

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

NOVEMBER 2019

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.

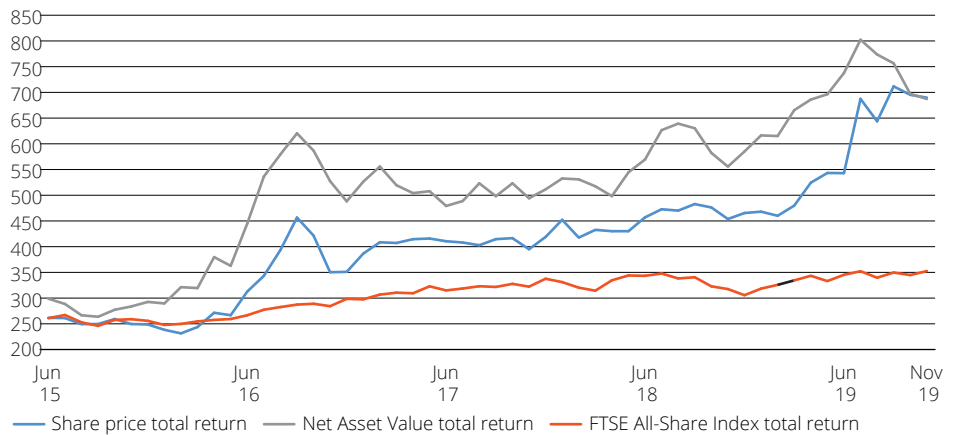
INVESTMENT APPROACH

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
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	(0.8%)	7.1%	52.0%	96.9%	589.7%
Net Asset Value	(1.4%)	(11.2%)	23.7%	30.3%	587.2%
FTSE All-Share Index total return	2.2%	3.8%	11.0%	24.0%	252.5%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Oct 19	Oct 18	Oct 17	Oct 16	Oct 15
Share Price	52.0%	14.9%	12.8%	40.3%	1.0%
Net Asset Value	23.7%	12.5%	(6.3%)	85.8%	7.0%
FTSE All-Share Index total return	11.0%	(1.5%)	13.4%	9.8%	0.6%

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	342.84p
Share Price	251.00p
Discount to NAV	(26.8%)
Annual average compound return (including dividends)	12.5%
Historic Dividend paid per share	7.50p
Historic Dividend Yield	3.0%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	86,281,237

*Utilico Investment Trust plc – UIL's predecessor

ZDP SHARES

	2020	2022	2024	2026
Accrued Capital Entitlement	145.23p	123.14p	110.10p	108.08p
Share Price	151.50p	133.50p	116.00p	108.50p
Premium/(discount) to NAV	4.3%	8.4%	5.4%	0.4%
ZDP Cover*	4.93x	2.89x	2.34x	2.00x
Yield to Redemption*	2.4%	3.4%	3.6%	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	£516.4m
Bank and other Debt	£43.7m
ZDP shares 2020	£56.9m
ZDP shares 2022	£61.1m
ZDP shares 2024	£32.3m
ZDP shares 2026*	£26.6m
Shareholders' Funds (Ordinary Shares)	£295.8m
	£516.4m
Gearing (based on AIC definition)	71.7%

* includes 7.8m 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.



PERFORMANCE

UIL's NAV total return fell by 1.4% during November, trailing the FTSE All Share Total Return Index which was up by 2.2% in the period.

Developed market indices were generally strong for the period with the

S&P Index up 3.4%, the Eurostoxx up 2.8%, the FTSE 100 Index up 1.4% and the ASX Index up 2.7%. This positive movement was partly fuelled by hopes of a preliminary trade deal between the US and China, despite President Trump's support of the protest in Hong Kong. Positive economic data illustrating that the US economy has expanded by 2.1% in 3Q more than expected and stronger than 2Q also added to strong market sentiment. European economic data remained mixed as the composite purchasing managers index (PMI) dipped to 50.3 albeit manufacturing PMI improved from 46.6 to 47.1. In Spain, yet another inconclusive election was held with the Socialist party remaining the largest party but needing a coalition with the left and likely support from the regional nationalist parties in order to get anything done. The UK remained engrossed domestically in the run up to the general election, with the market being supported by indications that the incumbent Conservative Party were ahead in the polls.

In contrast the emerging markets were weaker following the strong performance witnessed in October. The Shanghai Composite Index and the Hong Kong Seng Index were down 1.9% and 2.1% respectively, during the period. Elsewhere in Asia, the markets performed similarly with the Philippines PSEi PCOMP Index down 3.0%, Malaysian FTSE Bursa Index down 2.3% and the Thai SET down 0.7%. The exception in Asia was in India, which saw the SENSEX Index up 1.7%, helped partly by the ongoing US China trade discussions, but also by Modi's push to strategically divest government-controlled assets as well as a revival in government consumption, which has been muted post elections.

In Latam, the social unrest witnessed in October in Chile continued with protestors showing little sign of letting up as they rejected the government's announcement it would take steps to change the country's constitution. As a result, the Chilean ISPA Index fell a further 4.3%. Mexico and Argentina also saw a decline over the month with the MEXBOL Index down 1.2% and the Argentinean Merval down 1.4%. Brazil beat the trend, marginally up 0.9% on the back of a continuing increase of a pro market agenda that is being discussed in Congress and positive market data being announced.

Sterling's appreciation witnessed in October continued into November, fuelled by the Conservative party being ahead in the election polls. Sterling appreciated 1.1% against the Euro, 1.7% against Australian Dollar, up 5.3% against the Brazilian Real but remained flat against the US Dollar.

Commodities were mixed with Brent Crude Oil up 3.7% in November and Copper up 0.2%. Gold, however was down 3.2%, retracting some of the gains made in October.

PORTFOLIO

There were no changes to the constituents of the top ten holdings in UIL in November. Following a retraction of share price in October, Afterpay recovered and its share price was up 9.6% in November on the back of a positive trading update and placement of AUD 200m new shares to a strategic investor. Resolute Mining's share price declined during the period, falling 4.5%, on the back of a lower gold price. UEM's share price also fell 3.7% on the back of weaker emerging markets during the period, whilst other position within the portfolio remained unchanged.

Purchases during the month for the portfolio amounted to £11.2m and realisations totalled £2.4m.

DEBT

Bank debt increased to £39.4m at the end of November, with the underlying positions drawn in AUD50.0m and CAD22.8m. Foreign exchange hedge positions to Sterling decreased against the Euro from EUR 20.0m to EUR 19.0m. The Australian Dollar, US Dollar and New Zealand Dollar positions remained the same at AUD 116.3m, USD 65.8m and NZD 5.9m respectively.

OTHER

UIL's ordinary share price ended the month at 251.00p, a 0.8% decline over the period. The discount to NAV narrowed to 26.8%. Share prices of the 2020, 2022 and 2024 ZDP shares moved marginally with the 2020 up 0.3% to 151.50p, 2022 up 0.8% to 133.50p and the 2024 ZDP shares down 0.9% to 116.00p. The 2026 ZDP shares remained unchanged at 108.50p

During the month, UIL bought back 646,082 ordinary shares at an average price of 251.88p. UIL also sold in the market 1.0m 2026 ZDP shares issued by its subsidiary, UIL Finance. Following this sale, UIL has 7.8m 2026 ZDP shares remaining.

Charles Jillings
ICM Investment Management Limited and ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS	% of Group investments
1 Somers Limited	23.9%
2 Utilico Emerging Markets Trust plc	16.0%
3 Zeta Resources Limited	14.1%
4 Resolute Mining Limited	11.1%
5 Optal Limited	7.4%
6 Ascendant Group Limited	4.9%
7 One Communications Limited	4.5%
8 Allectus Capital Limited	4.1%
9 Afterpay Touch Group Limited	2.3%
10 Vix Tech Pte Ltd	2.0%
Total Top Ten	90.3%

SECTOR SPLIT OF INVESTMENTS

Financial Services	24.2%
Technology	18.8%
Resources	12.5%
Gold Mining	12.1%
Telecoms	6.6%
Infrastructure Investments	5.8%
Other	5.6%
Electricity	3.9%
Oil and Gas	2.5%
Ports	2.3%
Road and Rail	2.0%
Water	1.6%
Renewables	1.5%
Airports	0.6%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	23.8%
Bermuda	16.5%
UK	12.7%
Other – Gold Mining	12.1%
Europe (excluding UK)	10.2%
Asia	7.8%
Latin America	6.4%
Middle East/Africa	5.3%
North America	4.1%
New Zealand	1.1%

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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).

