

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

Focused on discovering compelling investments

MAY 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

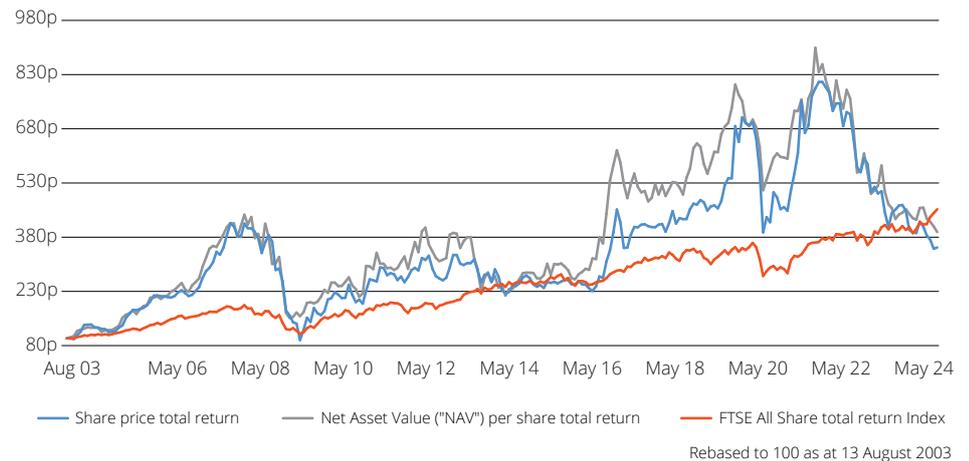
To seek to invest in undervalued investments. This perceived undervaluation may arise from any number of factors, including technological change, market motivation, prospective financial engineering opportunities, competition, management underperformance or shareholder apathy. UIL has the flexibility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

KEY DATES

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	0.9%	(8.7%)	(23.0%)	(54.4%)	(35.3%)	251.4%
NAV per share	(3.8%)	(8.7%)	(8.4%)	(49.9%)	(43.4%)	294.1%
FTSE All-Share Index	2.4%	9.9%	15.4%	25.5%	37.3%	357.4%

ROLLING 12 MONTH PERFORMANCE (Total return including dividends)

12 Months to	May 24	May 23	May 22	May 21	May 20
Share Price	(23.0%)	(29.9%)	(15.6%)	83.0%	(22.4%)
NAV per share	(8.4%)	(36.5%)	(13.9%)	38.2%	(18.2%)
FTSE All-Share Index	15.4%	0.4%	8.3%	23.1%	(11.2%)

FUND DETAILS

ORDINARY SHARES

Ticker: UTL.L

NAV per share at launch of UIT*	99.47p
NAV per share (cum income)	171.79p
Share price	103.50p
Discount to NAV	(39.8%)
Annual average compound return (including dividends)	6.8%
Historic dividend per share	8.00p
Historic dividend yield	7.7%
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	£258.2m
Bank and other Debt	£11.0m
ZDP shares 2024	£40.6m
ZDP shares 2026 ⁽¹⁾	£33.5m
ZDP shares 2028 ⁽²⁾	£29.1m
Shareholders' Funds (Ordinary Shares)	£144.0m
	£258.2m
Gearing (based on AIC definition)	77.2%

⁽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	135.66p	134.64p	118.98p
Share Price	132.00p	116.50p	96.50p
Premium/(discount) to NAV	(2.7%)	(13.5%)	(18.9%)
ZDP Cover [†]	4.92x	2.86x	2.01x
Yield to Redemption [†]	11.9%	11.5%	10.9%
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 3.8% in May, underperforming the FTSE All Share total return Index which increased by 2.4% over the month.

Global stock markets were mixed in May, as inflation in many jurisdictions proved more stubborn than previously expected. In the US the Federal Reserve kept rates on hold, notwithstanding which the S&P 500 Index strengthened by 4.8% as consumer spending held up and the rally in AI stocks continued. European markets were more benign, but also posted positive performances with the European Central Bank signalling that policy rates would be cut for the first time since 2019 in the June meeting. This follows a period of sustained falls in inflation with concern mounting that the European economy was stagnating. The Eurostoxx and FTSE 100 Indices were up 1.3% and 1.6% respectively over the month.

In emerging markets, pre-election jitters saw the India Sensex ease by 0.3% and the Mexico Bolsa IPC decline by 2.7%, though both remain close to all-time highs. India GDP growth again exceeded expectations, coming in at 7.8% in the quarter ended March 2024. In Brazil, the Bovespa Index fell by 3.0% after the Central Bank slowed its pace of interest rate cuts. In China, manufacturing activity unexpectedly contracted in May with the Shanghai Composite Index declining 0.6% over the month. Vietnam was a rare bright spot, with the Ho Chi Minh Index up by 4.3%.

Sterling strengthened against most currencies in May, up 1.7% versus the US Dollar, 3.1% against the Brazilian Real, and 1.7% against both the Indian Rupee and the Chinese Renminbi. Sterling was broadly flat against the Euro and declined by 0.7% versus the Australian Dollar.

In the commodities markets, precious metals continued to appreciate, with the gold price firming another 1.8% and the silver price soaring by 15.6% over the month. Industrial metals were also stronger, with the copper price up 0.8% and nickel price increasing by 2.2% during the month. Concerns over global growth negatively impacted the oil price, with Brent Crude oil falling by 7.1% in May.

PORTFOLIO

There was one change to the top ten constituents of the UIL portfolio in May, with Arria NLG re-entering and replacing Novareum due to UIL selling half its shareholding.

Somers, UIL's largest investment, saw its valuation decline by 0.5%, mainly driven by Resimac's share price which was down 5.6% over the month. UIL also holds a significant direct investment in Resimac, which announced the settlement of an AUD 750m prime Residential Mortgage-Backed Security transaction, its second for the year. It was pleasing to note that the merger between Waverton and London & Capital received FCA approval in early June. Somers is the controlling shareholder of Waverton and the transaction will provide substantial liquidity to Somers which will also retain an ongoing minority position in Waverton.

Zeta's share price was unchanged over the month, broadly in line with its net tangible assets ("NTA") which increased by 0.1%. Its discount to NTA was unchanged at 22.1%. In May, the share price of Alliance Nickel increased by 27.3% and Horizon Gold's share price firmed by 1.9%.

Although UEM's NAV total return declined by 0.3% over the month, it outperformed the MSCI Emerging Markets total return Index which fell by 1.2% in Sterling terms. UEM's bid price eased by 0.4% in May, with its discount to NAV narrowing to 17.2% from 17.5%.

The Market Limited's share price fell by 13.9% over the month, and Carebook Technologies share price declined by 8.3%. UIL's other top ten holdings were broadly unchanged.

Portfolio purchases amounted to £0.15m and realisations totalled £2.0m.

DEBT

Bank and other debt was unchanged at £11.1m, all drawn in Sterling.

ZDP SHARES

In May, the share prices of the 2024 and 2026 ZDP shares were unchanged, while the 2028 ZDP shares appreciated by 1.0%.

OTHER

UIL's ordinary share price decreased by 1.0% to 103.50p in May while the discount to NAV narrowed slightly to 39.8% from 42.2%.

The second quarterly interim dividend of 2.00p per ordinary share in respect of the year ending 30 June 2024 was paid on 23 May 2024 to shareholders on the register as at 10 May 2024.

Charles Jillings
ICM Investment Management Limited and ICM Limited

PORTFOLIO SUMMARY

TOP TEN HOLDINGS		% of Group investments
1	Somers Limited	45.5%
2	Zeta Resources Limited	15.5%
3	Utilico Emerging Markets Trust plc	8.2%
4	Resimac Group Limited	6.9%
5	Allectus Quantum Holdings Limited	5.7%
6	Allectus Capital Limited	5.7%
7	West Hamilton Holdings Limited	2.6%
8	The Market Limited	2.4%
9	Carebook Technologies Inc	1.6%
10	Arria NLG Limited	1.0%
Total Top Ten		95.1%

SECTOR SPLIT OF INVESTMENTS

Financial Services	51.1%
Technology	21.8%
Resources	11.4%
Other	4.2%
Gold Mining	4.1%
Ports	2.0%
Electricity	1.5%
Water	1.1%
Renewables	1.0%
Airports	0.6%
Telecommunications	0.4%
Infrastructure Investments	0.4%
Oil and Gas	0.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Australia	40.9%
UK	22.4%
Middle East/Africa	9.6%
Europe (excluding UK)	6.9%
Asia	6.3%
Bermuda	4.9%
USA	3.2%
Latin America	2.8%
Canada	2.1%
New Zealand	0.9%

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).