

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments



APRIL 2023

UK closed-end investment trust focused on long-term total return

OBJECTIVE

Utilico Emerging Markets Trust plc ("UEM") seeks to provide long-term total return by investing predominantly in infrastructure, utility and related sectors mainly in emerging markets.

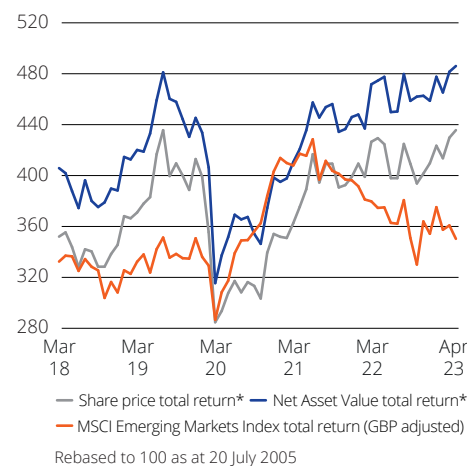
INVESTMENT APPROACH

To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

KEY DATES

Launch Date⁺	20 July 2005
Year End	31 March
AGM	September 2023
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2026

PERFORMANCE



PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	5 years	Inception
Share Price	1.4%	2.9%	1.5%	48.4%	22.6%	335.7%
Net Asset Value ("NAV") per share	0.9%	1.8%	2.4%	44.1%	20.9%	386.0%
MSCI Emerging Markets Index (GBP adjusted) ("MSCI")	(2.9%)	(6.6%)	(6.5%)	13.6%	3.9%	250.3%

ROLLING 12 MONTH PERFORMANCE (Total return*)

	Apr 23	Apr 22	Apr 21	Apr 20	Apr 19
Share Price	1.5%	14.4%	27.9%	(22.3%)	6.4%
Net Asset Value ("NAV") per share	2.4%	12.8%	24.8%	(19.5%)	4.2%
MSCI Emerging Markets Index (GBP adjusted) ("MSCI")	(6.5%)	(10.2%)	35.3%	(8.8%)	0.3%

FUND DETAILS

ORDINARY SHARES

NAV per share at launch +	98.36p
NAV per share (cum income)	253.25p
Share price	220.00p
Discount to NAV	(13.1%)
NAV per share total return since launch *	386.0%
Annual average compound return *	9.3%
Historic dividend paid per share (last 12 months)	8.30p
Historic dividend yield (last 12 months)	3.8%
Ongoing charges figure	1.4%
Shares in issue	202,112,256
Ticker	UEM.L

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£548.3m
Bank Debt	£(36.4)m
Shareholders' Funds	£511.9m
Gearing/(net cash)	6.5%

Gearing AIC – standardised gearing calculation as recommended by the AIC is based on net assets

INVESTMENT MANAGERS

UEM is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

www.icm.limited

INVESTMENT MANAGEMENT FEE (PER ANNUM)

1.0% of NAV up to and including £500m;

0.9% of NAV exceeding £500m up to and including £750m;

0.85% of NAV exceeding £750m up to and including £1,000m; and,

0.75% of NAV exceeding £1,000m.

+ Utilico Emerging Markets Limited – UEM's predecessor

* Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares

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 UEM. Investments in UEM 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).





PERFORMANCE

UEM's NAV total return increased by 0.9% in April, outperforming the MSCI Emerging Markets total return Index which was down by 2.9% in Sterling terms.

In April, the markets continued to be mixed.

The US, Europe and the UK witnessed modest gains, on the back of more resilient economic data as the S&P 500 was up by 1.5%, the Eurostoxx was up by 1.0% and the FTSE 100 was up by 3.1%. However positive investment sentiment was tapered as the Federal Reserve continued to indicate that the rolling over of interest rates is unlikely to happen this year and economic growth is likely to soften. Cracks within the banking sector also continued to appear as the banking crisis of 2023 claimed its largest US victim to date as the First Republic Bank collapsed.

China was one of the worst performing markets in April, with the Hang Seng down by 2.5%. This was despite reporting strong export data of 14.8% and low inflation with CPI of +0.7% for March, as well as better than expected 1Q23 GDP growth of 4.5%. Ongoing US-China tensions continued to weigh on market sentiment and comments from the Politburo meeting at the end of the month raised concerns about the government's plans to support economic growth. Thailand also saw negative returns for the month, down by 5.0% as investors removed some risk before the upcoming elections in mid-May. Indonesia and India however performed well up by 1.6% and 4.1% respectively, with Indonesia announcing intentions to focus on becoming a global player of nickel, tapping into the EV market, whilst India's central bank surprised the market by keeping interest rate unchanged for the month on the back of more positive macro data.

Latam also saw positive performance in April, with the Bovespa Index up by 2.5%, the Chilean IPSA up 1.7% and the Mexican Mexbol Index up by 2.3%. The Bovespa's outperformance was driven by a combination of factors, including the unveiling of the long-awaited fiscal framework which introduced a cap on public expenditure growth based on accumulated revenues, and the presence of inflation below expectations. Both factors are increasing the possibility of potential monetary easing in 2H23. The positive performance of the Chile Index was driven by the banking and sanitation sectors, which have been bolstered by increased foreign inflows and a reduced perception of regulatory risk.

During April, Sterling broadly strengthened against most currencies, appreciating by 1.7% against the US Dollar and 2.5% against the Chinese Renminbi. Sterling was flat against the Euro and marginally depreciated against the Indonesian Rupee and Romanian Leu by 0.5% and 0.3% respectively.

PORTFOLIO

UEM's portfolio had a mixed performance in April. There was one change to the top thirty, with Bolsa de Valores de Colombia ("BVC") replacing Grupo Traxion. BVC is the Colombian Stock Exchange, and the share price was up by 7.4% during April. There has been heightened investor interest in BVC, driven by positive developments regarding the merger of the Colombian, Chilean, and Peruvian exchanges, as well as a decrease in the local market's risk premium, which was attributed to the

Colombian Congress's indications of checks-and-balances to restrain President Petro's more radical policies.

UEM's portfolio witnessed some strong performances in April with Umeme's share price up by 22.4%, still benefiting from the strong results and dividend announced in March. Kunlun Energy was up by 18.3%, as it also announced solid FY22 results with EPS up 30.0%. Inpost's share price increased in April by 14.8% and Gujarat State Petronet was up by 8.4% as the Gujarat state government announced minimum pay-outs from SOEs which should see a significant step-up in dividends and potentially buybacks going forwards.

Negative share price performances were witnessed by Kinx, down by 11.3%, and by GAP which was down by 9.0% despite solid 1Q23 results as a newly proposed concession bill in Mexico has created uncertainty around GAP's airport concession.

During April, purchases for the portfolio amounted to £6.3m and realisations totalled £8.5m.

DEBT

UEM's bank debt increased from £35.1m to £36.4m and was drawn as USD 20.0m, EUR 12.0m and GBP 10.0m.

OTHER

UEM's share price ended April at 220.00p, up 1.4%. The discount to NAV narrowed slightly to 13.1% from 13.5%. UEM bought back 100,000 shares at an average price of 216.91p in the month.

Charles Jillings

ICM Investment Management Limited and ICM Limited

SECTOR SPLIT OF INVESTMENTS

Electricity	18.2%
Ports and Logistics	17.0%
Renewables	12.9%
Data Services and Digital Infrastructure	12.4%
Gas	7.9%
Airports	7.6%
Telecommunications	6.6%
Water and Waste	6.4%
Other	3.9%
Infrastructure Investment Funds	3.7%
Road and Rail	3.4%

TOP THIRTY HOLDINGS		% of total investments
1	Petalite Limited	5.2%
2	International Container Terminal Services, Inc.	4.8%
3	Alupar Investimento S.A.	3.9%
4	Gujarat State Petronet Limited	3.4%
5	Orizon Valorizacao de Resiuos S.A.	3.2%
6	India Grid Trust	2.8%
7	Power Grid Corporation of India Limited	2.4%
8	Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. (OMA)	2.3%
9	FPT Corporation	2.3%
10	Citic Telecom International Holdings Limited	2.2%
11	Umeme Limited	2.1%
12	VinaCapital Vietnam Opportunity Fund Ltd	2.1%
13	China Datang Corporation Renewable Power Co., Limited	2.1%
14	Rumo S.A.	2.1%
15	CGN Capital Partners Infra Fund 3	2.1%
16	Engie Energia Chile S.A.	2.1%
17	KunLun Energy Company Limited	2.0%
18	Santos Brasil Participacoes S.A.	2.0%
19	InPost S.A.	2.0%
20	China Gas Holdings Limited	1.9%
21	Aguas Andinas S.A.	1.9%
22	Centrais Eletricas Brasileiras S.A. (Eletrobras)	1.8%
23	Korean Internet Neutral Exchange Inc. (KINX)	1.6%
24	Powergrid Infrastructure Investment Trust	1.5%
25	Shanghai International Airport Co., Ltd	1.5%
26	Vamos Locacao De Caminhoes, Maquinas E Equipamentos S.A.	1.5%
27	Grupo Aeroportuario del Pacifico, S.A.B. de C.V. (GAP)	1.5%
28	Conversant Solutions Pte Limited	1.4%
29	Telelink Business Services	1.3%
30	Bolsa de Valores de Colombia	1.3%
Total Top Thirty		68.3%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	20.8%
China incl. HK	15.7%
India	11.1%
Vietnam	6.8%
UK	6.4%
Other Europe	5.9%
Middle East/Africa	5.5%
Mexico	5.4%
The Philippines	4.8%
Other Asia	4.7%
Chile	3.9%
South Korea	3.7%
Poland	2.9%
Colombia	2.4%