

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Focused on discovering compelling investments

OCTOBER 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

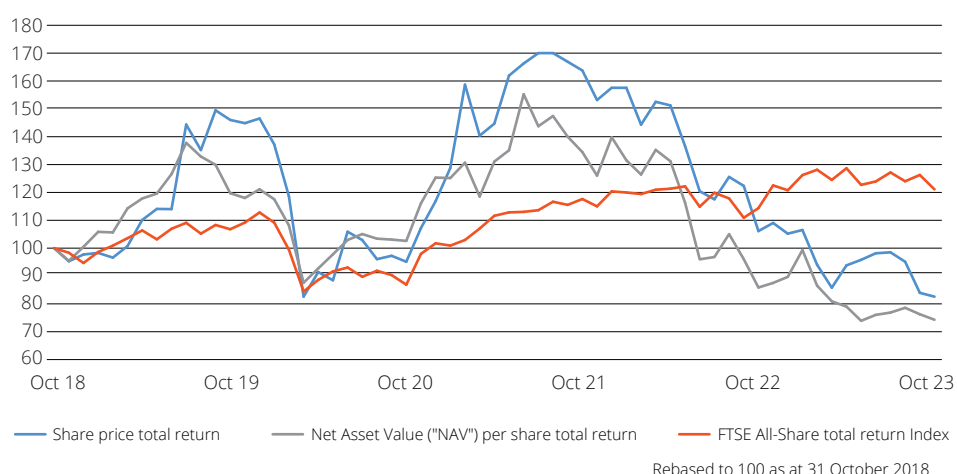
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility 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	(1.6%)	(16.2%)	(22.2%)	(13.2%)	(17.4%)	293.3%
Net Asset Value per share	(2.6%)	(3.4%)	(13.5%)	(27.6%)	(25.7%)	332.6%
FTSE All-Share Index	(4.1%)	(4.8%)	5.9%	39.4%	21.1%	291.0%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	Oct 23	Oct 22	Oct 21	Oct 20	Oct 19
Share Price	(22.2%)	(35.2%)	72.2%	(34.8%)	46.0%
Net Asset Value per share	(13.5%)	(36.1%)	31.1%	(14.3%)	19.7%
FTSE All-Share Index	5.9%	(2.8%)	35.4%	(18.6%)	6.8%

FUND DETAILS

ORDINARY SHARES

Ticker: UTL.L

NAV per share at launch of UIT*	99.47p
NAV per share (cum income)	192.68p
Share price	120.00p
Discount to NAV	(37.7%)
Annual average compound return (including dividends)	7.5%
Historic dividend paid per share	8.00p
Historic dividend yield	6.7%
Ongoing charges figure excluding performance fees	2.8%
Shares in issue	83,842,918

*Utilico Investment Trust plc - UIL's predecessor

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£290.3m
Bank and other Debt	£28.7m
ZDP shares 2024	£39.4m
ZDP shares 2026 ⁽¹⁾	£32.5m
ZDP shares 2028 ⁽²⁾	£28.1m
Shareholders' Funds (Ordinary Shares)	£161.6m
	£290.3m
Gearing (based on AIC definition)	77.8%

⁽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	132.08p	130.87p	115.17p
Share Price	125.50p	109.50p	88.00p
Premium/(discount) to NAV	(5.0%)	(16.3%)	(23.6%)
ZDP Cover [†]	4.13x	2.69x	1.99x
Yield to Redemption [†]	10.2%	11.4%	11.6%
ZDP Redemption Value	138.35p	151.50p	152.29p
Shares in issue	30.0m	25.0m	25.0m
Ticker	UTLG.L	UTLH.L	UTLI.L

[†]based on final redemption values



PERFORMANCE

UIL's NAV total return was down 2.6% in October, outperforming the FTSE All Share total return Index which was down 4.1% over the month.

The majority of markets struggled in October as the market continued to be concerned about the US Federal Reserve's "higher for longer" stance given the continued plethora of strong inflationary data being reported and continued robustness of the US economy. US GDP growth in 3Q23 was 4.9%, higher than the expected 4.3% GDP growth and more than double the real GDP growth of 2.1% reported in 2Q23. Inflationary pressures continued with September's Consumer Price Index reported at 3.7%, no change from the previous month and October's Purchasing Managers Index remaining elevated above 50 (reflecting expansionary territory) at 51.0. This resulted in 10-year US Treasury bonds reaching their highest level since July 2007, a 16 year high, rising over 5.0%. The S&P 500 Index fell by 2.2% in the month.

The sudden renewed conflict in the Middle East further fuelled the downward pressure as risk premiums increased. The Eurostoxx Index was down 2.7% for the month, despite the European Central Bank holding interest rates flat after ten consecutive increases, and inflationary pressures reducing as eurozone inflation fell to 2.9%, the lowest level in more than two years. In the UK, the market was also weak with the FTSE 100 down 3.8% as consumer confidence fell and the Bank of England held interest rates at its highest level for 15 years, at 5.25%. The Consumer Price Index remained unchanged at 6.7%, raising questions marks if the UK may have to face a longer inflationary battle.

The "higher for longer" pressure weighed on emerging markets. In China, the Hong Kong Hang Seng Index and Chinese Shanghai Composite Index were both down by 3.9% and 2.9%, respectively, despite the more positive macro data reported as China's 3Q23 GDP growth of 4.9% versus consensus expectation of 4.5% was a surprise. The Vietnamese Ho Chi Minh Index was down by 10.9%, hampered by shaken retail sentiment, whilst the Thai Set Index and Philippines PSEI Index were down by 6.1% and 5.5% respectively. Latin American markets in October were also bruised, with the Chilean IPSA Index down by 7.3% (also partly affected by the smaller than expected interest rate cut) and the Brazilian Bovespa Index was also down by 2.9% despite yet another Selic rate cut of 50 basis points taking the key interest rate to 12.25%.

During October, the US Dollar continued to remain strong against most currencies with the DXY Dollar Index remaining flat over the month.

Sterling was mixed, down 0.6% against the US Dollar and 0.4% against the Euro.

In the commodities markets, most industrial metals continued to see weakness in October with concerns of weak global activity, copper and nickel fell 2.4% and 3.1% respectively. Precious metals increased over the month, as investors once again looked for safe havens on the back of renewed conflict in the Middle East. Gold was up by 7.3% and Silver 3.0%. Oil prices fell in October by 8.3%, despite the sharp escalation in geopolitical risk in the Middle East that caused prices to increase in the early part of October, as concerns around slower economic growth took hold.

PORTFOLIO

There was one change to the top ten constituents of the UIL portfolio in October. Carebook Technologies ("Carebook") replaced Littlepay. Carebook provides an end-to-end digital health platform to companies' employers, pharmacies, insurance providers, businesses, and individuals. The platform currently connects around 3.5 million members to a host of healthcare solutions and providers.

Over the month of October, Zeta's share price was up by 3.3%, reflecting an increase in net tangible assets of 2.1%. Zeta continued its buyback program during October and bought back 13.8m shares during the month.

Allectus Capital's value was down by 9.7%, on the back of a downward revaluation of one its investments whilst UEM's share price was down by 5.9%. UEM's NAV total return was down by 4.7% underperforming the MSCI EM total return Index which was down 3.4% in Sterling terms in the month. UEM's discount to NAV disappointingly widened to 16.2% from 15.1% as at 30 September 2023.

Additional movements in the top ten were The Market Herald, whose share price fell by 7.0% for the month, whilst Resimac's share price was down 0.5%. Somers' valuation was down 0.3% in October.

DEBT

Bank and other debt decreased from £27.1m to £20.0m in the month, as UIL continued to pay down part of its senior secured multi-currency facility as agreed with the Bank of Nova Scotia. Debt was drawn in Sterling at £20.0m. There were no foreign exchange hedges as at the end of October 2023.

ZDP SHARES

The share price of the 2024 ZDP shares increased by 2.0% over the month at 125.50p, whilst the share price of the 2026 and 2028 ZDP shares decreased by 2.2% at 109.50p and 3.0% at 88.00p, respectively.

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	37.8%
2	Zeta Resources Limited	17.8%
3	Utilico Emerging Markets Trust plc	10.9%
4	Allectus Capital Limited	6.1%
5	Resimac Group Limited	6.0%
6	West Hamilton Holdings Limited	5.8%
7	Allectus Quantum Holdings Limited	5.1%
8	The Market Herald Limited	2.7%
9	Arria Nlg Limited	2.3%
10	Carebook Technologies Inc	1.1%
Total Top Ten		95.6%

SECTOR SPLIT OF INVESTMENTS

Financial Services	43.2%
Technology	22.5%
Resources	13.7%
Other	6.9%
Gold Mining	4.0%
Electricity	2.4%
Ports	2.4%
Renewables	1.5%
Water	0.9%
Oil and Gas	0.8%
Telecommunications	0.7%
Airports	0.5%
Infrastructure Investments	0.5%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	39.6%
UK	17.8%
Bermuda	11.6%
Middle East/Africa	9.8%
Asia	7.1%
Europe (excluding UK)	5.2%
Latin America	3.6%
USA	2.2%
Canada	2.2%
New Zealand	0.9%

OTHER

UIL's ordinary share price decreased by 1.6% to 120.00p in October and the discount to NAV narrowed to 37.7% from 38.3%.

Charles Jillings

ICM Investment Management Limited and ICM Limited

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).