

UIL is a closed-end investment company, traded on the London Stock Exchange

JANUARY 2019

UIL Limited ("UIL")

OBJECTIVE

To maximise shareholder returns by identifying and making investments where the underlying value is not reflected in the market price.

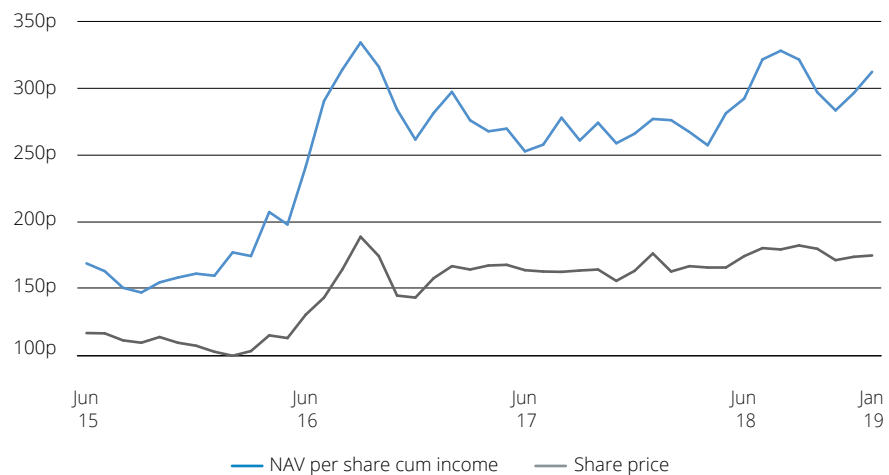
INVESTMENT APPROACH

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

PERFORMANCE (Total return including dividends)

| | 1 month | 3 months | 1 year | 3 years | Inception |
|-----------------|---------|----------|--------|---------|-----------|
| Share Price | 0.6% | (1.7%) | 3.5% | 96.4% | 301.0% |
| Net Asset Value | 5.3% | 5.8% | 15.7% | 112.8% | 516.3% |

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

| 12 Months to | Jan 19 | Jan 18 | Jan 17 | Jan 16 | Jan 15 |
|-----------------|--------|--------|--------|--------|--------|
| Share Price | 3.5% | 17.0% | 62.2% | (7.0%) | 13.9% |
| Net Asset Value | 15.7% | 1.2% | 81.7% | (5.5%) | 40.3% |

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

| | |
|--|------------|
| NAV at launch of UIT* | 99.47p |
| NAV (cum income) | 312.33p |
| Share Price | 175.00p |
| Discount to NAV | (44.0%) |
| Annual average compound return (including dividends) | 12.5% |
| Historic Dividend paid per share | 7.50p |
| Historic Dividend Yield | 4.3% |
| Ongoing charges figure excluding performance fees | 2.1% |
| Shares in issue | 89,493,389 |

*Utilico Investment Trust plc – UIL's predecessor

ZDP SHARES
2020

| | 2020 | 2022 | 2024 | 2026 |
|-----------------------------|---------|---------|---------|---------|
| Accrued Capital Entitlement | 137.07p | 117.12p | 105.96p | 103.81p |
| Share Price | 148.50p | 130.00p | 109.75p | 104.25p |
| Premium to NAV | 8.3% | 11.0% | 3.6% | 0.4% |
| ZDP Cover* | 4.50x | 2.70x | 2.20x | 1.89x |
| Yield to Redemption* | 2.4% | 3.3% | 4.1% | 4.9% |
| ZDP Redemption Value | 154.90p | 146.99p | 138.35p | 151.50p |
| Shares in issue | 39.0m | 50.0m | 30.0m | 25.0m |
| Ticker | UTL.L | UTL.F.L | UTL.G.L | UTL.H.L |

*based on final redemption values

CAPITAL STRUCTURE

| | |
|---------------------------------------|---------|
| Gross Assets less Current Liabilities | £497.8m |
| Bank and other Debt | £49.8m |
| ZDP shares 2020 | £54.0m |
| ZDP shares 2022 | £58.0m |
| ZDP shares 2024 | £30.9m |
| ZDP shares 2026* | £25.6m |
| Shareholders' Funds (Ordinary Shares) | £279.5m |
| | £497.8m |
| Gearing (based on AIC definition) | 74.8% |

*includes 13.4m 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 and www.icmim.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.

On 16 November 2015, UIL changed its name from Utilico Investments Limited.

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR



PERFORMANCE

During January UIL's NAV total return increased 5.3%, ahead of the FTSE All Share Total Return Index which was up by 4.2% in the month.

Markets in January recovered from the turbulence witnessed in late December due to the easing of trade tensions, with Donald Trump and Xi Jinping both appearing to want to reach a deal as well as the Federal Reserve remaining dovish with no interest rate increase. The United States Federal Government shutdown of 35 days ending late January did little to affect the markets. The S&P 500 Index increased 7.9%, the Dow Jones Industrial Average Index increased 7.2% and the Japanese Nikkei was up 3.8%. The FTSE 100 Index was up 3.6%, despite the ongoing Brexit battles that continued in January with Theresa May's Brexit Deal being rejected.

During the period, Sterling appreciated against the Euro by 2.9%, and appreciated against the US Dollar by 3.3%. Sterling against the Australian Dollar depreciated by 0.3%.

Emerging markets were the main beneficiary of the easing of trade tensions as the Hong Kong Hang Seng Index was up by 8.1% and the Chinese Shanghai Composite up by 3.6%. Over this period, Sterling appreciated against the Hong Kong Dollar, up by 3.5% whilst the Chinese Renminbi remained relatively flat. The Philippines' PSEi Index was also up by 7.3% during the month, on the back of an improving macro backdrop.

Brent crude oil continued to recover in January, increasing by 15.0% to USD 61.89/bbl as continued production cuts in the Middle East outweighed concerns about overall global economic growth. Gold was up over the month by 3.0% to USD 1,321.21 per ounce on the back of the growing negativity in

the equity markets and gold once again being perceived as fashionable again.

PORTFOLIO

There were no changes to the constituents of the top ten investments in UIL during January. Zeta Resources' share price was up 20.7% on the back of the strong share price performance of Panoramic Resources (Zeta's largest position) which was up 38.9% in January as one of its mines started ramping-up to full production.

Afterpay was also up 28.3% due to a positive trading update as transaction values in the six months to 31 December 2018 were 140% higher than in the corresponding period in 2017.

Purchases during the month for the portfolio amounted to £2.6m and realisations totalled £5.2m.

DEBT

Bank debt totalled £49.8m as at 31 January 2019, with the underlying positions drawn in AUD 69.0m and CAD 20.0m unchanged on 31 January 2019. Foreign exchange hedge positions to Sterling were broadly unchanged at USD 60.0m, EUR 12.0m and NZD 7.4m, although the AUD hedge position decreased to AUD 140.0m.

OTHER

UIL's share price ended January at 175.00p, a 0.6% increase over the month. The discount to NAV was at 44.0%.

The 2020 ZDP share price increased by 1.0% to 148.50p, while the 2022, 2024 and 2026 ZDP shares all advanced by 1.2%, 1.2% and 0.2% respectively, during the month.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

PORTFOLIO SUMMARY

| TOP TEN HOLDINGS | | % of gross assets |
|----------------------|--|-------------------|
| 1 | Somers Limited | 22.8% |
| 2 | Utilico Emerging Markets Trust plc | 16.8% |
| 3 | Zeta Resources Limited | 12.2% |
| 4 | Resolute Mining Limited | 11.9% |
| 5 | Afterpay Touch Group Limited | 9.0% |
| 6 | Optal Limited | 8.3% |
| 7 | Bermuda First Investment Company Limited | 4.8% |
| 8 | Vix Tech Pte Ltd | 3.2% |
| 9 | Allectus Capital Limited | 2.1% |
| 10 | Coldharbour Technology Limited | 1.5% |
| Total Top Ten | | 92.6% |

SECTOR SPLIT OF INVESTMENTS

| | |
|----------------------------|-------|
| Technology | 25.9% |
| Financial Services | 22.8% |
| Gold Mining | 14.4% |
| Resources | 9.1% |
| Electricity | 6.2% |
| Telecoms | 4.7% |
| Other | 4.6% |
| Oil and Gas | 3.7% |
| Ports | 2.4% |
| Road and Rail | 1.9% |
| Water | 1.3% |
| Airports | 1.1% |
| Renewables | 1.0% |
| Infrastructure Investments | 0.9% |

GEOGRAPHICAL SPLIT OF INVESTMENTS

| | |
|-----------------------|-------|
| Australia | 26.9% |
| UK | 21.3% |
| Other – Gold Mining | 14.4% |
| Bermuda | 12.9% |
| Latin America | 7.4% |
| Asia | 6.7% |
| Europe (excluding UK) | 4.6% |
| North America | 3.9% |
| Middle East / Africa | 1.4% |
| New Zealand | 0.5% |

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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).

