

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

DECEMBER 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

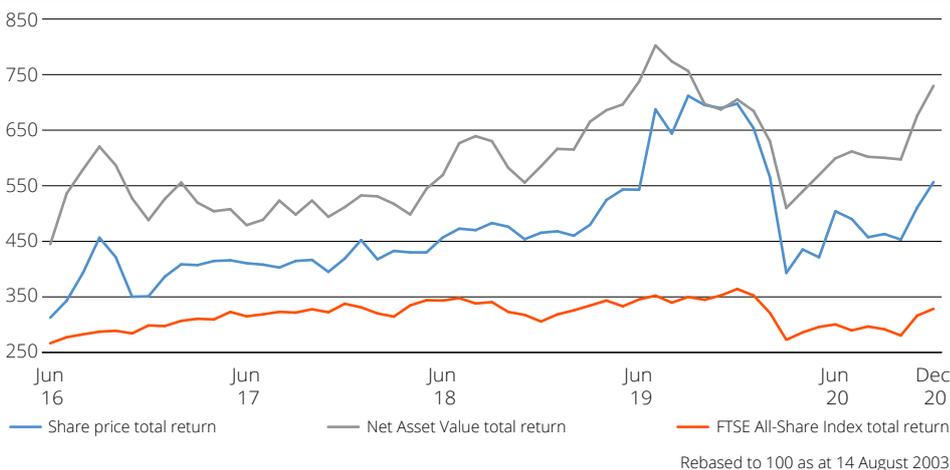
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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
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	9.0%	20.2%	(20.2%)	32.9%	456.6%
Net Asset Value	8.0%	21.6%	3.5%	42.3%	629.8%
FTSE All-Share Index total return	3.9%	12.6%	(9.8%)	(2.7%)	228.5%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Dec 20	Dec 19	Dec 18	Dec 17	Dec 16
Share Price	(20.2%)	50.0%	11.1%	19.3%	41.1%
Net Asset Value	3.5%	20.6%	14.0%	5.1%	66.9%
FTSE All-Share Index total return	(9.8%)	19.2%	(9.5%)	13.1%	16.8%

FUND DETAILS

ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	352.21p
Share Price	191.50p
Discount to NAV	(45.6%)
Annual average compound return (including dividends)	12.1%
Historic Dividend paid per share	8.00p
Historic Dividend Yield	4.2%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	85,706,314

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£473.4m
Bank and other Debt	£43.8m
ZDP shares 2022	£65.4m
ZDP shares 2024	£34.1m
ZDP shares 2026*	£28.2m
Shareholders' Funds (Ordinary Shares)	£301.9m
	£473.4m
Gearing (based on AIC definition)	54.9%

* includes 2.6m 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.

www.icm.limited

ZDP SHARES

	2022	2024	2026
Accrued Capital Entitlement	131.55p	115.81p	113.98p
Share Price	135.00p	116.00p	105.00p
Premium/(discount) to NAV	2.6%	0.2%	(7.9%)
ZDP Cover*	4.02x	2.97x	2.40x
Yield to Redemption*	4.8%	4.7%	6.5%
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 increased by 8.0% in December, outperforming the FTSE All Share Total Return Index which rose by 3.9% over the same period.

December marked

yet another volatile month for global markets as winter weather brought rising coronavirus infections across much of the western hemisphere. The UK announced preliminary indications of a new, more contagious variant of the Coronavirus that has been spreading rapidly through the population, triggering fresh emergency lockdowns in many parts of the country. The announcement triggered a swift global response, with many countries opting to suspend UK travel on concerns of contagion. Despite the ensuing chaos, the UK and EU were able to finalise a long-awaited Brexit deal, marking the end of the UK's 47-year EU membership and a long period of uncertainty following the referendum result in 2016. Meanwhile in the US, Democrats and Republicans battled to pass a new stimulus package to provide much-needed relief to the pandemic-stricken economy. President Trump, having earlier criticised the terms of the package, signed a bill to release USD 900bn of funds, avoiding a looming shutdown.

Global indices were broadly positive, led by S&P Index which climbed 3.7% over the period. The FTSE 100 posted a gain of 3.1% and the Eurostoxx rose by 1.7%. Meanwhile, the ASX 200 rose by 1.1%. In the emerging markets, Brazil was a notable outperformer with the Bovespa climbing 9.3% over the period, bolstered by encouraging Q3 GDP data. In Asia, Hong Kong's Hang Seng posted gains of 3.4% while the Shanghai Composite rose 2.4% as data continue to point to recovery in the Chinese economy.

Sterling had a strong month, rising against all but a small handful of currencies. This was largely due to a weaker US Dollar, against which Sterling appreciated 2.4%. Gains against the Hong Kong Dollar and Chinese Renminbi came in at 2.4% and 2.0%, respectively, while a 0.1% gain was recorded against the Euro. The Australian Dollar had a particularly strong month, appreciating 2.3% against Sterling.

Key commodity prices were strong over the period, with Brent crude climbing 8.8% to USD 51.8/barrel, spurred by the global rollout

of COVID-19 vaccines. Copper prices rose a further 2.9% while gold appreciated 6.8%.

PORTFOLIO

There was one change to the constituents of the top ten holdings in December, with One Communications replacing Optal, following the sale of the latter.

The majority of holdings in the top ten posted strong gains. Somers' valuation increased by 16.3%, benefitting from strong gains in its listed holding Resimac. Zeta Resources was up 14.6%, buoyed by stronger commodity prices, while UEM climbed 3.3% in response to stronger emerging markets performance. Allectus Capital also saw its valuation increased by 27.3% following strong performance in the underlying portfolio.

Purchases totalled £3.7m and sales totalled £20.6m in December. This was mainly due to the sale of Optal.

DEBT AND GEARING

Bank debt was reduced from £49.2m to £43.8m in December, drawn as AUD 23.9m, USD 21.8m, EUR 10.6m and GBP 4.9m. Foreign exchange hedge positions against Sterling were AUD 97.1m, USD 55.0m, and CAD 31.2m at month-end. UIL reduced its USD hedge by approximately USD 13.0m in response to asset sales.

OTHER

UIL's ordinary share price increased 7.9% in December, ending the month at 191.50p and leaving the discount to NAV marginally narrower at 45.6%. 2022 and 2026 ZDP share prices increased by 0.4% and 1.0%, respectively, while the 2024 ZDP share price remained flat.

UIL's first quarterly interim dividend of 2.00p per ordinary share in respect of the year ending 30 June 2021, was paid on 21 December 2020 to shareholders on the register on 4 December 2020.

During the month, UIL bought back 233,000 ordinary shares at an average price of 187.72p. UIL also purchased in the market 242,646 2026 ZDP shares issued by its subsidiary, UIL Finance. Following these purchases, UIL has 2.6m 2026 ZDP shares as at the end of December.

Charles Jillings
ICM Investment Management Limited and
ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	37.2%
2	Zeta Resources Limited	18.7%
3	Utilico Emerging Markets Trust plc	14.8%
4	Resolute Mining Limited	9.1%
5	Allectus Capital Limited	6.7%
6	Vix Tech Pte Ltd	3.9%
7	Orbital Corporation Limited	3.3%
8	Starpharma Holdings Limited	2.3%
9	One Communications Limited	1.0%
10	AssetCo plc	0.6%
Total Top Ten		97.6%

SECTOR SPLIT OF INVESTMENTS

Financial Services	37.2%
Technology	16.7%
Resources	15.9%
Gold Mining	11.7%
Other	4.9%
Ports	3.4%
Electricity	3.0%
Telecoms	2.7%
Oil and Gas	1.8%
Renewables	1.1%
Infrastructure Investments	0.8%
Water	0.4%
Airports	0.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	34.9%
Other – Gold Mining	11.7%
UK	11.2%
Asia	9.9%
Bermuda	8.2%
Middle East/Africa	6.8%
North America	6.7%
Latin America	4.4%
Europe (excluding UK)	3.9%
New Zealand	2.3%

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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).

