

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Delivering long-term return for shareholders

MAY 2023

Closed-end investment company, traded on the London Stock Exchange

OBJECTIVE

UIL Limited ("UIL") seek to maximise shareholder returns by identifying and investing in compelling long-term investments worldwide, where the underlying value is not fully recognised.

INVESTMENT APPROACH

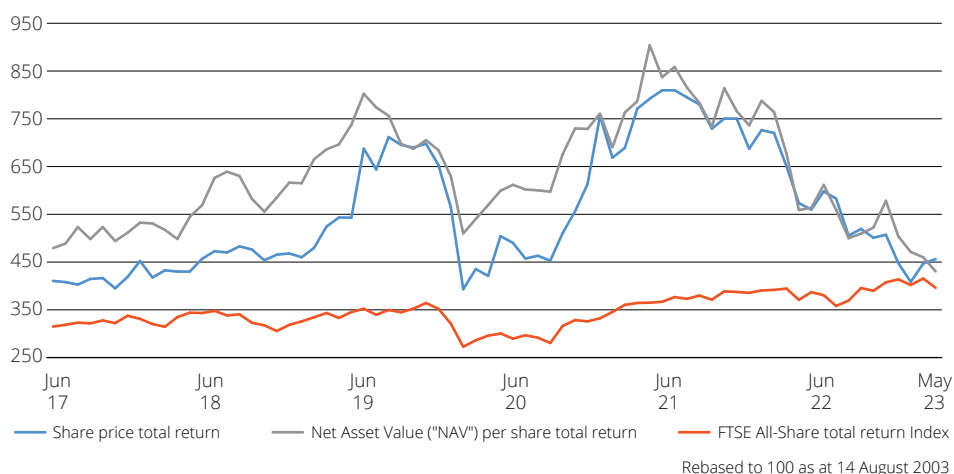
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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 |
| 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 | 5 years | Inception |
|---------------------------|---------|----------|---------|---------|---------|-----------|
| Share Price | 2.1% | 1.9% | (29.9%) | 8.3% | 6.1% | 356.3% |
| Net Asset Value per share | (6.5%) | (14.6%) | (36.5%) | (24.4%) | (21.0%) | 330.4% |
| FTSE All-Share Index | (4.6%) | (4.2%) | 0.4% | 33.9% | 15.2% | 296.2% |

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

| 12 Months to | May 23 | May 22 | May 21 | May 20 | May 19 |
|---------------------------|---------|---------|--------|---------|--------|
| Share Price | (29.9%) | (15.6%) | 83.0% | (22.4%) | 26.3% |
| Net Asset Value per share | (36.5%) | (13.9%) | 38.2% | (18.2%) | 27.9% |
| FTSE All-Share Index | 0.4% | 8.3% | 23.1% | (11.2%) | (3.2%) |

FUND DETAILS

| ORDINARY SHARES | Ticker: UTL.L |
|--|---------------|
| NAV per share at launch of UIT* | 99.47p |
| NAV per share (cum income) | 195.61p |
| Share price | 143.50p |
| Discount to NAV | (26.6%) |
| Annual average compound return (including dividends) | 7.6% |
| Historic dividend paid per share | 8.00p |
| Historic dividend yield | 5.6% |
| Ongoing charges figure excluding performance fees | 2.1% |
| Shares in issue | 83,842,918 |

*Utilico Investment Trust plc - UIL's predecessor

CAPITAL STRUCTURE

| | |
|---------------------------------------|---------|
| Gross Assets less Current Liabilities | £307.7m |
| Bank and other Debt | £45.9m |
| ZDP shares 2024 | £38.6m |
| ZDP shares 2026 ⁽¹⁾ | £31.8m |
| ZDP shares 2028 ⁽²⁾ | £27.4m |
| Shareholders' Funds (Ordinary Shares) | £164.0m |
| | £307.7m |
| Gearing (based on AIC definition) | 85.9% |

⁽¹⁾ includes 2.3m 2026 ZDP shares held by UIL

⁽²⁾ 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.

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| ZDP SHARES | 2024 | 2026 | 2028 |
|----------------------------------|---------|---------|---------|
| Accrued Capital Entitlement | 129.54p | 128.23p | 112.50p |
| Share Price | 123.50p | 114.50p | 94.00p |
| Premium/(discount) to NAV | (4.7%) | (10.7%) | (16.4%) |
| ZDP Cover [†] | 3.50x | 2.44x | 1.87x |
| Yield to Redemption [†] | 8.3% | 8.5% | 9.3% |
| ZDP Redemption Value | 138.35p | 151.50p | 152.29p |
| Shares in issue | 30.0m | 25.0m | 25.0m |
| Ticker | UTL.G.L | UTL.H.L | UTL.L.L |

[†]based on final redemption values



PERFORMANCE

UIL's NAV total return declined by 6.5% in May, underperforming the FTSE All Share total return Index which was down by 4.6% over the same period.

Equity markets were mixed in May, with concerns over the debt ceiling and the prospect of default dominating US headlines, though this was ultimately averted by legislation just after month end. The Federal Bank approved its tenth consecutive interest rate increase, with the European Central Bank also raising rates in the month. The S&P 500 Index was up just 0.2% over the month, while in Europe the Eurostoxx fell 3.2%. Despite weaker inflation readings, the Reserve Bank of Australia surprised economists by increasing its rate as well, with the S&P ASX 200 Index declining 3.0% over the month.

In Emerging Markets, the reopening in China looks to have stalled, with residential sales dropping and factory activity unexpectedly contracting. Hong Kong's Hang Seng Index fell 8.3% whilst the Shanghai Composite was down 3.6% in May. Brazil continued to be a highlight, posting 4.0% GDP growth in Q1 and inflation at just 3.9%, bolstering the Bovespa Index, up 3.7%. Inflation in India also fell to an 18-month low with CPI at 4.7% for April, with the India Sensex firming 2.5% in May.

In the currency markets, the US Dollar rallied, with the DXY Dollar Index strengthening by 2.6% and USD up 1.4% against Sterling over the month. The Australian Dollar weakened by 0.7% versus Sterling. In EM the Brazilian Real and the Chinese Renminbi declined 0.9% and 1.1% respectively against GBP.

Commodities weakened in May, with gold and silver prices falling by 1.4% and 6.5% respectively. Industrial metals were notably weak, with copper and nickel prices down 6.0% and 15.5% respectively, driven by concerns over anaemic global growth. This also impacted the oil markets, with the Brent crude oil price falling 8.6% over the month to levels some 30% lower than the peak a year ago.

PORTFOLIO

There was one change to the top ten constituents of the UIL portfolio in May, with Carebook Technologies replacing Panoramic Resources on relative performance. Carebook is listed on the Toronto Stock Venture Exchange and provides a customer-centric digital health platform. Carebook reported revenue growth of 5.0% and a narrowing adjusted EBITDA loss at CAD 0.5m in Q1, and annual recurring revenue growth of 37.0% as at 31 March 2023.

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).

Somers' valuation declined by 4.5% in May, predominantly reflecting the Resimac share price which fell by 5.3% due to ongoing concerns over net interest margins, compounded by weakness in the Australian Dollar. Resimac is also a top ten direct shareholding for UIL. In the month Waverton, an investee company in Somers, published robust results in its 2022 annual report, maintaining strong inflows with AUM at £9.1bn as at 31 December 2022.

Zeta Resources' share price fell 6.7% over the month, in line with its reduction in net tangible assets, as its investee companies saw widespread declines in share prices reflecting the wider commodity markets. Copper Mountain Mining's share price fell 14.1%, Panoramic Resources dropped 30.0% and Alliance Nickel declined by 3.0%. In the period Zeta's unlisted shareholding in Alliance Mining Commodities ("AMC") was exchanged for an initial AUD 2.6m cash payment and a future revenue stream from AMC's Koumbia bauxite project in Guinea.

The Market Herald's share price increased by 25.0% following the announcement that The Market Herald had successfully refinanced a vendor loan note with Adevinta Oak Holdings to Commonwealth Bank of Australia for its acquisition of Gumtree Australia. UEM's NAV total return increased by 1.9% in May though its share price declined by 0.5% as its discount widened. Allectus Capital's carrying valuation was reduced by 9.1% over the month.

DEBT

Bank borrowings were unchanged over the month at £37.5m drawn in Sterling. There were no foreign exchange hedges in place during the month and as at the end of May 2023.

ZDP SHARES

The share price of the 2024 ZDP shares was unchanged over the month at 123.50p, the 2026 ZDP shares appreciated by 0.4% to 114.50p, while the 2028 ZDP shares declined by 3.6% to 94.00p.

OTHER

UIL's ordinary share price increased by 2.1% to 143.50p in May whilst the discount to NAV narrowed to 26.6% from 32.8%.

On 22 May 2023, UIL declared a third quarterly interim dividend of 2.00p per ordinary share in respect of the year ending 30 June 2023, which will be paid on 26 June 2023 to shareholders on the register on 2 June 2023.

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 | 16.5% |
| 3 | Utilico Emerging Markets Trust plc | 13.1% |
| 4 | Allectus Capital Limited | 7.1% |
| 5 | Resimac Group Limited | 5.6% |
| 6 | West Hamilton Holdings Limited | 5.0% |
| 7 | The Market Herald Limited | 3.9% |
| 8 | Allectus Quantum Holdings Limited | 2.0% |
| 9 | Littlepay Mobility Ltd | 1.9% |
| 10 | Carebook Technologies Inc | 1.2% |
| Total Top Ten | | 94.0% |

SECTOR SPLIT OF INVESTMENTS

| | |
|----------------------------|-------|
| Financial Services | 41.9% |
| Technology | 22.5% |
| Resources | 14.1% |
| Other | 6.7% |
| Gold Mining | 3.0% |
| Ports | 2.8% |
| Electricity | 2.5% |
| Renewables | 2.0% |
| Telecommunications | 1.1% |
| Water | 1.1% |
| Oil and Gas | 1.0% |
| Airports | 0.8% |
| Infrastructure Investments | 0.5% |

GEOGRAPHICAL SPLIT OF INVESTMENTS

| | |
|-----------------------|-------|
| Australia | 36.6% |
| UK | 17.9% |
| Bermuda | 9.7% |
| Europe (excluding UK) | 6.6% |
| Middle East/Africa | 6.4% |
| Asia | 6.2% |
| Canada | 5.7% |
| USA | 5.2% |
| Latin America | 4.4% |
| New Zealand | 1.3% |