

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

MAY 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.

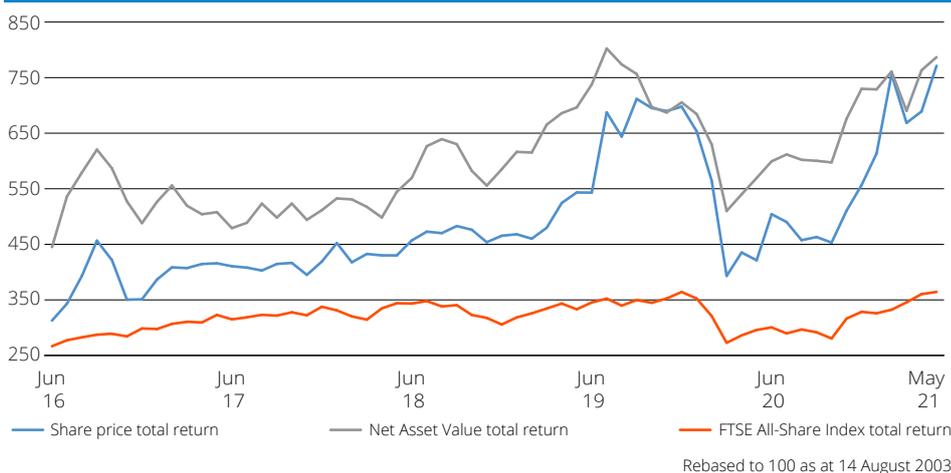
INVESTMENT APPROACH

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
2028 ZDP Shares Expiry	31 October 2028

*Utilico Investment Trust plc - UIL's predecessor

PERFORMANCE

PERFORMANCE (Total return including dividends)

	1 month	3 months	1 year	3 years	Inception
Share Price	11.9%	2.0%	83.0%	79.3%	671.2%
Net Asset Value	3.1%	3.4%	38.2%	44.5%	686.8%
FTSE All-Share Index total return	1.1%	9.6%	23.1%	5.9%	264.3%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	May 21	May 20	May 19	May 18	May 17
Share Price	83.0%	(22.4%)	26.3%	3.4%	55.9%
Net Asset Value	38.2%	(18.2%)	27.9%	7.2%	40.0%
FTSE All-Share Index total return	23.1%	(11.2%)	(3.2%)	6.5%	24.5%

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	377.44p
Share Price	263.00p
Discount to NAV	(30.3%)
Annual average compound return (including dividends)	12.3%
Historic Dividend paid per share	8.00p
Historic Dividend Yield	3.0%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	84,303,283

*Utilico Investment Trust plc - UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£503.2m
Bank and other Debt	£49.4m
ZDP shares 2022	£47.8m
ZDP shares 2024	£34.8m
ZDP shares 2026*	£28.8m
ZDP shares 2028**	£24.2m
Shareholders' Funds (Ordinary Shares)	£318.2m
	£503.2m
Gearing (based on AIC definition)	57.1%

* includes 3.1m 2026 ZDP shares held by UIL

** includes 0.6m 2028 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	2028
Accrued Capital Entitlement	134.82p	118.01p	116.26p	100.55p
Share Price	140.00p	120.00p	115.50p	100.50p
Premium/(discount) to NAV	3.8%	1.7%	(0.7%)	(0.0%)
ZDP Cover*	4.91x	3.48x	2.76x	2.28x
Yield to Redemption*	3.5%	4.2%	5.1%	5.8%
ZDP Redemption Value	146.99p	138.35p	151.50p	152.29p
Shares in issue	35.6m	30.0m	25.0m	25.0m
Ticker	UTL.L	UTL.G.L	UTL.H.L	UTL.L.L

*based on final redemption values



PERFORMANCE

UIL's NAV total return increased by 3.1% during May, ahead of the FTSE All Share Total Return Index which was up 1.1% in the period.

Global markets were broadly firmer

in May as Covid-19 vaccination programs in developed economies hit new highs, with the majority of the adult populations of the US and UK now vaccinated. During the month, the Australian ASX 200 firmed by 1.9%, while the S&P Index was up 0.5% and the Eurostoxx 50 Index appreciated by 1.6%.

However, as major economies start to re-open, many developing markets have been fighting a resurgence of cases and renewed lockdowns, leading to significant divergence in economic momentum. This has led to critical supply shortages in many goods and commodities, resulting in an acceleration of inflation. In the US core inflation hit 3.8% CPI in May, its highest level since 1992, though the Federal and Central Banks elsewhere continue to indicate that this inflation will be temporary. Commodities benefitted, with copper hitting a new all-time high, ending the month up 4.4%, Brent crude oil was up 3.1% and the gold price was up 7.8%.

EM broadly strengthened, with India and Brazil markets shrugging off the elevated Covid case rates and approached all time highs, with the SENSEX and the BOVESPA Index up 6.6% and 6.2% respectively. The Shanghai Composite was up 4.9% and Hong Kong's Hang Seng Index firmed by 1.5%. The Chilean IPSA Index was a notable outlier, falling 2.6% following election results indicating a highly fragmented Constituent Assembly with a notable swing to the left, and Congress approval of a bill allowing citizens to withdraw private pensions savings.

Sterling strengthened against most currencies, up 2.4% versus US Dollar and 2.6% against the Australian Dollar. The Chilean Peso depreciated by 3.8% against GBP whilst the Brazilian Real recovered some lost ground, appreciating by 1.5% versus Sterling.

PORTFOLIO

There were no changes to the top ten investments in UIL in May.

Assetco was the strongest performer in UIL's top ten, with shares soaring 90.9% during May. This was primarily triggered by the announcement of the acquisition of Saracen Fund Managers Ltd for a total consideration of £2.75m, subject to FCA approval. This is aligned with Assetco's strategy to buy and build an asset and wealth management business and follows the acquisition of a

5.85% stake in River & Mercantile. UIL's financials platform, Somers, saw the carrying value increase by 2.0%, with Resimac shares broadly unchanged over the month.

In the commodities space, Zeta Resources' share price was up 7.6%, predominantly driven by a 6.1% increase in total diluted net tangible assets ("NTA"). The strong performance in NTA was driven by robust performances in Zeta's larger investments including Copper Mountain Mining, whose share price rose 6.7%, Panoramic Resources was up 9.7%, and Horizon Gold was up 19.2%. Resolute Mining shares also benefitted from the strengthening gold price and its share price increased 19.3% over the month.

There is a widening gap between Zeta's share price and its rising NAV. Had Zeta been valued at NAV in UIL's portfolio, UIL's NAV would have increased by 12.9% as at the end of May 2021.

Orbital's share price was down 2.1% during the month notwithstanding the achievement of a major milestone in the delivery of an initial prototype engine for evaluation to Lycoming Engines. Meanwhile Starpharma's share price rose 1.5% and Sindoh's share price was up 8.6% following the release of strong Q1 results.

UEM's share price appreciated by 3.9% over the month reflecting a positive performance in its underlying portfolio.

Purchases during the month for the portfolio amounted to £9.7m and realisations totalled £10.7m.

DEBT

Bank debt decreased slightly, driven by borrowing currency weakness during May at £48.0m versus £49.1m a month ago. This was drawn as USD 28.7m, AUD 34.4m and EUR 10.6m. Foreign exchange hedge positions to Sterling at month-end were AUD 119.1m and CAD 21.8m.

OTHER

UIL's ordinary share price ended May at 263.00p, up 11.9%. The discount to NAV narrowed to 30.3%, with UIL buying back 81,000 shares during the month. Prices of the 2022, 2024 and 2026 ZDP shares increased by 0.7%, 3.4% and 1.8% to 140.00p, 120.00p and 115.50p respectively. The price of the 2028 ZDP shares was unchanged at 100.50p.

During the month the Board declared a third quarterly interim dividend of 2.00p per ordinary share, which will be paid on 28 June 2021 to shareholders on the register on 4 June 2021.

Charles Jillings
ICM Investment Management Limited and
ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	38.1%
2	Zeta Resources Limited	19.7%
3	Utilico Emerging Markets Trust plc	15.2%
4	ICM Mobility Limited	6.1%
5	Resolute Mining Limited	6.0%
6	Allectus Capital Limited	5.0%
7	Orbital Corporation Limited	2.4%
8	Starpharma Holdings Limited	2.3%
9	AssetCo plc	1.6%
10	Sindoh Co. Ltd	1.3%
Total Top Ten		97.7%

SECTOR SPLIT OF INVESTMENTS

Financial Services	38.2%
Resources	17.5%
Technology	16.4%
Gold Mining	8.0%
Other	6.7%
Ports	3.7%
Electricity	2.8%
Oil and Gas	1.8%
Telecoms	1.7%
Renewables	1.3%
Infrastructure Investments	0.9%
Airports	0.6%
Water	0.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	36.4%
UK	12.0%
North America	11.9%
Asia	10.8%
Other - Gold Mining	8.0%
Middle East / Africa	5.3%
Europe (excluding UK)	4.9%
Bermuda	4.6%
Latin America	4.4%
New Zealand	1.7%

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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).

