

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

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

JULY 2019

OBJECTIVE

UIL Limited ("UIL") seeks to maximise shareholder returns by identifying and making investments where the underlying value is not reflected in the market price.

INVESTMENT APPROACH

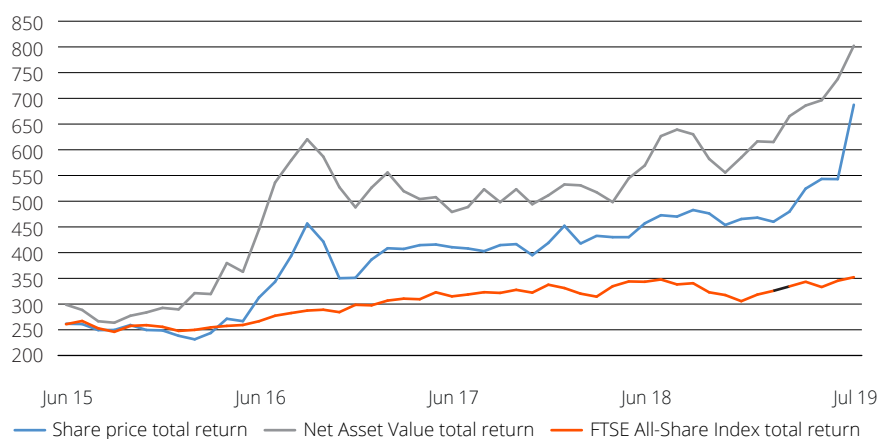
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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
2020 ZDP shares expiry	31 October 2020
2022 ZDP shares expiry	31 October 2022
2024 ZDP shares expiry	31 October 2024
2026 ZDP Shares Expiry	31 October 2026

*Utilico Investment Trust plc – UIL's predecessor

PERFORMANCE



Rebased to 100 as at 14 August 2003

PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	26.6%	31.1%	45.4%	100.3%	587.6%
Net Asset Value	8.8%	17.0%	28.1%	49.6%	702.3%
FTSE All-Share Index total return	2.0%	2.6%	1.3%	27.0%	252.2%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Jul 19	Jul 18	Jul 17	Jul 16	Jul 15
Share Price	45.4%	15.9%	18.9%	31.4%	(4.7%)
Net Asset Value	28.1%	28.2%	(8.9%)	85.5%	2.4%
FTSE All-Share Index total return	1.3%	9.2%	14.9%	3.8%	5.4%

FUND DETAILS

ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	402.28p
Share Price	252.00p
Discount to NAV	(37.4%)
Annual average compound return (including dividends)	13.9%
Historic Dividend paid per share	7.50p
Historic Dividend Yield	3.0%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	88,283,389

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£581.0m
Bank and other Debt	£52.4m
ZDP shares 2020	£55.7m
ZDP shares 2022	£59.8m
ZDP shares 2024	£31.7m
ZDP shares 2026*	£26.2m
Shareholders' Funds (Ordinary Shares)	£355.2m
	£581.0m
Gearing (based on AIC definition)	60.6%

* includes 10.2m 2026 ZDP shares held by UIL

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

INVESTMENT MANAGERS

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

www.icm.limited

INVESTMENT MANAGEMENT FEE

0.5% of gross assets plus Company Secretarial Fee.

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.

ZDP SHARES

	2020	2022	2024	2026
Accrued Capital Entitlement	141.91p	120.69p	108.42p	106.35p
Share Price	150.50p	132.00p	116.50p	107.50p
Premium / (discount) to NAV	6.1%	9.4%	7.5%	1.1%
ZDP Cover*	5.13x	3.11x	2.54x	2.18x
Yield to Redemption*	2.3%	3.4%	3.3%	4.8%
ZDP Redemption Value	154.90p	146.99p	138.35p	151.50p
Shares in issue	39.0m	50.0m	30.0m	25.0m
Ticker	UTLE.L	UTLF.L	UTLG.L	UTLH.L

*based on final redemption values



PERFORMANCE

UIL's NAV total return was up 8.8% in July, well ahead of the FTSE All Share total return Index which increased by 2.0% in Sterling terms over the same period.

In July, global markets were mixed

despite the 25-basis point interest rate cut witnessed in the US as the central bank indicated that the reduction was not the beginning of a long series of cuts hoped for by many in the market. US GDP growth also weakened with real GDP for Q2 increasing by 2.1%, significantly down from the 3.1% recorded in Q1. The PMI Index also increased marginally, by 0.1 to 51.6 with the service sector hiding the weakest manufacturing reading since 2009. Within the UK, Boris Johnson was confirmed as the new Prime Minister, increasing the possibility of a more extreme Brexit outcome on the 31 October 2019.

The majority of the developed markets indices continued on last month's positive trend, with the S&P, FTSE 100 and Australian ASX Index all posting 1.3%, 2.2% and 2.9% gains respectively. The Eurostoxx saw a marginal decline of 0.2%, whilst the emerging markets saw weakness with the Chinese Shanghai Composite Index down 1.6%, the Hong Kong Hang Seng Index down 2.7% and the Indian Sensex Index down 4.9%. The Indian Index was one of the worst performers as it was affected by market disappointment around the first budget of Modi's second term. The Mexico's Bolsa IPC Index was also down 5.3% on the back of the unexpected resignation of the finance minister, raising concerns over the government's ability to foster stability. Brazil managed to buck the trend for the emerging markets, up 0.8%, helped by approval of the pension reform in the lower house of the National Congress.

Currency wise, given the news of Boris Johnson as Prime Minister and renewed fears of a disorderly Brexit, Sterling depreciated. Sterling was down 3.8% against the US Dollar, 1.6% against the Euro, 3.6% against the Hong Kong Dollar, 2.1% against the New Zealand Dollar and down 5.5% against the Brazilian Real.

Brent Crude oil weakened 2.1% over the period, falling to USD 65.17/bbl. Meanwhile, gold was up marginally by 0.3% to USD 1,413.90 per ounce.

PORTFOLIO

There were no changes to the constituents of UIL's top ten investments during July. Purchases during the month totalled £2.1m and realisations amounted to £1.8m.

During the month of July, Somers saw a 2.0% fall in its share price, with Utilico Emerging Markets Trust Plc continuing its upward trend, up 5.0%, reflective of the 4.8% increase in its underlying NAV over the period. Resolute Mining's share price was up 33.0%, helped by its dual listing on the main market of the London Stock Exchange in June as well as strong production numbers released for 2Q19. Zeta's share price was also up 1.4%, along with Afterpay, which was up 6.5%, whilst Allectus was down 11.3%.

DEBT

Bank debt totalled £50.8m as at 31 July 2019, down marginally over the period, with underlying positions drawn as AUD 68.2m and CAD 20.0m. The USD was fully repaid during the month. Foreign exchange hedge positions into Sterling remained the same during the period with the FX position being AUD 144.7m, USD 84.8m, EUR 26.0m and NZD 7.4m.

OTHER

UIL's share price ended the month up 26.6% at 252.00p. The discount to NAV reduced to 37.4% from 46.2%.

The 2020 ZDP share price increased by 0.7% to 150.50p, while the 2022 ZDP shares were flat for the period at 132.00p. The 2024 shares increased by 2.2% to 116.50p and the 2026 ZDP shares were also flat for the period at 107.50p.

During the month, UIL sold in the market 1.7m 2026 ZDP shares issued by its subsidiary, UIL Finance Limited, at a price of 106.50p per 2026 ZDP Share. Following this sale, UIL has a remaining holding of 10.2m 2026 ZDP shares.

UIL announced its intention to consider moving to the Specialist Fund Segment of the Main Market of the London Stock Exchange and sets out a target discount to net asset value of approximately 20% over the medium term.

On 31 July 2019, Saracen Mineral Holdings Limited announced the takeover bid with Bligh Resources Limited completed, valuing Bligh at \$38.2m. The shareholders of Bligh will receive 0.0369 Saracen shares for every one share in Bligh on 5 August 2019. Zeta holds 87.0% of Bligh.

On 9 August 2019, Ascendant Group Limited shareholders approved the sale to Algonquin Power & Utilities Corp for USD 36.00 per share. BFIC's principal investment asset is Ascendant.

Charles Jillings
ICM Investment Management Limited and ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS	% of Group investments
1 Somers Limited	20.8%
2 Utilico Emerging Markets Trust plc	16.0%
3 Resolute Mining Limited	15.0%
4 Zeta Resources Limited	12.4%
5 Optal Limited	7.7%
6 Afterpay Touch Group Limited	6.8%
7 Bermuda First Investment Company Limited	4.2%
8 One Communications Limited	4.1%
9 Allectus Capital Limited	3.5%
10 Vix Tech Pte Ltd	1.6%
Total Top Ten	92.1%

SECTOR SPLIT OF INVESTMENTS

Technology	22.1%
Financial Services	20.8%
Gold Mining	18.2%
Resources	8.7%
Electricity	7.8%
Telecoms	6.1%
Other	4.4%
Oil and Gas	2.4%
Ports	2.3%
Road and Rail	1.8%
Water	1.7%
Infrastructure Investments	1.7%
Renewables	1.3%
Airports	0.7%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	20.1%
Other – Gold Mining	18.2%
Bermuda	14.9%
UK	11.3%
Europe (excluding UK)	10.4%
Asia	7.1%
Latin America	6.4%
North America	5.8%
Middle East/Africa	4.6%
New Zealand	1.2%

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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 the Financial Conduct Authority (FRN: 630094).

