

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

AUGUST 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.

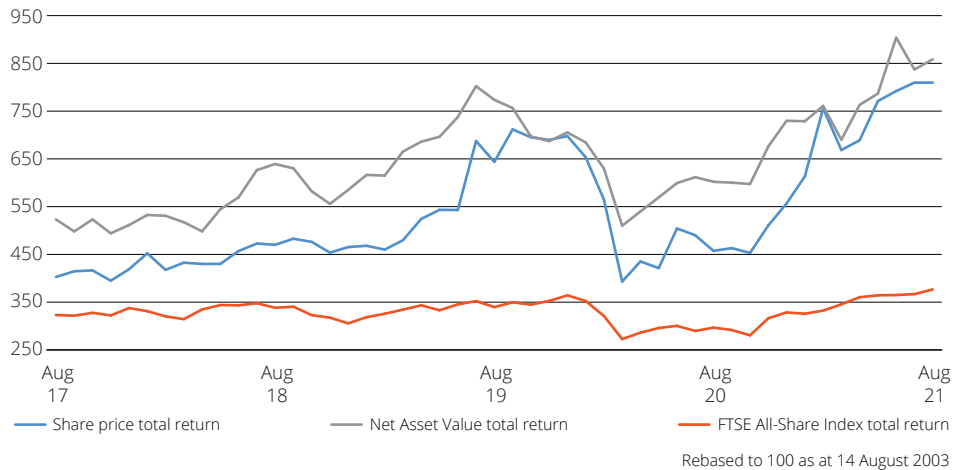
INVESTMENT APPROACH

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	0.0%	5.0%	77.0%	72.2%	709.7%
Net Asset Value	2.6%	9.1%	42.6%	34.3%	758.5%
FTSE All-Share Index total return	2.7%	3.4%	26.9%	11.4%	276.6%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Aug 21	Aug 20	Aug 19	Aug 18	Aug 17
Share Price	77.0%	(29.0%)	37.0%	15.4%	3.6%
Net Asset Value	42.6%	(22.2%)	21.0%	21.4%	(9.1%)
FTSE All-Share Index total return	26.9%	(12.6%)	0.4%	4.7%	14.3%

FUND DETAILS
ORDINARY SHARES

Ticker: UTL.L

NAV at launch of UIT*	99.47p
NAV (cum income)	409.75p
Share Price	274.00p
Discount to NAV	(33.1%)
Annual average compound return (including dividends)	12.6%
Historic Dividend paid per share	8.00p
Historic Dividend Yield	2.9%
Ongoing charges figure excluding performance fees	2.1%
Shares in issue	84,014,018

*Utilico Investment Trust plc - UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£539.9m
Bank and other Debt	£58.1m
ZDP shares 2022	£48.6m
ZDP shares 2024	£35.3m
ZDP shares 2026*	£29.1m
ZDP shares 2028**	£24.6m
Shareholders' Funds (Ordinary Shares)	£344.2m
	£539.9m
Gearing (based on AIC definition)	55.8%

* 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	136.97p	119.44p	117.75p	102.03p
Share Price	139.50p	120.50p	114.50p	100.00p
Premium/(discount) to NAV	1.8%	0.9%	(2.8%)	(2.0%)
ZDP Cover*	4.85x	3.52x	2.82x	2.35x
Yield to Redemption*	4.6%	4.5%	5.6%	6.0%
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 2.6% during August. This was broadly in line with the FTSE All Share Total Return Index which was up 2.7%.

Most markets firmed in August on the back of positive sentiment towards global economic expansion reflecting a re-opening of services. However, significant bottlenecks in supply chains due to the lagged effects of the pandemic are becoming evident, impacting global trade and inflation. This was reflected in container shipping costs hitting all-time highs, and US CPI hit a 13-year high in July at 5.4%. The S&P 500 Index continued to make new all-time highs and ended up by 2.9% in August. The Eurostoxx 50 and Australian ASX200 both also surpassed previous highs, up 2.6% and 1.9% respectively, while the UK's FTSE 100 remained a laggard up 1.2%. Emerging markets were mixed with the Indian SENSEX up 9.4%, the Chinese Shanghai Composite up 4.3% and the Brazil BOVESPA down 2.5%.

Sterling weakened against most currencies in August, depreciating 0.4% and 1.0% against the Australian and US Dollar respectively. After an exceptional run over the past twelve months, commodities paused to consolidate gains, with Brent Crude oil down 4.4%, copper easing 2.7%, and gold flat on the previous month. Bitcoin was up 21.0% in August.

PORTFOLIO

We are excited about the growth potential of blockchain asset classes. We are convinced that with time, and as our lives become ever more digitalised, Crypto assets will become more mainstream and rank alongside Bonds, Equities and Commodities as a store of value. To improve our expertise in this sector, ICM has created the Novareum Blockchain Asset Fund which will provide us a window into and an ability to invest in and arbitrage opportunities created by this new revolutionary technology as consumers and businesses rapidly adopt it over the coming months and years. UIL invested USD 5.0m in Novareum.

If blockchain technology is the new platform for enabling contracts and payments to be settled directly between counterparties, and thereby obviating the need for traditional centralised intermediaries such

as banks or large corporate institutions, then cryptocurrencies and tokens will become the new mechanisms that will be used to pay for or facilitate secure trading of these new platforms.

Novareum is set up on AKJ's Crypto Regulated fund platform. Somers is a key shareholder in AKJ, including in its crypto platform offering where Somers has a 33% stake. More details can be found in the Novareum fund factsheet on UIL's website (under News).

There were two changes to the top ten investments in UIL in August. Nautilus Data Technologies and Carebook Technologies replaced Sindoh and AssetCo. Nautilus is a US-based pioneer of water-cooled datacentres which offers compelling economics and capital efficiency, as well as cutting greenhouse gas emissions by 30% due to much lower power consumption. Carebook is a Canadian-listed health technology company serving over 3.5m license holders with their integrated digital pharmacy and health solutions platform.

Somers saw its valuation increase by 4.4% which mainly reflects the 5.2% rise in Resimac's share price during the month. Zeta's share price was up 2.8% while UEM's share price was up by 1.9%. Weak performances were seen at Resolute Mining with its share price falling 13.2% following a AUD 172m impairment to its assets. Starpharma and Orbital's share prices were down 14.2% and 11.4% respectively on weaker financial results.

Purchases during the month for the portfolio amounted to £16.6m and realisations totalled £8.8m.

DEBT

Bank debt was broadly flat, with the Sterling liability as at 31 August 2021 at £49.8m, drawn as AUD 34.4m, USD 31.0m and EUR 10.6m. Foreign exchange hedge positions to Sterling at month-end were AUD 60.7m, USD 37.5m, CAD 25.0m and EUR 9.0m.

OTHER

UIL's ordinary share price ended August at 274.00p, unchanged over the month, with the discount to NAV widening slightly to 33.1%.

The prices of the 2022 and 2024 ZDP shares both remained flat at 139.50p and 120.50p, respectively. The price of the 2026 and 2028 ZDP shares firmed by 0.4% and 0.5% to 114.50p and 100.00p, respectively.

During the month, UIL bought back 55,000 ordinary shares at an average price of 275.00p.

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	43.0%
2	Zeta Resources Limited	15.9%
3	Utilico Emerging Markets Trust plc	14.2%
4	ICM Mobility Limited	7.8%
5	Allectus Capital Limited	4.3%
6	Resolute Mining Limited	4.3%
7	Orbital Corporation Limited	1.4%
8	Starpharma Holdings Limited	1.4%
9	Nautilus Data Technologies Inc	1.4%
10	Carebook Technologies Inc	1.3%
Total Top Ten		95.0%

SECTOR SPLIT OF INVESTMENTS

Financial Services	43.1%
Technology	17.8%
Resources	14.4%
Other	7.0%
Gold Mining	5.7%
Ports	3.6%
Electricity	2.0%
Telecoms	1.7%
Oil and Gas	1.6%
Renewables	1.1%
Infrastructure Investments	0.9%
Airports	0.6%
Water	0.5%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	38.8%
UK	14.1%
North America	13.2%
Asia	10.7%
Europe (excluding UK)	6.0%
Other - Gold Mining	5.7%
Middle East/Africa	4.9%
Latin America	3.9%
Bermuda	1.4%
New Zealand	1.3%

On 23 August 2021, UIL declared a fourth quarterly interim dividend of 2.00p per ordinary share in respect of the year ended 30 June 2021, which will be paid on 30 September 2021 to shareholders on the register on 3 September 2021.

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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).

