

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

JANUARY 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

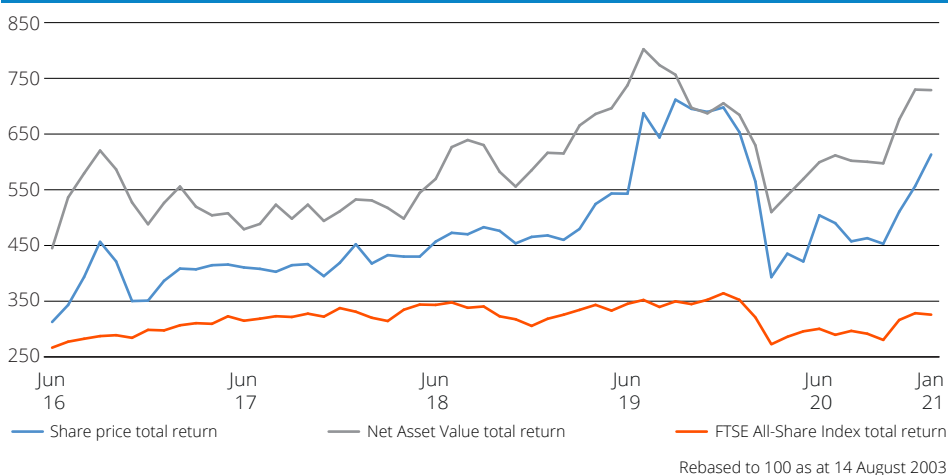
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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	10.2%	35.4%	(6.2%)	35.6%	513.3%
Net Asset Value	(0.1%)	22.0%	6.5%	36.9%	628.8%
FTSE All-Share Index total return	(0.8%)	16.1%	(7.5%)	(1.6%)	225.8%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Jan 21	Jan 20	Jan 19	Jan 18	Jan 17
Share Price	(6.2%)	39.6%	3.5%	17.0%	62.2%
Net Asset Value	6.5%	11.0%	15.7%	1.2%	81.7%
FTSE All-Share Index total return	(7.5%)	10.7%	(3.8%)	11.3%	20.1%

FUND DETAILS

ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	351.76p
Share Price	211.00p
Discount to NAV	(40.0%)
Annual average compound return (including dividends)	12.0%
Historic Dividend paid per share	8.00p
Historic Dividend Yield	3.8%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	84,831,050

*Utilico Investment Trust plc – UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£470.3m
Bank and other Debt	£43.6m
ZDP shares 2022	£65.8m
ZDP shares 2024	£34.2m
ZDP shares 2026*	£28.3m
Shareholders' Funds (Ordinary Shares)	£298.4m
	£470.3m
Gearing (based on AIC definition)	56.3%

* 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	132.18p	116.24p	114.43p
Share Price	136.00p	115.50p	112.00p
Premium/(discount) to NAV	2.9%	(0.6%)	(2.1%)
ZDP Cover*	3.98x	2.94x	2.37x
Yield to Redemption*	4.5%	4.9%	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 0.1% in January, outperforming the FTSE All Share Total Return Index which fell by 0.8% over the same period.

January again marked a month of mixed performance with the beginning of the month seeing a strong start as the potential for a roll out of a global Covid-19 vaccine became more of a reality. The inauguration of Joe Biden, the 46th President of the US, along with the Democrats securing two Senate seats in the state of Georgia giving the Democrats control of the Senate, the House of Representatives, and the White House for the first time since 2009, also fuelled the optimism that there would be further stimulus which came in the form of the USD 1.9 trillion "American Rescue Plan". However, concerns over a delayed exit from Covid-19 and new variants emerging dampened some of the euphoria resulting in the S&P Index being down for the month by 1.1%.

The UK exit from Europe on 31 December 2020 ended up being overshadowed by greater concerns of how the country's economy would recover from yet another lockdown as January's Flash Composite PMI index fell sharply from 50.4 to 40.6. Focus is now crucially on the vaccine rollout and how the government will tackle the reopening of the economy. Over the month of January, the FTSE 100 Index was down marginally by 0.8%.

The Eurostoxx followed suit down 2.0% as the relatively slow roll-out of Covid-19 vaccines hampered sentiment, whilst the ASX 200 posted a mildly positive performance of 0.3%. The emerging markets also witnessed a mixed performance with the Hong Kong Hang Seng Index up 3.9%, alongside the Chinese Shanghai Composite Index which was up 0.3%, helped by domestic economic data remaining firm and boosted by continued strong performance from internet and e-commerce stocks. Other Asian markets lagged, with the Philippines PSEi Index down 7.4% due to slow vaccine procurement and stimulus bills only materialising at the end of the period. The Indian Sensex Index was also down 3.1%. Within Latin America, a similar performance was witnessed as the Chilean IPSA Index was up 2.7% helped by the market's high exposure to copper whilst the Brazilian Bovespa was down 3.3%. Concerns lingered around President Bolsonaro's response to the increasing rise of Covid-19 cases and a possible extension of

emergency aid which could impact the country's fiscal accounts.

Sterling had a strong month as it only depreciated against the Chinese Renminbi and the Thai Baht by 0.8% and 0.1% respectively. It appreciated against all other currencies, up 0.5% against the US Dollar, 1.0% against the Australian Dollar and 5.6% against the Brazilian Real.

Commodity prices witnessed a strong performance in January with Brent crude oil climbing 7.9% to USD 55.88/barrel, spurred by the global rollout of Covid-19 vaccines. Copper prices rose a further 1.1% whilst gold was the outlier depreciating 2.7%.

PORTFOLIO

There were no changes to the constituents of the top ten holdings in January.

Performance across the portfolio was mixed, with Zeta Resources seeing a 5.5% increase in share price on the back of continued stronger commodity prices. Somers' valuation increased by 1.3% as it continues to benefit from the strong gains in its listed holding, Resimac. AssetCo saw the strongest performance up 86.2% on the back of an investor taking a 29.8% stake in AssetCo and indicating that it is keen for AssetCo to pursue additional investment opportunities.

Purchases totalled £4.3m and sales totalled £1.6m in January.

DEBT AND GEARING

Bank debt was reduced marginally from £43.8m in December to £43.6m in January, drawn as AUD 32.9m, USD 21.8m and EUR 10.6m. Foreign exchange hedge positions against Sterling were AUD 119.1m, and USD 65.5m, at month-end. UIL reduced its Canadian Dollar position to zero.

OTHER

UIL's ordinary share price increased 10.2% in January, ending the month at 211.00p and leaving the discount to NAV narrower at 40.0%. 2022 and 2026 ZDP share prices increased by 0.4% and 6.7%, respectively, while the 2024 ZDP share declined marginally by 0.4%.

During the month, UIL bought back 875,264 ordinary shares at an average price of 216.33p. UIL also purchased in the market 463,680 2026 ZDP shares issued by its subsidiary, UIL Finance. Following these purchases, UIL has 3.1m 2026 ZDP shares as at the end of January.

Charles Jillings
ICM Investment Management Limited and ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	37.7%
2	Zeta Resources Limited	19.3%
3	Utilico Emerging Markets Trust plc	14.7%
4	Resolute Mining Limited	7.8%
5	Allectus Capital Limited	7.0%
6	Vix Tech Pte Ltd	3.9%
7	Orbital Corporation Limited	3.2%
8	Starpharma Holdings Limited	2.2%
9	One Communications Limited	1.0%
10	AssetCo plc	0.6%
Total Top Ten		97.4%

SECTOR SPLIT OF INVESTMENTS

Financial Services	37.7%
Technology	17.0%
Resources	16.8%
Gold Mining	10.1%
Other	5.1%
Ports	3.4%
Electricity	3.0%
Telecoms	2.7%
Oil and Gas	1.8%
Infrastructure Investments	0.8%
Renewables	0.8%
Water	0.4%
Airports	0.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	38.2%
UK	10.7%
Other – Gold Mining	10.1%
Asia	10.0%
North America	7.4%
Middle East/Africa	6.5%
Bermuda	6.4%
Latin America	4.3%
Europe (excluding UK)	4.0%
New Zealand	2.4%

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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).

