

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

# Focused on discovering compelling investments

## AUGUST 2024

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

### OBJECTIVE

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

### INVESTMENT APPROACH

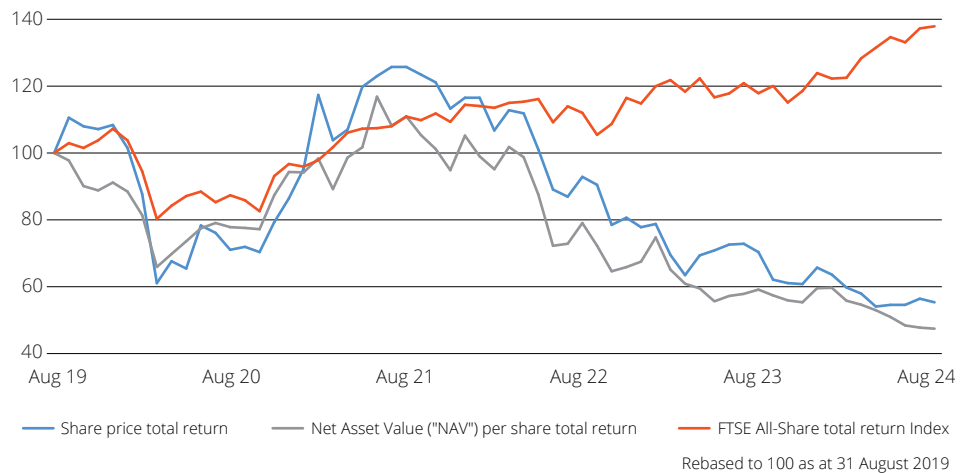
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility to make investments in a wide range of sectors and markets.

### KEY DATES

<b>Launch date*</b>	August 2003
<b>Year end</b>	30 June
<b>AGM date</b>	November
<b>Ex-dividend dates</b>	September, December, March & June
<b>Dividend paid dates</b>	September, December, March & June
<b>2024 ZDP shares expiry</b>	31 October 2024
<b>2026 ZDP Shares Expiry</b>	31 October 2026
<b>2028 ZDP Shares Expiry</b>	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	(1.9%)	1.4%	(21.3%)	(56.0%)	(44.7%)	256.3%
NAV per share	(0.7%)	(6.9%)	(19.8%)	(57.2%)	(52.6%)	267.1%
FTSE All-Share Index	0.5%	2.4%	17.0%	24.4%	37.9%	368.4%

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

12 Months to	Aug 24	Aug 23	Aug 22	Aug 21	Aug 20
Share Price	(21.3%)	(24.2%)	(26.1%)	77.0%	(29.0%)
NAV per share	(19.8%)	(25.2%)	(28.8%)	42.6%	(22.2%)
FTSE All-Share Index	17.0%	5.2%	1.0%	26.9%	(12.6%)

## FUND DETAILS

### ORDINARY SHARES

Ticker: UTL.L

NAV per share at launch of UIT*	99.47p
NAV per share (cum income)	158.03p
Share price	103.00p
Discount to NAV	(34.8%)
Annual average compound return (including dividends)	6.4%
Historic dividend per share	8.00p
Historic dividend yield	7.8%
Ongoing charges figure excluding performance fees	2.8%
Shares in issue	83,755,585

\*Utilico Investment Trust plc – UIL's predecessor

### CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£239.9m
Bank and other Debt	£2.9m
ZDP shares 2024	£41.1m
ZDP shares 2026 <sup>(1)</sup>	£34.0m
ZDP shares 2028 <sup>(2)</sup>	£29.5m
Shareholders' Funds (Ordinary Shares)	£132.4m
	£239.9m
Gearing (based on AIC definition)	79.0%

<sup>(1)</sup> includes 2.3m 2026 ZDP shares held by UIL

<sup>(2)</sup> includes 0.7m 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	137.26p	136.29p	120.64p
Share Price	134.50p	121.50p	98.00p
Premium/(discount) to NAV	(2.0%)	(10.9%)	(18.8%)
ZDP Cover <sup>†</sup>	5.40x	2.91x	1.99x
Yield to Redemption <sup>†</sup>	18.4%	10.7%	11.2%
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

<sup>†</sup>based on final redemption values



## PERFORMANCE

UIL's NAV total return declined by 0.7% in August, underperforming the FTSE All Share total return Index which increased by 0.5% over the month.

August started with a sharp sell-off in many markets, triggered by the first rise in Japanese interest rates for 17 years and fears over the US going into recession, after weak employment numbers at the end of July. Economic indicators released during August were more mixed and most markets not only recovered the losses in the early days of August but ended up positive for the month as a whole.

The Bank of England cut interest rates by 25bps during the month. The consensus view that the first long-awaited rate cut by the Federal Reserve will be announced at its September meeting and the European Central Bank will cut rates in September were both realised. For UK based investors, the 2.3% gain in Sterling against the US Dollar during the month was a headwind for Sterling valuations of many international assets.

The S&P Index advanced by 2.3% during the month, with the NASDAQ Composite Index underperforming the S&P Index with a 0.6% gain. In Europe, the Eurostoxx Index gained 1.7% and the FTSE 100 Index was up by a modest 0.1%. In Australia, the S&P ASX 200 Index was flat for the month of August.

Many emerging markets also gained in August, supported by the expectation of interest rate cuts in the US. In Brazil, the Ibovespa Index increased by 6.5%, the Philippines PSEI Index was up by 4.2% and Vietnam's Ho Chi Minh Index rose by 2.6%. The Hang Seng Index also increased by 3.7% during August but mainland China remained weak with the Shanghai Composite Index falling by 3.3% and approaching levels not seen since the Covid-19 crisis of early 2020. Business and consumer confidence in China remains weak, although export growth remains strong. India's SENSEX Index advanced by 0.8%.

In the commodities markets, Brent Crude oil declined by 2.4% on back of expectations of slower global growth, which also affected the price of copper which weakened by 0.8%. The price of Nickel rose slightly, up by 1.2% in August. The Gold price also continued its advance, rising by 2.3% for the month and exceeding USD 2,500/oz for the first time ever at the end of the month.

## PORTFOLIO

There were no changes to the top ten constituents of the UIL portfolio in August.

Somers' valuation for the month rose by 6.3% and there were gains for Australian listed companies - Resimac up by 5.8%, The Market up by 6.7% and WT Financial whose shares were up by 16.2%.

Zeta Resources' net tangible assets per share declined by 6.1% during August and the discount on its shares widened, resulting in a 14.8% decline in its share price. Carebook Technologies' share price fell by 8.3% in August.

UEM's NAV total return for the month was up marginally whilst UEM's share price and the discount were unchanged.

There were realisations of £0.6m during the month and no purchases.

## DEBT

Bank and other debt remained at £2.9m, all drawn in Sterling.

## ZDP SHARES

In August, the share price of the 2024 shares appreciated by 0.7%. The price of the 2026 shares was unchanged and 2028 ZDP shares declined by 1.5%.

## OTHER

UIL's ordinary share price decreased from 105.00p to 103.00p in August and the discount to NAV widened from 34.0% to 34.8%.

In September the Board of UIL Limited has declared a fourth quarterly interim dividend of 2.00p per ordinary share in respect of the year ended 30 June 2024, which will be paid on 8 November 2024 to shareholders on the register as at 27 September 2024. The ordinary shares will go ex-dividend on 26 September 2024.

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

## PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	45.7%
2	Zeta Resources Limited	15.9%
3	Utilico Emerging Markets Trust plc	8.7%
4	Resimac Group Limited	7.2%
5	Allectus Quantum Holdings Limited	6.2%
6	Allectus Capital Limited	4.7%
7	West Hamilton Holdings Limited	2.7%
8	The Market Limited	2.6%
9	Carebook Technologies Inc	1.7%
10	WT Financial Group Limited	1.2%
<b>Total Top Ten</b>		<b>96.6%</b>

## SECTOR SPLIT OF INVESTMENTS

Financial Services	50.1%
Technology	22.2%
Resources	10.3%
Gold Mining	5.6%
Other	3.9%
Ports	2.1%
Electricity	1.5%
Water	1.2%
Renewables	1.1%
Airports	0.6%
Telecommunications	0.5%
Infrastructure Investments	0.5%
Oil and Gas	0.4%

## GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	48.4%
UK	10.7%
Middle East/Africa	8.6%
Europe (excluding UK)	8.4%
Bermuda	8.1%
Asia	6.3%
Latin America	2.9%
USA	2.7%
Canada	2.5%
New Zealand	1.4%

## 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).