

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

MARCH 2021

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

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.

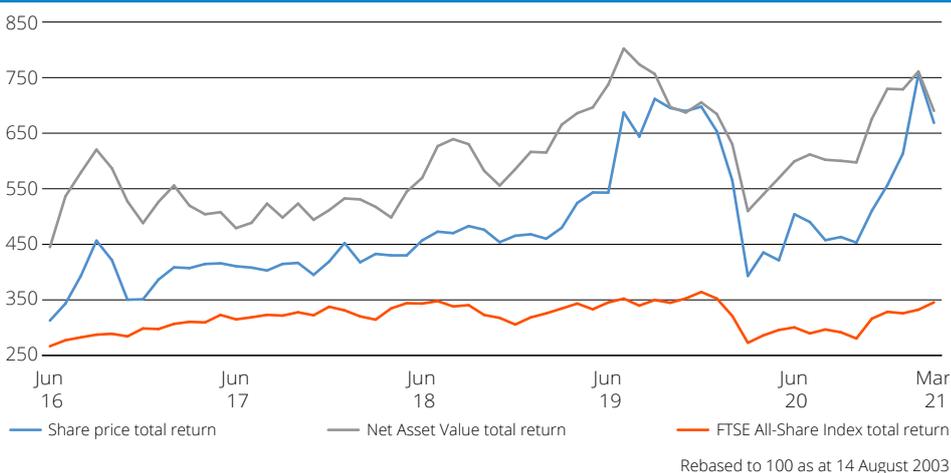
INVESTMENT APPROACH

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
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

PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	(11.5%)	20.1%	70.0%	54.5%	568.5%
Net Asset Value	(9.3%)	(5.4%)	35.3%	33.4%	590.1%
FTSE All-Share Index total return	4.0%	5.2%	26.7%	9.9%	245.5%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
Share Price	70.0%	(18.0%)	10.9%	6.3%	67.0%
Net Asset Value	35.3%	(23.4%)	28.6%	(0.4%)	62.6%
FTSE All-Share Index total return	26.7%	(18.5%)	6.4%	1.2%	22.0%

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	331.07p
Share Price	228.00p
Discount to NAV	(31.1%)
Annual average compound return (including dividends)	11.6%
Historic Dividend paid per share	8.00p
Historic Dividend Yield	3.5%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	84,431,783

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£462.6m
Bank and other Debt	£53.5m
ZDP shares 2022	£66.5m
ZDP shares 2024	£34.6m
ZDP shares 2026*	£28.5m
Shareholders' Funds (Ordinary Shares)	£279.5m
	£462.6m
Gearing (based on AIC definition)	64.2%

* includes 3.1m 2026 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

	2022	2024	2026
Accrued Capital Entitlement	133.53p	117.14p	115.36p
Share Price	136.00p	115.50p	113.00p
Premium/(discount) to NAV	1.8%	(1.4%)	(2.0%)
ZDP Cover*	3.61x	2.72x	2.22x
Yield to Redemption*	5.0%	5.2%	5.4%
ZDP Redemption Value	146.99p	138.35p	151.50p
Shares in issue	50.0m	30.0m	25.0m
Ticker	UTL.F.L	UTL.G.L	UTL.H.L

*based on final redemption values



PERFORMANCE

UIL's NAV total return decreased by 9.3% during March, in contrast to the FTSE All Share Total Return Index which was up 4.0% in the month.

Developed markets indices ended the

month strongly in positive territory, with the S&P 500 once again hitting an all-time high during the month on strong progress in the US vaccination programme and the passing of the USD 1.9 trillion stimulus bill, as expected. Inflation concerns remain, although the Fed's focus remains on giving the US economy support to get people back into work as quickly as possible and ignoring transitory inflationary signals. There was a rotation away from growth towards value sectors and capital flows continued to be repatriated to the US from emerging and especially frontier markets.

The vaccination rollout in the UK also continued at a strong pace and the country started to take steps to ease its national lockdown as case numbers declined. In contrast, many parts of Europe reported increasing infection rates, a tightening of restrictions and a disappointingly slow rollout of vaccines.

The spread of more transmissible Covid-19 variants also caused concern in the emerging markets, including Latin America, South Asia and Eastern Europe, although this did not necessarily correlate with stock market performance. Whilst the weakness of China's markets dragged down the global EM indices, many markets were strongly positive for the month. Brazil's BOVESPA and Mexico's Bolsa IPC Index both advanced by 6.0%.

Industrial commodity prices gave up some of the strong gains seen earlier in the year, with Brent Crude oil down 3.9% for the month and Copper down by 2.4%. Gold continued to weaken with the price falling by 1.5% in March.

The US Dollar strengthened during the month, gaining 1.3% against Sterling. The Euro was weak, declining by 1.9% against Sterling. The Australian Dollar weakened 0.3% against the Pound.

PORTFOLIO

There was one change to the top ten investments in UIL's portfolio in March. One Communications was sold during the month and it was replaced by ICM Mobility. ICM Mobility Group is a new investment company focused on the mobility sector, covering private and public transport and its seed assets were transferred from Allectus Capital.

There were some large movements in share prices within the top ten. Resolute Mining's share price declined by 28.9% during the month after the Ghanaian Minerals Commission announced the termination of

the mining lease at Resolute's Bibiani mine. Resolute had agreed to sell the mine to a Chinese company for USD 105m. Subsequent to the month end, Resolute's lease was conditionally restored.

The carrying value of Somers declined by 11.5%, primarily due to a 11.8% decline in the share price of Resimac in March, reversing strong gains seen in the first two months of the year. In contrast, the share price of Orbital surged 23.5% after it announced a contract with a subsidiary of US defence contractor, Textron.

In the commodities space, Zeta Resources' share price decreased by 6.7%, outpacing the 4.6% decline in total diluted net tangible asset in the month.

Purchases during the month for the portfolio amounted to £11.3m and realisations totalled £8.0m.

DEBT

Bank debt was increased during March to £48.8m versus £47.9m at the end of February. This was drawn as USD 28.7m, AUD 34.4m and EUR 10.6m. Foreign exchange hedge positions were reduced during the month, with the US Dollar hedge reduced by 47.1%. As at 31 March 2021, the hedged positions were AUD 119.1m and USD 50.5m.

OTHER

UIL's ordinary share price ended March at 228.00p, down 12.3% on the price at the end of February. Disappointedly the discount to NAV widened to 31.1%. UIL bought back 101,700 ordinary shares at an average price of 250.98p during the month. The 2022 ZDP share price advanced 0.4% to 136.00p and the 2026 ZDP price advanced by 0.9% to 113.00p. The 2024 ZDP share price was unchanged at 115.50p.

UIL's second quarterly interim dividend of 2.00p per ordinary share in respect of the year ending 30 June 2021, was paid on 31 March 2021 to shareholders on the register on 5 March 2021.

During the month, UIL announced proposals for an issue of up to £25m new 2028 ZDP share with a gross redemption yield of 5.75% per annum. The issue comprises, inter alia, a rollover offer was made to 2022 ZDP holders and a placing. It is expected that the 2028 ZDP shares will commence trading on 23 April 2021.

A circular was sent to ordinary and ZDP shareholders seeking approval for an amendment to the UIL's investment policy so as to permit investment of up to 50% of gross assets in any single platform, provided no single investment exceeds 30% on a look-through basis. This has subsequently been approved by ordinary and ZDP shareholders..

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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 by the Financial Conduct Authority (FRN: 630094).

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	37.5%
2	Zeta Resources Limited	20.1%
3	Utilico Emerging Markets Trust plc	15.4%
4	Allectus Capital Limited	5.5%
5	Resolute Mining Limited	5.1%
6	Vix Tech Pte Ltd	3.9%
7	Starpharma Holdings Limited	2.8%
8	Orbital Corporation Limited	2.8%
9	ICM Mobility Limited	1.8%
10	Sindoh Co. Ltd	1.2%
Total Top Ten		96.1%

SECTOR SPLIT OF INVESTMENTS

Financial Services	37.5%
Resources	18.3%
Technology	17.3%
Gold Mining	6.7%
Other	6.6%
Ports	3.5%
Electricity	2.9%
Telecoms	1.9%
Oil and Gas	1.9%
Renewables	1.5%
Infrastructure Investments	0.8%
Airports	0.6%
Water	0.5%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	38.0%
UK	11.6%
Asia	11.4%
North America	10.9%
Other – Gold Mining	6.7%
Middle East/Africa	6.3%
Bermuda	5.3%
Latin America	4.4%
Europe (excluding UK)	3.9%
New Zealand	1.5%

