

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

JUNE 2020

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.

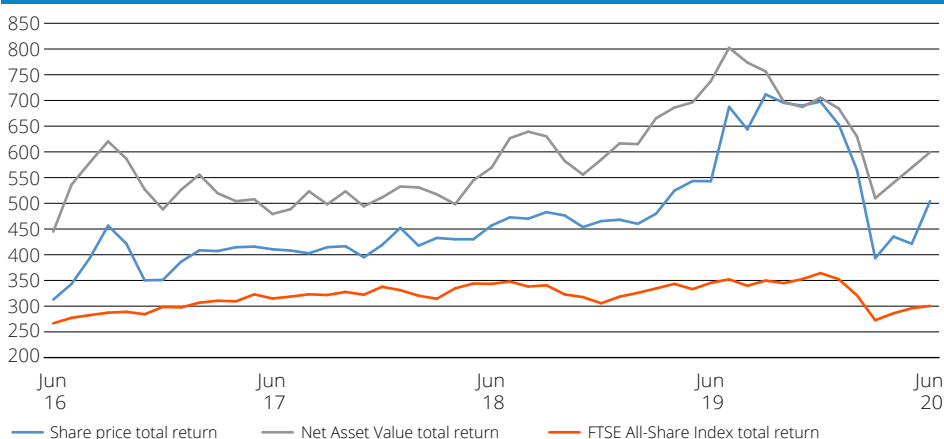
INVESTMENT APPROACH

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	19.7%	28.2%	(7.1%)	22.8%	404.2%
Net Asset Value	5.3%	17.5%	(18.7%)	25.1%	499.4%
FTSE All-Share Index total return	1.5%	10.2%	(13.0%)	(4.6%)	200.4%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Jun 20	Jun 19	Jun 18	Jun 17	Jun 16
Share Price	(7.1%)	18.8%	11.3%	31.3%	19.5%
Net Asset Value	(18.7%)	29.7%	18.7%	7.7%	48.9%
FTSE All-Share Index total return	(13.0%)	0.6%	9.0%	18.1%	2.2%

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	293.01p
Share Price	177.50p
Discount to NAV	(39.4%)
Annual average compound return (including dividends)	11.2%
Historic Dividend paid per share	7.75p
Historic Dividend Yield	4.4%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	85,939,314

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£488.0m
Bank and other Debt	£53.0m
ZDP shares 2020	£59.1m
ZDP shares 2022	£63.4m
ZDP shares 2024	£33.2m
ZDP shares 2026*	£27.5m
Shareholders' Funds (Ordinary Shares)	£251.8m
	£488.0m
Gearing (based on AIC definition)	93.6%

* includes 2.4m 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

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	151.23p	127.59p	113.13p	111.21p
Share Price	152.00p	126.50p	105.50p	95.25p
Premium/(discount) to NAV	0.5%	(0.9%)	(6.7%)	(14.4%)
ZDP Cover*	4.27x	2.59x	2.12x	1.82x
Yield to Redemption*	5.8%	6.6%	6.5%	7.6%
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 increased by 5.3% in June, significantly ahead of the FTSE All-Share Total Return Index which

recorded an increase of 1.5% over the same period.

Global markets were broadly positive in June, spurred by the easing of lockdown restrictions and fresh stimulus announcements. The European Central Bank stepped up its pandemic response, agreeing to inject an additional €600bn of emergency financial support into the Eurozone economy. Meanwhile, the Federal Reserve vowed to maintain stimulus measures to support the US economy. The EuroStoxx Index climbed 6.0% over the period, ending its third consecutive month in the green, while the S&P index shrugged off alarming new Coronavirus outbreaks in the US to end the month 1.8% higher. The FTSE 100, ASX and Nikkei followed suit, rising 1.5%, 2.5% and 1.9%, respectively.

Most emerging market indices posted strong returns over the month. Brazil's Bovespa was one of the top performers, ending the month 8.8% higher, despite the country remaining one of the regions worst affected by the Coronavirus pandemic. The central bank cut interest rates to a record low of 2.25% and hinted further easing could be on the horizon. Elsewhere in Latin America, Chile's IPSA climbed 8.5% and Argentina's Merval rose 2.3%. In Asia, India's Sensex rose 7.7%, looking past rising Coronavirus cases and fresh tensions with China following a skirmish at the Himalayan border. Meanwhile, Hong Kong's Hang Seng climbed 6.4% and the Shanghai Composite increased 4.6%, as stronger-than-anticipated PMI figures signalled economic recovery.

Sterling recorded minor depreciation against most currencies in June, falling 3.6% against the Australian Dollar, 1.0% against the Euro and 0.1% against the US Dollar.

Brent Crude had another strong month, ending June up 16.5% as the market wagered production cuts from OPEC and other oil-producing countries would balance lower demand. Other commodities also moved higher, with gold up 2.9% and copper increasing 11.9%.

PORTFOLIO

There were no changes to the constituents of UIL's top ten investments in June.

The increase in Allectus' valuation during June resulted from both the capitalisation of UIL's loan into equity and a number of investment gains at Allectus. Meanwhile, Zeta Resources saw a strong share price performance (+13.3%), benefitting from the uplift in commodity prices.

Purchases during the month totalled £7.4m while realisations reached £16.7m.

DEBT

Total bank debt reduced in Sterling terms, standing at £50.6m as at end-June. The debt was drawn in Australian Dollars (36.8m), Sterling (14.9m) and Euros (16.7m).

Foreign exchange hedge positions to Sterling at month-end were at AUD 67.1m, EUR 60.4m, CAD 52.5m and USD 29.0m.

OTHER

UIL's ordinary share price ended the month 18.3% up, at 177.50p, bringing the discount down from 46.5% to 39.4%. The 2020, 2022 and 2024 ZDP share prices increased by 1.0%, 0.4% and 1.9%, respectively, while the 2026 ZDP share price was unchanged over the period.

UIL's third quarterly interim dividend of 2.00p per ordinary share in respect of the year ended 30 June 2020, was paid on 26 June 2020 to shareholders on the register on 5 June 2020.

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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	26.8%
2	Zeta Resources Limited	14.4%
3	Utilico Emerging Markets Trust plc	13.3%
4	Resolute Mining Limited	13.0%
5	Ascendant Group Limited	5.2%
6	Allectus Capital Limited	5.2%
7	Optal Limited	5.0%
8	Vix Tech Pte Ltd	4.7%
9	One Communications Limited	4.2%
10	Orbital Corporation Limited	1.9%
Total Top Ten		93.7%

SECTOR SPLIT OF INVESTMENTS

Financial Services	26.8%
Technology	18.0%
Gold Mining	15.3%
Resources	11.9%
Infrastructure Investments	6.2%
Telecoms	6.0%
Other	5.1%
Electricity	3.8%
Ports	3.2%
Oil and Gas	1.6%
Renewables	1.0%
Water	0.8%
Airports	0.3%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia & New Zealand	25.7%
Bermuda	16.4%
Other – Gold Mining	15.3%
UK	10.4%
Asia	8.6%
Europe (excluding UK)	8.1%
Middle East/Africa	6.9%
Latin America	4.6%
North America	4.0%

