

## A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

# Delivering long-term return for shareholders

### NOVEMBER 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

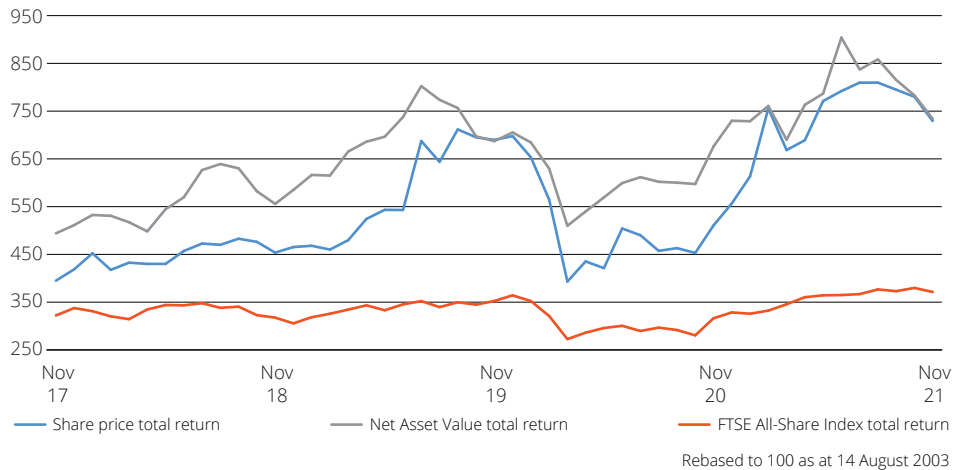
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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                       | (6.5%)  | (9.9%)   | 42.9%  | 60.7%   | 629.4%    |
| Net Asset Value                   | (6.3%)  | (14.5%)  | 8.6%   | 32.1%   | 633.9%    |
| FTSE All-Share Index total return | (2.2%)  | (1.4%)   | 17.4%  | 16.9%   | 271.3%    |

### ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

| 12 Months to                      | Nov 21 | Nov 20  | Nov 19 | Nov 18 | Nov 17 |
|-----------------------------------|--------|---------|--------|--------|--------|
| Share Price                       | 42.9%  | (26.0%) | 52.0%  | 14.9%  | 12.8%  |
| Net Asset Value ("NAV")           | 8.6%   | (1.6%)  | 23.7%  | 12.5%  | (6.3%) |
| FTSE All-Share Index total return | 17.4%  | (10.3%) | 11.0%  | (1.5%) | 13.4%  |

### FUND DETAILS

#### ORDINARY SHARES

Ticker: UTL.L

|  |            |
|--|------------|
| NAV at launch of UIT*                                | 99.47p     |
| NAV (cum income)                                     | 348.50p    |
| Share Price  | 245.00p    |
| Discount to NAV                                      | (29.7%)    |
| Annual average compound return (including dividends) | 11.5%      |
| Historic Dividend paid per share                     | 8.00p      |
| Historic Dividend Yield                              | 3.3%       |
| Ongoing charges figure excluding performance fees    | 2.1%       |
| Shares in issue                                      | 83,979,018 |

\*Utilico Investment Trust plc - UIL's predecessor

#### CAPITAL STRUCTURE

|                                       |         |
|---------------------------------------|---------|
| Gross Assets less Current Liabilities | £494.3m |
| Bank and other Debt                   | £62.1m  |
| ZDP shares 2022                       | £49.3m  |
| ZDP shares 2024                       | £35.8m  |
| ZDP shares 2026*                      | £29.5m  |
| ZDP shares 2028**                     | £24.9m  |
| Shareholders' Funds (Ordinary Shares) | £292.7m |
|                                       | £494.3m |
| Gearing (based on AIC definition)     | 68.1%   |

\* includes 2.3m 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](http://www.icm.limited)

#### ZDP SHARES

|                             | 2022    | 2024    | 2026    | 2028    |
|-----------------------------|---------|---------|---------|---------|
| Accrued Capital Entitlement | 139.05p | 120.84p | 119.19p | 103.46p |
| Share Price                 | 140.50p | 121.00p | 116.50p | 98.50p  |
| Premium/(discount) to NAV   | 1.0%    | 0.1%    | (2.3%)  | (4.8%)  |
| ZDP Cover*                  | 4.30x   | 3.16x   | 2.54x   | 2.12x   |
| Yield to Redemption*        | 5.0%    | 4.7%    | 5.5%    | 6.5%    |
| 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 decreased by 6.3% during November, which was behind the FTSE All Share Total Return Index which was down 2.2% over the month.

Investors began the month concerned about inflation, potential interest rate rises and continuing supply chain disruptions. However, the identification of the Omicron Covid-19 variant of concern at the end of November resulted in a sharp sell-off and increased volatility in many markets in the final days of the month.

Sterling weakened against most major currencies, after the Bank of England did not raise interest rates as was widely expected at its November committee meeting. Sterling fell by 3.5% against the US Dollar and 0.8% against the Euro. However, Sterling was 2.2% stronger against the Australian Dollar and 1.8% up on the New Zealand Dollar.

Oil prices dropped sharply at the end of the month in response to fears that restrictions may have to be reimposed globally as a response to the Omicron variant. Brent Crude ended the month at USD 70.57/bbl, 16.4% cheaper than the price at the end of October. Copper declined 2.1% and gold was down by 0.5%.

## PORTFOLIO

There was one change to UIL's top ten holdings in November. Novareum Block Chain Asset Fund replaced Orbital Corporation on relative performance.

Novareum is a mutual fund investing in a diversified portfolio of blockchain assets. UIL's carrying value at the end of November (based on the fund's NAV at the end of October) was 89.4% ahead of July's subscription price. Although we expect this asset class to be volatile, we are excited by the long-term opportunities it offers.

Somers saw its valuation decrease by 7.7%, principally reflecting the decline in Resimac's share price during the month as well as the weakness in the Australian Dollar. Zeta's share price declined by 4.9% broadly mirroring the 4.6% decline in its net tangible assets, on weaker prices in many of its holdings during November.

Resolute Mining's share price (London listing) declined by 16.7%. UEM's share price increased by 0.5% mirroring its NAV performance for the month. Starpharma's share price recovered by 3.3% in the month after the decline in October.

Purchases during the month for the portfolio totalled £1.7m and realisations amounted to £0.9m.

## DEBT

Bank debt positions unchanged in local currency terms, with the Sterling liability rising by 1.0% and ending November at £50.5m. The facility continued to be drawn as AUD 34.2m, USD 30.7m and EUR 10.6m. Foreign exchange hedge positions to Euro were broadly halved during the month and a long position in the Australian Dollar versus the US Dollar was established. As at month-end, the positions against Sterling were USD 61.3m, AUD 60.6m, CAD 57.8m and EUR 8.8m.

## OTHER

UIL's ordinary share price was down 6.5% to 245.00p over the month. The discount to NAV marginally widened to 29.7% from 29.5%. There were no buybacks during the month.

The share prices of the 2022 and 2024 ZDP shares weakened by 0.4% and 1.6% respectively. The price of the 2026 ZDP shares was unchanged and the price of the 2028 ZDP shares advanced by 0.5% during the month. UIL sold 800,000 2026 ZDP shares during the month at 118.75p.

UIL declared its first quarterly dividend of 2.00p per share in respect to the year ending 30 June 2022, which will be paid on 23 December to shareholders on the register on 3 December 2021.

**Charles Jillings**  
ICM Investment Management Limited and ICM Limited

## PORTFOLIO SUMMARY

| TOP TEN HOLDINGS     |                                    | % of Group investments |
|----------------------|------------------------------------|------------------------|
| 1                    | Somers Limited                     | 37.8%                  |
| 2                    | Zeta Resources Limited             | 18.5%                  |
| 3                    | Utilico Emerging Markets Trust plc | 15.0%                  |
| 4                    | ICM Mobility Limited               | 8.7%                   |
| 5                    | Allectus Capital Limited           | 5.4%                   |
| 6                    | Resolute Mining Limited            | 3.6%                   |
| 7                    | Nautilus Data Technologies Inc     | 1.5%                   |
| 8                    | Starpharma Holdings Limited        | 1.5%                   |
| 9                    | Novareum Blockchain Asset Fund     | 1.5%                   |
| 10                   | Sindoh Co Limited                  | 1.3%                   |
| <b>Total Top Ten</b> |                                    | <b>94.8%</b>           |

## SECTOR SPLIT OF INVESTMENTS

|                            |       |
|----------------------------|-------|
| Financial Services         | 37.9% |
| Technology                 | 19.4% |
| Resources                  | 16.7% |
| Other                      | 8.2%  |
| Gold Mining                | 5.3%  |
| Ports                      | 3.7%  |
| Electricity                | 1.9%  |
| Telecoms                   | 1.8%  |
| Oil and Gas                | 1.6%  |
| Renewables                 | 1.4%  |
| Infrastructure Investments | 1.0%  |
| Airports                   | 0.6%  |
| Water                      | 0.5%  |

## GEOGRAPHICAL SPLIT OF INVESTMENTS

|                       |       |
|-----------------------|-------|
| Australia             | 31.8% |
| North America         | 19.2% |
| UK                    | 14.3% |
| Asia                  | 11.5% |
| Europe (excluding UK) | 6.7%  |
| Other - Gold Mining   | 5.3%  |
| Bermuda               | 4.9%  |
| Latin America         | 3.7%  |
| New Zealand           | 1.5%  |
| Middle East/Africa    | 1.1%  |

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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).

