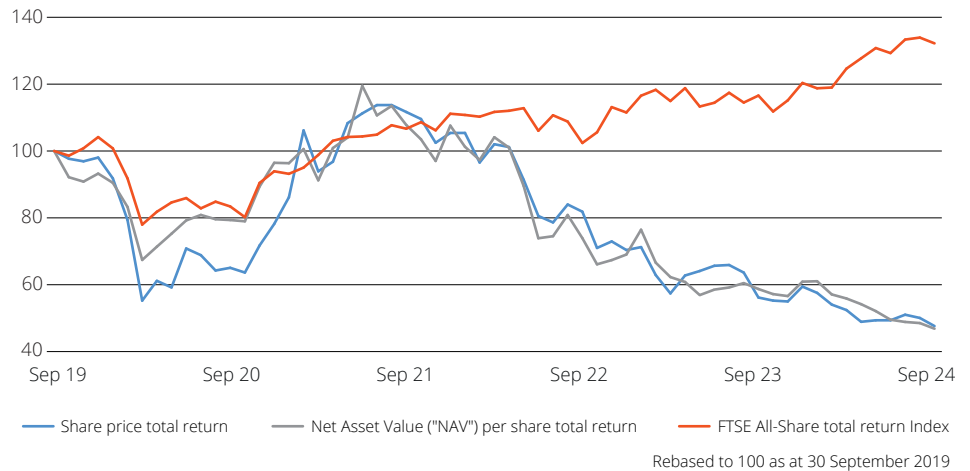
INVESTMENT APPROACH

To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility to make investments in a wide range of sectors and markets.

KEY DATES

Launch date*	August 2003
Year end	30 June
AGM date	November
Ex-dividend dates	September, December, March & June
Dividend paid dates	September, December, March & June
2024 ZDP shares expiry	31 October 2024
2026 ZDP Shares Expiry	31 October 2026
2028 ZDP Shares Expiry	31 October 2028

*Utilico Investment Trust plc – UIL's predecessor

PERFORMANCE

PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	5 years	Inception
Share Price	(4.9%)	(3.5%)	(15.2%)	(57.3%)	(52.4%)	239.0%
NAV per share	(3.5%)	(5.4%)	(20.2%)	(56.5%)	(53.2%)	254.4%
FTSE All-Share Index	(1.3%)	2.3%	13.4%	23.9%	32.2%	362.3%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Sep 24	Sep 23	Sep 22	Sep 21	Sep 20
Share Price	(15.2%)	(31.4%)	(26.7%)	71.6%	(34.9%)
NAV per share	(20.2%)	(20.6%)	(31.4%)	35.8%	(20.7%)
FTSE All-Share Index	13.4%	13.8%	(4.0%)	27.9%	(16.6%)

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV per share at launch of UIT*	99.47p
NAV per share (cum income)	150.56p
Share price	96.00p
Discount to NAV	(36.2%)
Annual average compound return (including dividends)	6.2%
Historic dividend per share	8.00p
Historic dividend yield	8.3%
Ongoing charges figure excluding performance fees	2.8%
Shares in issue	83,755,585

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£238.5m
Bank and other Debt	£7.3m
ZDP shares 2024	£41.3m
ZDP shares 2026 ⁽¹⁾	£34.1m
ZDP shares 2028 ⁽²⁾	£29.7m
Shareholders' Funds (Ordinary Shares)	£126.1m
	£238.5m
Gearing (based on AIC definition)	82.9%

⁽¹⁾ includes 2.3m 2026 ZDP shares held by UIL

⁽²⁾ includes 0.7m 2028 ZDP shares held by UIL

Gearing AIC – standardised gearing calculation as recommended by the AIC is based on net assets

PERFORMANCE FEE

15% of the outperformance over benchmark subject to minimum hurdle of 5% and high watermark, capped at 2.5% of adjusted equity funds.

INVESTMENT MANAGEMENT FEE

0.5% of gross assets plus Company Secretarial Fee.

INVESTMENT MANAGERS

UIL is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

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ZDP SHARES

	2024	2026	2028
Accrued Capital Entitlement	137.81p	136.86p	121.22p
Share Price	136.00p	121.50p	98.50p
Premium/(discount) to NAV	(1.3%)	(11.2%)	(18.7%)
ZDP Cover [†]	4.88x	2.75x	1.91x
Yield to Redemption [†]	22.4%	11.2%	11.3%
ZDP Redemption Value	138.35p	151.50p	152.29p
Shares in issue	30.0m	25.0m	25.0m
Ticker	UTLG.L	UTLH.L	UTLI.L

[†]based on final redemption values



PERFORMANCE

UIL's NAV total return declined by 3.5% in September, underperforming the FTSE All Share total return Index which decreased by 1.3% over the month.

Global markets in September ended the month on the whole in positive territory. The US market (the S&P Index) ended the month up by 2.0%, despite witnessing a slow start on the back of softer macro data. Retail sales and new home sales weakened, nonfarm payrolls rose less than expected and private consumption expenditure growth was revised lower. The market however was driven by the long anticipated start of the US Federal Reserve rate cutting cycle. The outsized interest rate cut of 50bps, the first rate cut since 2020 bringing rates to 4.75-5.0%, helped to push the US market higher. The European central bank also lowered its interest rate by 25bps as the European economic outlook deteriorated whilst the Bank of England held rates.

The Chinese market started the month sluggishly as retail sales and industrial production all continued to slow. However, on 24 September the Chinese central bank, the PBoC, announced a number of measures to revive growth. These included lowering the seven day reverse repo rate and lowering mortgage rates as part of its stimulus measures. The epic stimulus package helped to boost the markets with the Hang Seng and Shanghai Composite Index both recovering at the end of the month, up by 17.5% and 17.4% respectively.

The easing of the US and Chinese monetary policy helped many other markets deliver solid market performances during the month. The Philippines PSEI Index was up by 5.4%, benefitting from the Philippines central bank cutting interest rates as inflationary pressure continue to trend downwards, whilst the Thailand Set Index was up by 6.6%. The Indian Sensex Index was up by 2.3% as macro conditions remain favourable.

Brazil was one of the outliers for the month with the Bovespa Index down by 3.1%. The Brazilian central bank bucked the trend witnessed in most countries and raised interest rates - the first time in over two years - to 10.75% with the central bank indicating that there are more increases ahead. Further, the Brazilian market was not helped by concerns around the government loosening fiscal discipline.

In the commodities markets, Brent Crude oil further declined by 8.9% in September, on the back of continued expectation of slower global demand, albeit since the month end, oil prices have increased as geopolitical tension in the Middle East has driven prices upwards again. Copper prices for September were up by 9.8%,

hitting a two month high during the month, helped by the US interest rate cut and the Chinese stimulus measures. Gold also continued its rally upwards exceeding USD 2,600/oz, yet again another all-time high.

PORTFOLIO

There were no changes to the top ten constituents of the UIL portfolio in September.

Somers' valuation for the month increased marginally by 0.7% whilst Carebook Technologies was the strongest performer in the top ten, up by 27.3% on the back of more positive 2Q24 results. The Australian listed companies had mixed performances with WT Financial up by 8.1% and The Market Limited down by 15.6%. Resimac was also down by 4.4% in September.

Allectus Quantum was down by 10.1% whilst Allectus Capital was up by 12.9%.

UEM's NAV total return for the month was down marginally by 0.1% whilst UEM's share price decreased by 2.7% and the discount widened to 18.4%.

There were realisations of £0.3m during the month and purchases of £0.7m.

Subsequent to the month end, Zeta announced that it would receive approximately USD 41.0m from its investment in Koumbia Bauxite Investments Limited ("KBI"), an unlisted, Bermuda based company which had terminated its commercialisation deed with Alliance Mining Commodities. UIL also announced that it had acquired the Zeta shares held by General Provincial Life Pension Fund ("GPLPF") at NAV (£28.7m in aggregate), satisfied through the transfer to GPLPF of UIL's investment in Allectus Capital at its latest valuation and the issue of new UIL ordinary shares at NAV. As a result, UIL held over 95% of Zeta and gave notice to acquire the remaining Zeta shares by compulsory acquisition at NAV. The compulsory acquisition completed on 16 October 2024. Zeta thereby became a 100% subsidiary of UIL and enables the KBI proceeds to be distributed to UIL in full.

DEBT

Debt was at £7.3m as at 30 September 2024, drawn in Sterling and US Dollars. UIL also had cash balances of £4.9m at month end.

ZDP SHARES

In September, the share price of the 2024 ZDP shares appreciated by 1.1%. The price of the 2026 ZDP shares was unchanged and the 2028 ZDP shares increased by 0.5%.

UIL Finance Limited announced in October that the 2024 ZDP shares will be redeemed on 31 October 2024. The capital repayment amount for the 2024 ZDP Shares is 138.35p per share.

OTHER

UIL's ordinary share price decreased by 6.8% from 103.00p to 96.00p in September and the discount to NAV widened from 34.8% to 36.2%.

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	46.0%
2	Zeta Resources Limited	15.5%
3	Utilico Emerging Markets Trust plc	8.6%
4	Resimac Group Limited	7.0%
5	Allectus Quantum Holdings Limited	5.7%
6	Allectus Capital Limited	5.3%
7	West Hamilton Holdings Limited	2.7%
8	The Market Limited	2.3%
9	Carebook Technologies Inc	1.8%
10	WT Financial Group Limited	1.3%
Total Top Ten		96.2%

SECTOR SPLIT OF INVESTMENTS

Financial Services	50.2%
Technology	22.4%
Resources	9.6%
Gold Mining	5.9%
Other	4.0%
Ports	2.2%
Electricity	1.4%
Water	1.3%
Renewables	1.0%
Airports	0.6%
Telecommunications	0.5%
Oil and Gas	0.5%
Infrastructure Investments	0.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	48.3%
UK	10.9%
Europe (excluding UK)	8.3%
Bermuda	8.2%
Middle East/Africa	7.8%
Asia	6.2%
USA	3.4%
Latin America	3.0%
Canada	2.5%
New Zealand	1.4%

In September, UIL declared a fourth quarterly interim dividend of 2.00p per ordinary share in respect of the year ended 30 June 2024, which will be paid on 8 November 2024 to shareholders on the register as at 27 September 2024.

On 8 October 2024, UIL published its report and accounts for the year ended 30 June 2024.

Charles Jillings
ICM Investment Management Limited and ICM Limited

Important Notes

The information presented on this document is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to deal in UIL. Investments in UIL are subject to investment risks and the value of investments and the income derived from them may fall as well as rise and investors may not get back the principal amount invested. Past performance is not indicative of future performance. Investors should read the prospectus along with the supplement(s) and seek relevant professional advice before making any investment decision. The information presented has been obtained from sources believed to be reliable, but no representation or warranty is given or may be implied that they are accurate or complete. The Investment Managers reserve the right to make any amendments to the information at any time, without notice. Issued by ICM Investment Management Limited (registered in England: 08421482), which is authorised and regulated by the Financial Conduct Authority (FRN: 630094).