UTILICO
Emerging Markets Trust plc

2024
Report and Accounts

MANAGED BY ICM

Emerging Cities | Emerging Wealth | Emerging Opportunities

Why Utilico Emerging Markets Trust plc?

Rumo S.A. (Brazil)

Utilico Emerging Markets Trust plc's investment objective is to provide long term total return through a flexible investment policy that permits UEM to make investments predominantly in infrastructure, utility and related sectors, primarily in emerging markets.

Trusted

A closed end fund focused on long term total return

Diversified

A diverse portfolio of operational cash generative investments

Proven

Strong management team with a long term record of outperformance

Utilico Emerging Markets Trust plc is a UK listed fund uniquely focused on infrastructure and utilities in emerging markets, where structural growth drivers are accelerated by global infrastructure megatrends.

Unique Exposure

UEM offers a diverse portfolio of high conviction, bottom-up investments in infrastructure and utilities, providing unique exposure to megatrends in emerging markets ("EM").

Real Assets Driving Compelling Returns

UEM's portfolio of primarily listed operational infrastructure assets typically offers attractive growth and yields at a compelling valuation. As a result of long term cash flows, which are often underpinned by established regulatory frameworks, the portfolio provides predictable, sustainable and growing income.

Experienced Management

Since UEM's inception in 2005, the portfolio has been managed by a dedicated, active investment team with a long track record of investing successfully in this highly specialised asset class.

Strong Performance

As at 31 March 2024, UEM has delivered a 9.5% annualised NAV total return over 18 years; it has outperformed the MSCI Emerging Markets total return Index over the last one, three, five and ten years, and since inception; and has a 3.9% dividend yield.

UTILICO
Emerging Markets Trust plc

Contents

International Container Terminal Services, Inc. (The Philippines)

Financial Calendar

Year End
31 March

Annual General Meeting
17 September 2024

Half Year
30 September

Dividends Payable
March, June, September and December

The business of Utilico Emerging Markets Trust plc ("UEM" or the "Company") consists of investing the pooled funds of its shareholders in accordance with its investment objective and policy, with the aim of spreading investment risk and generating a return for shareholders. The joint portfolio managers of the Company are ICM Investment Management Limited ("ICMIM") and ICM Limited ("ICM"), together referred to as the "Investment Managers".

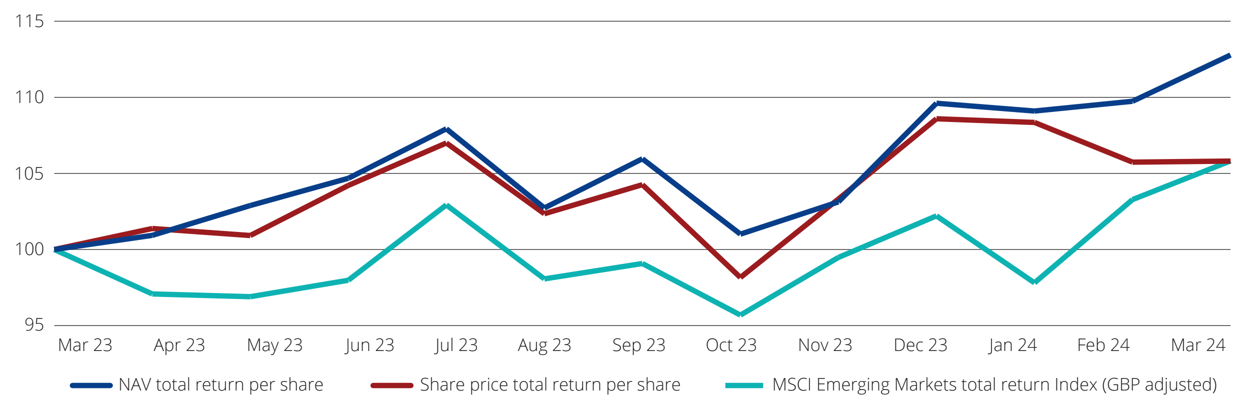
Current Year Performance

Net Asset Value ("NAV") Total Return Per Share *	Share Price Total Return Per Share*	NAV of 274.01p Per Share	Share Price of 221.00p
12.8%	**5.8%**	**↑ 9.2%**	**↑ 1.8%**
(2023: 2.1%)	(2023: 0.8%)	(2023: ↓ 1.3%)	(2023: ↓ 3.1%)
Dividends of 8.60p Per Share	**Dividends Paid**	**Invested**	**Realised**
↑ 1.8%	**£16.9m**	**£80.2m**	**£155.5m**
(2023: ↑ 5.6%)	(2023: £17.2m)	(2023: £108.9m)	(2023: £126.6m)
11.4m Shares Bought Back	**Total Revenue Return Income**	**Ongoing Charges***	**Net Cash**
£25.4m	**£23.1m**	**1.5%**	**£5.8m**
(2023: £27.2m)	(2023: £24.3m)	(2023: 1.4%)	(2023: Net Debt £36.1m)

* See Alternative Performance Measures on pages 97 and 98

Total Return Comparative Performance (Pence)

from 31 March 2023 to 31 March 2024



Rebased to 100 as at 31 March 2023

Source: ICM and Bloomberg

UEM Company Overview


Centrais Eletricas Brasileiras S.A. (Brazil)

UEM was founded in 2005 when Charles Jillings recognised that there was significant interest specifically in infrastructure and utilities assets in emerging markets following investor presentations some 20 years ago for Utilico Investment Trust plc, now UIL Limited, which held a number of these investments.

UEM is a UK listed closed-ended investment trust. It is uniquely focused on investing in infrastructure and utilities assets in emerging markets where structural growth drivers are accelerated by global infrastructure megatrends, helping to deliver attractive long term total returns. UEM is a differentiated, benchmark agnostic investment trust that has underlying exposure primarily to listed operational infrastructure assets, that typically offer attractive growth and yields at currently compelling valuations. These real assets often are underpinned by established regulatory frameworks that provide predictable, sustainable and growing income managed by experienced management teams.

The structural growth drivers within emerging markets of positive demographics, increase in urbanisation, rising middle class and strong GDP growth, underpin the investment opportunities that UEM is currently witnessing. These drivers are being further accelerated by global infrastructure megatrends of energy growth and transition, social infra, digital infra and global trade, which are contributing to UEM's investment objective of providing long term total returns and driving UEM's outperformance of the MSCI EM Index over the last one, three and five years and since inception.

UEM's diversified portfolio currently has around 70 stocks, derived from UEM's bottom-up investment approach incorporating ESG considerations. UEM holds an award winning record of outperformance, it is included in Interactive Investor's "Super 60" range of funds and is Morningstar "5 star" rated.

ii super 60

Morningstar Rating
3 Year
★★★★★

3 year rating out of 2,924 Global Emerging Market Equity funds as of 31 March 2024

Performance Summary

	31 March 2024	31 March 2023	% change 2024/23
NAV total return per share[1] (annual) (%)	12.8	2.1	n/a
Share price total return per share[1] (annual) (%)	5.8	0.8	n/a
Annual compound NAV total return[1] (since inception - 20 July 2005[2]) (%)	9.5	9.3	n/a
NAV per share (pence)	274.01	250.91	9.2
Share price (pence)	221.00	217.00	1.8
Discount[1] (%)	(19.3)	(13.5)	n/a
Earnings per share (basic)			
- Capital (pence)	20.48	(6.61)	409.8
- Revenue (pence)	8.83	9.40	(6.1)
Total (pence)	29.31	2.79	950.5
Dividends per share			
- 1st quarter (pence)	2.15	2.00	7.5
- 2nd quarter (pence)	2.15	2.15	0.0
- 3rd quarter (pence)	2.15	2.15	0.0
- 4th quarter (pence)	2.15[3]	2.15	0.0
Total (pence)	8.60	8.45	1.8
Gross assets[1] (£m)	522.9	542.5	(3.6)
Equity holders' funds (£m)	522.9	507.4	3.1
Shares bought back (£m)	25.4	27.2	(6.6)
Net cash/(overdraft) (£m)	5.8	(1.0)	680.0
Bank loans (£m)	–	(35.1)	100.0
Net cash/(debt) (£m)	5.8	(36.1)	116.1
Net cash/(gearing)[1] (%)	1.1	(7.1)	n/a
Management and administration fees and other expenses (£m)	7.7	7.4	4.1
Ongoing charges figure[1] (%)	1.5	1.4	n/a

1 See Alternative Performance Measures on pages 97 and 98
2 All performance data relating to periods prior to 3 April 2018 are in respect of Utilico Emerging Markets Limited ("UEM Limited"), UEM's predecessor
3 The fourth quarterly dividend has not been included as a liability in the accounts

Chairman's Statement

JOHN RENNOCKS
Chairman

UEM delivered a strong performance with a positive NAV total return of 12.8% for the year to 31 March 2024. This was once again significantly ahead of the MSCI Emerging Markets total return Index which was up 5.8% over the same period.

The year to 31 March 2024 has again been challenging. The eruption of the war in Israel and Gaza has been devastating for those involved and adds to the rising geopolitical frictions from the war in Ukraine through to the US-China tensions. Volatility in most markets remains elevated as uncertainty has dominated, with inflation and sharply higher central bank interest rates adding to the challenges on climate change and natural disasters.

UEM measures its performance on a total return basis over the long term and the Investment Managers are seeking long term outperformance. Despite difficult markets, over one, three, five and ten years and since inception, UEM has outperformed the MSCI EM Index and the long term annual compound NAV total return since inception to 31 March 2024 of 9.5% exceeded the MSCI EM total return Index of 7.5%.

Global Economy

There remain numerous challenges faced by the markets, each of which is difficult in its own right. We have historically highlighted a number of these, and they largely remain unresolved as we continue to see a significant rise in nationalism, wealth inequality and global migration.

Last year we witnessed the sharply higher inflationary environment and the response by the central banks to increase interest rates to bring inflation under control. The year to 31 March 2024 has seen inflation fall and the surprising part has been the continued strength of the economies, especially in the United States, despite higher interest rates. This is evidenced by resilience in the labour market which, in most western countries, unemployment levels are at record lows. This is good for workers but ultimately negative for the inflation outlook, as wage demands continue to keep inflation elevated.

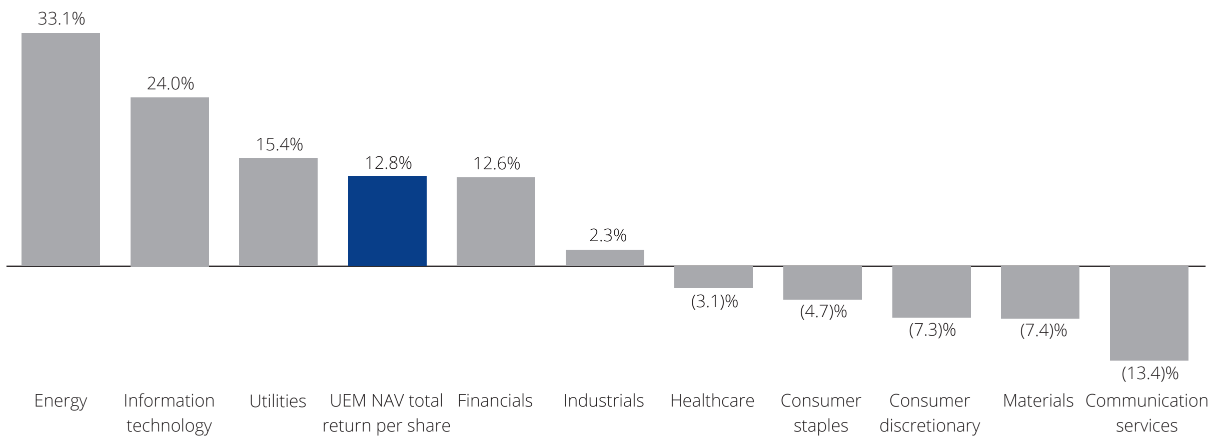
Equity markets have broadly moved to the upside as they anticipate central banks' rate cuts, although the higher for longer interest rate expectation has surprised many economic commentators.

Emerging Markets

Most EM stock markets recovered strongly this year, reversing last year's weakness and reflecting global

MSCI EM Sector Index total returns (GBP adjusted)

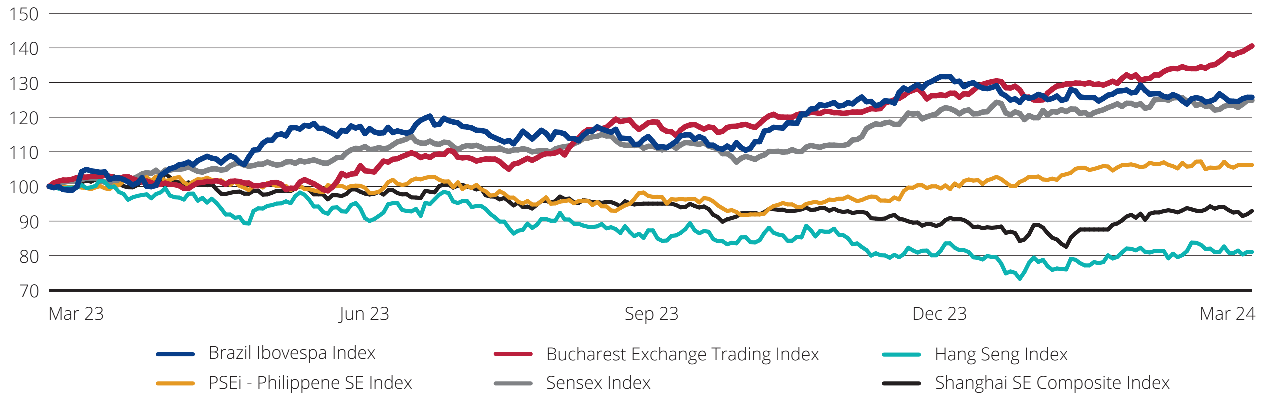
from 31 March 2023 to 31 March 2024



Source: ICM and Bloomberg

Indices Movements

from 31 March 2023 to 31 March 2024



Rebased to 100 as at 31 March 2023

Source: Bloomberg

expectations of lower interest rates. Brazil's Bovespa Index was up 25.7%, the Indian Sensex up 24.9% and the Philippine PSEI Index up 6.2%. The two outliers were Hong Kong's Hang Seng Index which was down 18.9% and China's Shanghai Composite Index down 7.1%.

In comparison, all currencies in the portfolio were down against Sterling except for the Mexican Peso which was up 6.3% over the year to 31 March 2024. The high interest rates and improved outlook for Sterling has seen it recover strongly over the year, reversing last year's Sterling weakness. Of note was the weak Chilean Peso, down 21.1% against Sterling.

Most commodities have moved lower during the period under review as supply chains have adjusted, with wheat down by 19.1%, soybean down by 20.9% and copper down by 2.1% while Brent crude oil increased by 9.7%, driven by a number of factors from stronger economies and geopolitical pressures.

Unlisted Investments (Level 3 Investments)

UEM has, over the years, invested in unlisted businesses at a modest level. As at 31 March 2023 the value of the unlisted portfolio had risen to 10.8% of the total portfolio, which was driven primarily by the revaluation of Petalite Limited ("Petalite"). In the year to 31 March 2024 the carrying value of Petalite was reduced by 70.0% reflecting the challenges in the electric vehicle ("EV") space which resulted in a number of listed EV companies' share prices marked down significantly. This reduction, together with some realisations, saw the unlisted investments reduce in value and as a percentage of the total portfolio. As at 31 March 2024 the unlisted investments represented 4.5% of the total portfolio.

Revenue Earnings and Dividend

While UEM's revenue earnings per share ("EPS") decreased by 6.1% to 8.83p as at 31 March 2024, dividends remain covered by the EPS.

UEM has declared four quarterly dividends of 2.15p each, totalling 8.60p per share, a 1.8% increase over the previous year. The retained earnings revenue reserves increased by £0.5m in the year to £10.1m as at 31 March 2024, equal to 5.29p per share.

Ongoing Charges

Ongoing charges were 1.5% for the year to 31 March 2024 (2023: 1.4%), reflecting increases in marketing expenditure, audit and custody fees.

Share Buybacks

UEM's share price discount continued to widen over the year from 13.5% as at 31 March 2023 to 19.3% as at 31 March 2024. This remains well above the level that the Board would wish to see over the medium term. The Company has therefore continued buying back shares for cancellation, with 11.4m shares bought back during the year to 31 March 2024, at an average price of 223.36p and total cost of £25.4m. The share buybacks have contributed 1.0% to UEM's total returns during the year to 31 March 2024.

While the Board is keen to see the discount narrow, any share buyback remains an independent investment decision. Historically the Company has bought back shares if the discount widens in normal market conditions to over 10.0%. Since inception, UEM has bought back 86.2m ordinary shares totalling £164.2m. The buybacks now represent significantly more than the initial IPO capitalisation of UEM Limited when it came to market in July 2005.

Board

As reported last year, Susan Hansen stepped down from the Board following the 2023 Annual General Meeting ("AGM") and the Board continues to comprise four Directors. Having joined the Board in 2015 and served for a period approaching nine years, I intend to retire from the Board on 31 December 2024. I am pleased to report that Mark Bridgeman, who is currently the Company's Senior Independent Director, has agreed to replace me as Chairman with Isabel Liu taking on the role of Senior Independent Director. As part of the Company's succession planning, we engaged an independent search consultancy to find a suitably qualified Director to join the Board. After a thorough selection process, the Board is pleased to appoint Nadya Wells as a non executive Director with effect from 1 September 2024. Nadya has over 25 years' experience in emerging markets, having spent 13 years with the Capital Group as a portfolio manager and prior to that was a portfolio manager at Invesco Asset Management investing in Eastern Europe.

Outlook

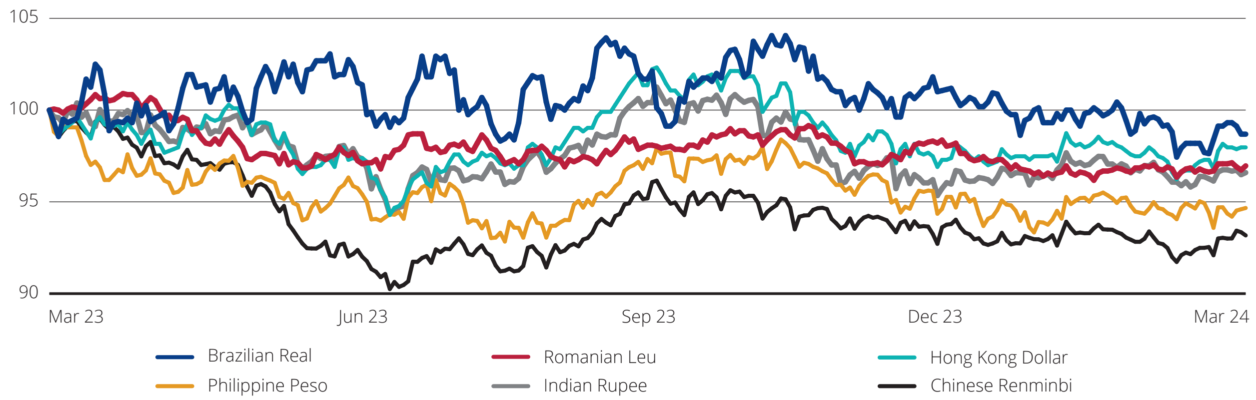
The structural growth and global infrastructure megatrends in EM continue to drive growth within EM economies. Our investee companies continue to make good progress and we remain optimistic that UEM offers significant value to its shareholders.

John Rennocks
Chairman

14 June 2024

Currency Movements vs Sterling

from 31 March 2023 to 31 March 2024

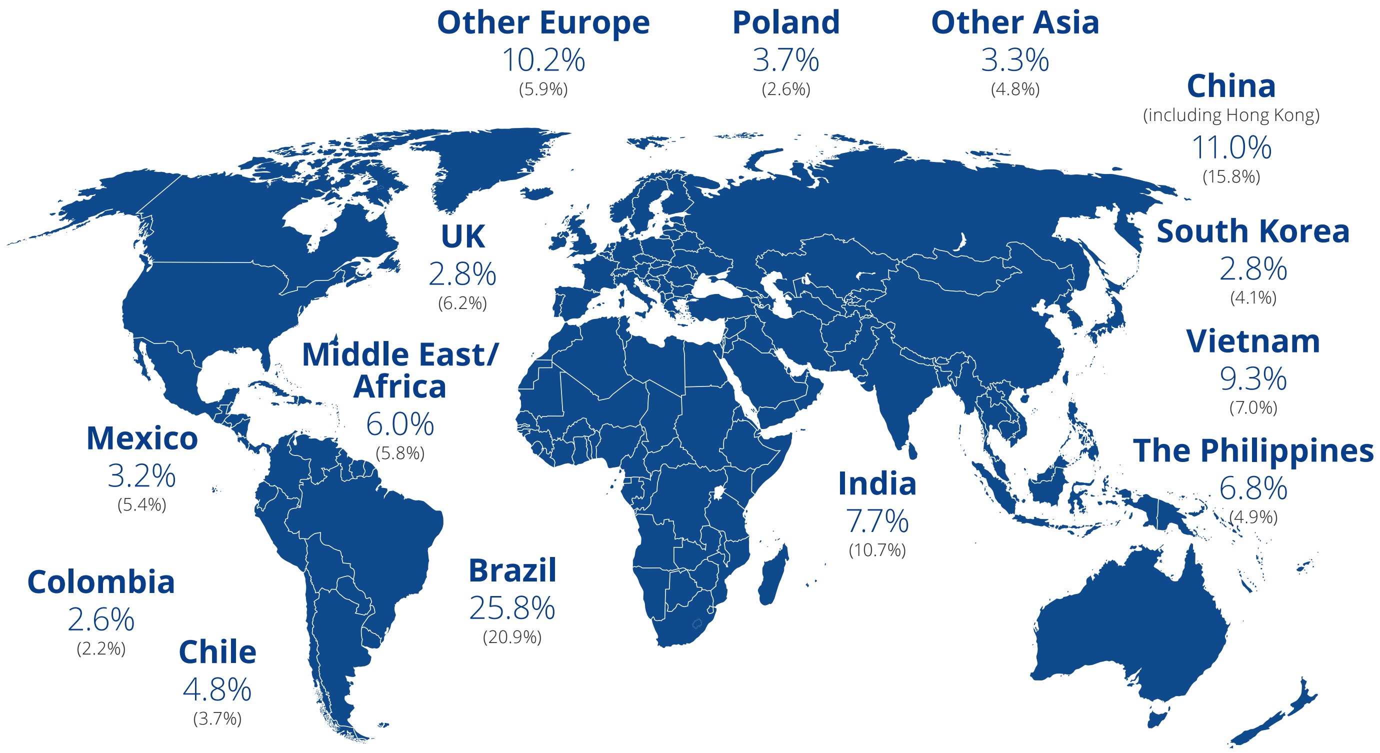


Rebased to 100 as at 31 March 2023

Source: Bloomberg

Geographical Investment Exposure

as at 31 March 2024



Sector Distribution of Total Assets

Ports and Logistics	20.0%	(17.0%)
Electricity	19.8%	(17.4%)
Data Services and Digital Infrastructure	11.7%	(13.1%)
Water and Waste	9.5%	(6.6%)
Renewables	9.4%	(12.7%)
Airports	6.2%	(7.4%)
Telecommunications	5.1%	(6.7%)
Road and Rail	4.9%	(3.4%)
Gas	4.8%	(7.5%)
Infrastructure Investment Funds	4.7%	(3.7%)
Other	3.9%	(4.5%)

Figures in brackets as at 31 March 2023

Source: ICM

Resilient Portfolio in the Current Macro and Geopolitical Environment

Inflation

- A number of UEM's investee companies have concession contracts linked to inflation
- Given monopolistic nature or strong market position of majority of investments, able to pass through price increases

Energy Prices

- Energy generation assets benefitting from current volatile fuel prices
- Most of investee companies are able to pass through fuel price increases

Interest Rates

Average net debt / EBITDA within the portfolio of 1.9x (2023: 2.0x), enabling companies to cope in a higher rate environment

Reduced FX risk with the majority of companies' debt matching income streams

Geopolitical Tensions

- Increasingly multi-polar world and the reshaping of the competitive environment providing new investment opportunities
- More diverse supply chains benefitting well located assets in the portfolio

UEM portfolio benefitting from structural growth drivers accelerated by global infrastructure megatrends

Energy Growth and Transition

Decarbonisation and investment in energy to support strong economic growth

31.8% of total investments

Social Infra

Urbanisation and rise of the middle class driving demand for better social infrastructure

24.9% of total investments

Digital Infra

Rapid digital adoption accelerating demand for digital infrastructure

21.8% of total investments

Global Trade

Trade being fuelled by structural growth drivers, geopolitical dynamics and shifting supply chains

21.5% of total investments

Megatrends Driving Upside in Emerging Markets

Energy Growth and Transition — Decarbonisation and investment in energy to support strong economic growth

- Rapid economic development requires significant investment in energy infrastructure.
- Lower or net zero emissions targets to combat climate change require decarbonisation of the energy matrix.
- Geopolitical concerns driving energy security higher up the agenda look to cut reliance on imported oil and gas.
- Huge investment in renewables assets and supporting grid infrastructure across EM.

Social Infra — Urbanisation and rise of the middle class driving demand for better social infrastructure

- Most emerging markets countries lack adequate essential social infrastructure.
- The growth of the middle class is increasing demand for better quality services and infrastructure.
- Rapid urbanisation is creating a need for huge investments in infrastructure, transportation, communication and internet services creating exciting opportunities for portfolio companies.

Digital Infra — Rapid digital adoption accelerating demand for digital infrastructure

- Advantageous demographics of young EM populations typically are more tech savvy driving demand for digital infra.
- Affordable information technology drives innovation, knowledge and accountability driving social benefits and commercial returns.
- A more capable and connected digital infrastructure is empowering companies in emerging markets to deliver goods and services to a domestic and global customer base.
- New and disruptive applications developed in emerging markets are facilitating new business models and efficiencies.

Global Trade — Trade being fuelled by structural growth drivers, geopolitical dynamics and shifting supply chains

- Emerging market economies offering strong GDP growth increasing their importance in the share of world trade.
- Supply chain disruptions, geopolitical tensions and increasing export restrictions has led companies to reconsider their supply chains.
- The increasingly multi-polar world and the reshaping of the competitive environment are presenting new investment opportunities - new manufacturing hubs are being created as there has been an increase in "shoring" (onshoring, nearshoring and friendshoring) and the need to diversify supply chains.

Top Thirty Companies

	1	2	3	4	5
%	4.9%	4.7%	4.0%	3.9%	3.9%
Company	International Container Terminal Services, Inc.	Alupar Investimento S.A.	Santos Brasil Participacoes S.A.	FPT Corporation	Orizon Valorizacao de Residuos S.A.
Megatrend	Global Trade	Energy Growth and Transition	Global Trade	Digital Infra	Social Infra
Sector	Ports and Logistics	Electricity	Ports and Logistics	Data Services and Digital Infrastructure	Water and Waste
Description	Global container port operator headquartered in The Philippines	Brazilian holding company for electricity transmission and renewable assets	Brazilian port operator	Information technology and telecommunications service company in Vietnam	Waste treatment operator in Brazil
Value £'000s	25,309	24,200	20,550	20,457	19,995

	6	7	8	9	10
%	3.0%	2.9%	2.8%	2.7%	2.6%
Company	InPost S.A.	Centrais Eletricas Brasileiras S.A.	Korean Internet Neutral Exchange Inc.	India Grid Trust	VinaCapital Vietnam Opportunity Fund Ltd
Megatrend	Digital Infra	Energy Growth and Transition	Digital Infra	Energy Growth and Transition	Social Infra
Sector	Ports and Logistics	Electricity	Data Services and Digital Infrastructure	Electricity	Infrastructure Investment Funds
Description	European logistics operator	Electricity generation and transmission company in Brazil	South Korean data centre operator	An infrastructure investment trust with electricity transmission and solar assets in India	Investment company in Vietnam
Value £'000s	15,435	14,797	14,511	14,288	13,364

Note: % of total investments
For more information on the top ten companies, see the holdings review starting on page 27.

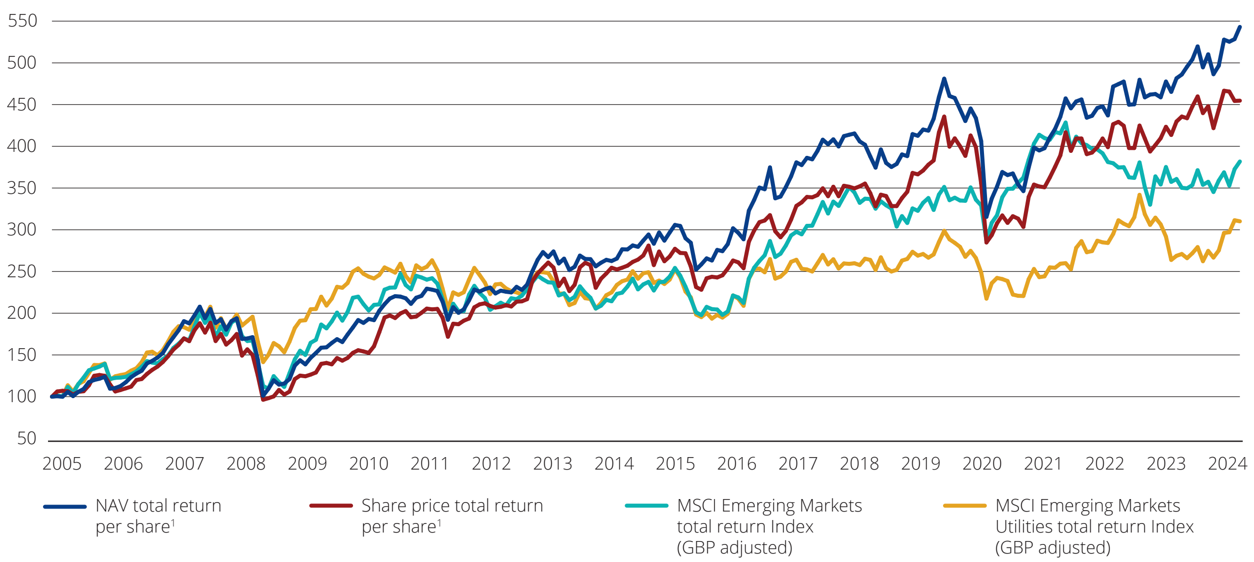
31 March 2024	Company *(Country)*	Description and Megatrends	Value £'000s	% of total investment
11	**Serena Energia S.A.** *(Brazil)*	Renewable energy	12,595	2.4
12	**Umeme Limited** *(Uganda)*	Electricity distributor	11,948	2.3
13	**Rumo S.A.** *(Brazil)*	Rail-based logistics operator	11,495	2.2
14	**Petalite Limited** *(UK)* - Unlisted	EV charging technology company	10,082	2.0
15	**Ocean Wilsons Holdings Limited** *(Brazil)*	Port operator and investment company	10,040	1.9
16	**Manila Water Company, Inc** *(The Philippines)*	Water distributor and sanitation	9,958	1.9
17	**KunLun Energy Company Limited** *(China)*	Gas transmission and distributor	9,907	1.9
18	**Cia de Saneamento Basico do Estado de Sao Paulo** *(Brazil)*	Water distributor and sanitation	9,769	1.9
19	**Citic Telecom International Holdings Limited** *(Hong Kong)*	Telecommunications provider	9,686	1.9
20	**Aguas Andinas S.A.** *(Chile)*	Water distributor and sanitation	9,519	1.8
21	**JSL S.A.** *(Brazil)*	Logistics operator	9,219	1.8
22	**Holding Bursatil Regional S.A.** *(Chile)*	Stock Exchange	8,787	1.7
23	**TTS (Transport Trade Services) S.A.** *(Romania)*	Freight forwarding company	8,504	1.7
24	**Powergrid Infrastructure Investment Trust** *(India)*	Infrastructure investment trust	8,355	1.6
25	**TAV Havalimanlari Holding A.S.** *(Turkey)*	Airport operator	7,501	1.5
26	**Grupo Traxion S.A.B. de C.V.** *(Mexico)*	Logistics operator	7,439	1.4
27	**Power Grid Corporation of India Limited** *(India)*	Electricity distributor	7,371	1.4
28	**Shanghai International Airport Co., Ltd** *(China)*	Airport operator	7,264	1.4
29	**China Gas Holdings Limited** *(China)*	Gas distributor	7,141	1.4
30	**Societe Nationale des Telecommunications du Senegal** *(Senegal)*	Telecommunications provider	6,981	1.4
	Other investments		150,728	29.1
	Total portfolio		517,195	100.0

Performance Since Inception
(20 July 2005)

NAV Annual Compound Total Return*	NAV Total Return Per Share*	Share Price Total Return Per Share*
9.5%	**443.1%**	**354.7%**
86.2m Shares Bought Back	Dividends Per Share Increased from 1.50p to	Dividends Paid Cumulative
£164.2m	**8.60p**	**£237.5m**

* See Alternative Performance Measures on pages 97 and 98

NAV and Share Price Performance Since Inception (Pence)
from 20 July 2005 to 31 March 2024

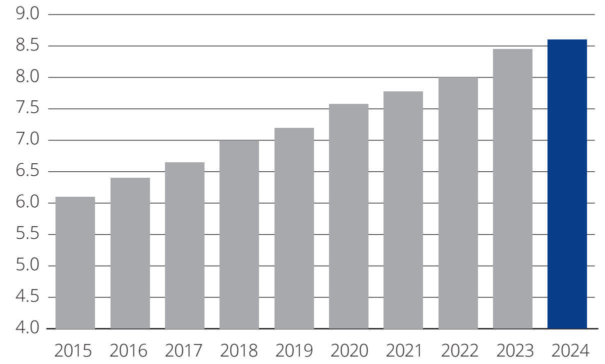


Rebased to 100 as at 20 July 2005
1 Adjusted for the exercise of warrants and subscription shares

Source: ICM and Bloomberg

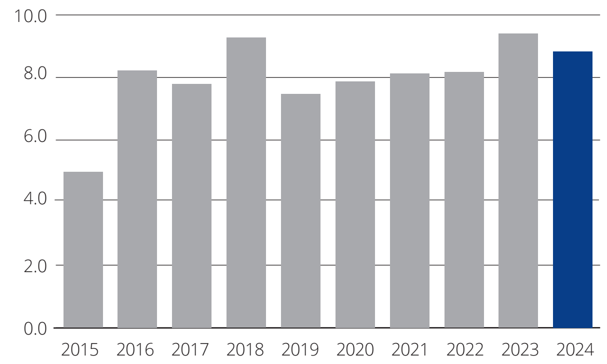
Ten Year Performance
to 31 March 2024

Dividends Per Share (Pence)



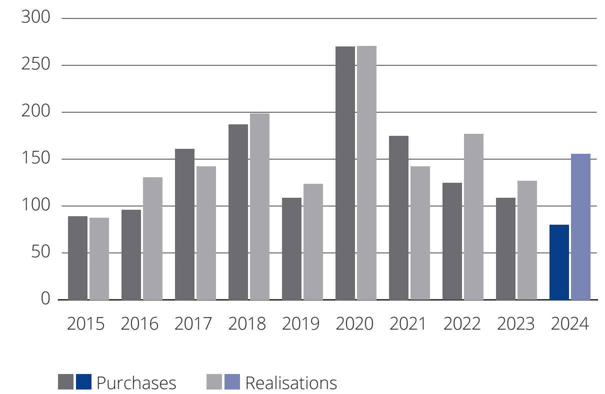
Source: ICM

Revenue Earnings Per Ordinary Share (Pence)



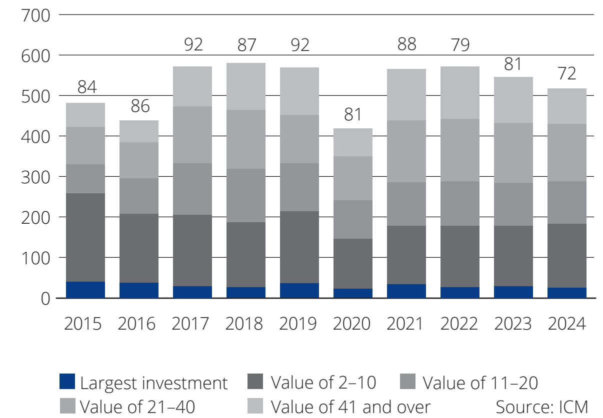
Source: ICM

Investment Purchases and Realisations (£m)



Source: ICM

Portfolio Progression (£m) and Number of Holdings



Source: ICM

UEM invests primarily in companies and sectors displaying the characteristics of essential services or monopolies, benefitting from EM structural growth drivers accelerated by global infrastructure and utilities megatrends.

Santos Brasil Participacoes S.A.

Santos Brasil Participacoes S.A. is a port and logistics operators in Brazil, with its main asset being the container terminal Tecon Santos located in Porto de Santos, the largest port in South America. Porto de Santos handles over 25% of Brazilian trade. UEM invested in 2018.

In the year to 31 December 2023, revenues increased

10.5%

and EBITDA 23.5%

Manila Water Company, Inc

Manila Water Company, Inc is the concessionaire for water supply, wastewater and sanitation services in the East Zone of Metro Manila in the Philippines. It serves a population of over 7m people. UEM first invested in its current stake in November 2023.

In the year to 31 December 2023, revenues increased

34.7%

and EBITDA 61.9%

FPT Corporation

FPT Corporation is the largest information technology service company in Vietnam. It also provides fibre broadband and data centre services. Its education division has over 145,000 students enrolled in its private schools, colleges and university. UEM first invested in 2019.

In the year to 31 December 2023, revenues increased

19.6%

and EBITDA 21.0%

Investment Managers' Report

CHARLES JILLINGS
Investment Manager

It is pleasing to see UEM report another NAV gain, with a NAV total return for the year to 31 March 2024 of 12.8%, building on last year's 2.1% uplift and the prior two year's 14.9% and 30.2% returns. This performance was again significantly ahead of the MSCI EM total return Index which increased 5.8% during the year.

UEM's NAV performance over one year, three, five and ten years and since inception are all ahead of the MSCI EM total return Index. UEM has achieved this together with a rising dividend payout; lower volatility (as at 31 March 2024, UEM's five year Beta was 0.81x); and with a portfolio which is significantly different from the MSCI Index. This should be compelling to investors who want exposure to emerging markets, top performance and comparatively low levels of volatility.

The world is still faced with a number of unresolved deep-seated issues. As noted in the Chairman's Statement these range from inflation to climate change. To this, we can add the tragic events in Israel and Gaza and the risk that the Middle East descends further into conflict. Given that we have highlighted a number of these issues before we will focus on two topics in particular to discuss in more detail. Finding consensus on these concerns has been and continues to be difficult.

Inflation and Interest Rates

As we have outlined before, inflation has risen sharply and remains elevated in the developed economies. One of the undoubted drivers of this has been tight labour markets which has led to wage inflation as buying power shifts to the wider workforce. Last year we noted that to address the rising inflationary outlook in the developed world, central banks had raised interest rates at a rapid pace. We expect we are at the point where interest rates plateau before declining. The "lower for longer" mantra has been replaced by "higher for longer".

Over the past year many commodities have seen prices fall as supply chains stabilise and efficiencies emerge, and this has led to much lower inflationary pressures. However, inflation remains above levels most central banks wish to see before cutting their rates.

We continue to be surprised by the tightness of labour markets. Unemployment levels remain at record lows in many countries. Our view is that the combination of workers suffering from long Covid and increased social care falling on families, together with early retirement has all contributed to the reduction in the available labour force. In addition, we are of the view that nearshoring (Global Trade megatrend), renewables (Energy Growth and Transition megatrend) and other global infrastructure megatrends are driving investment in the developed world and emerging markets at above average trends and inflation could remain elevated for some time. This certainly looks to be the case in the United States.

A stark point to note is most central banks reference their interest rates off the US Federal Reserve. Decreasing rates at a time when the US is holding rates is seen as high risk for smaller economies. It is not surprising therefore to see the Chilean Peso fall by 21.1% given its central bank cut rates from 11.25% to 7.25% in the year to 31 March 2024. Certainly, the emerging economies have more room to cut rates, but are looking for the US Federal Reserve to move first.

Despite elevated central bank rates, UEM's portfolio of investments exceeded our expectations. The strength of the businesses and management teams' discipline is admirable. The portfolio investee gearing remains modest at under 2.0x and we believe valuations continue to be attractive.

Emerging Markets Structural Growth Drivers and Megatrends

The ICM team travels a significant amount to EM countries and it is very evident to us that EM offers huge opportunities.

i. Structural growth drivers remain fundamental: the key drivers of positive demographics, increase in urbanisation, rise of the middle class and strong GDP growth remain. Typically, EM have a young, growing, increasingly better educated working age population. This coupled with increasing rates of urbanisation, is resulting in the need for EM countries to invest in robust infrastructure such as energy, water and transportation to support this urban growth, providing UEM with numerous interesting and attractive opportunities. Further, the rise of the middle class that has growing discretionary income is driving an increase in consumption of goods and services but also demands for better quality of life assets such as road connectivity, air travel and faster data connectivity. EM are also witnessing on average stronger GDP growth than developed markets, with EM becoming more important within the global economy.

Manila Water Company, Inc. (The Philippines)

ii. The emergence of global infrastructure megatrends: the structural growth drivers are being accelerated by global infrastructure megatrends that we are witnessing. Within "Energy Growth and Transition" significant energy investment is required to help support the strong GDP growth within EM with a focus on cleaner energy solution as countries drive to achieve lower or net zero emission targets. As EM countries are also witnessing higher urbanisation and a rise of the middle class, demand for better "Social Infra" is also required, providing UEM with a number of investment opportunities in the energy, transportation and communication sectors. Further, new and affordable digital technology is driving rapid digital adoption and is increasing demand for digital infrastructure. Digital Infra is becoming increasingly essential in all markets driving economic and social change. UEM is focused on infrastructure investments that are helping to deliver this digital transformation. As EM global GDP increases, EM importance in "Global Trade" increases. This, alongside supply chain disruptions, geopolitical tensions and increasing exports restrictions is changing the global trade environment providing again more compelling investment opportunities.

iii. Government support: Nearly all governments in emerging markets have extensive infrastructure plans. From Brazil, to India, The Philippines, Indonesia and Mexico, the level of ambition is significant. Again providing investment opportunities.

iv. Country attributes: Many emerging economies have additional individual strengths. For example, Mexico with its more affordable and hard working labour force, Brazil with its rich commodities base and Vietnam with its proximity to China. These economies are starting to reach a tipping point. Taking Brazil as an example, its trade surplus in 2022 was USD 62bn and in 2023 it rose to USD 99bn – no wonder investments in UEM's portfolio such as Santos Brasil Participacoes S.A. ("Santos") are outperforming. It is hard to convey just how high we see the levels of energy, drive and momentum underway in the emerging markets.

I would urge readers to follow us, on LinkedIn and on the UEM website, to see more about these trends we are witnessing and hear the opportunity which UEM offers.

Portfolio

UEM's gross assets (less liabilities excluding loans) decreased to £522.9m as at 31 March 2024 from £542.5m as at 31 March 2023. This reflects portfolio valuation uplifts of £46.8m offset by net realisations to fund, in part, both the share buybacks of £25.4m and the reduction in bank debt of £35.1m in the year.

At the year end the top thirty holdings accounted for 70.9% of the total portfolio (31 March 2023: 67.7%). As with last year there have been nine new entrants into the top thirty over the year. UEM purchased £8.4m of shares in Manila Water Company, Inc. UEM nearly doubled its investment in Serena Energia S.A. (£5.4m), increased its investment in Cia de Saneamento Basico do Estado de Sao Paulo (£2.0m) which also benefitted from its share price rise of 67.8% and increased its investment in JSL S.A. (£4.3m) by 137.3%, its share price rise was also impressive at 88.8%. Holding Bursatil Regional S.A. was an investment from the merger of Bolsa de Valores de Colombia with the Peru and Chile stock exchanges. TTS (Transport Trade Services) S.A.'s ("TTS") share price rose 126.1% and UEM reduced its holding by 40.6%, receiving £5.3m. TAV Havalimanlari Holding A.S.'s investment increased by 49.7% (£1.8m) and its share price rose 140.7%. Finally, UEM's holding in Societe Nationale des Telecommunications du Senegal ("Sonatel") was unchanged, but its share price

Sector Split of Investments

Sector	31 March 2024	(31 March 2023)
Ports and Logistics	20.0%	(17.0%)
Electricity	19.8%	(17.4%)
Data Services and Digital Infrastructure	11.7%	(13.1%)
Water and Waste	9.5%	(6.6%)
Renewables	9.4%	(12.7%)
Airports	6.2%	(7.4%)
Telecommunications	5.1%	(6.7%)
Road and Rail	4.9%	(3.4%)
Gas	4.8%	(7.5%)
Infrastructure Investment Funds	4.7%	(3.7%)
Other	3.9%	(4.5%)

In the Year to 31 March 2024

Brazil Remains UEM's Largest Country Exposure

25.8%

(20.9%)

See page 9 for the full geographic exposure

China Remains UEM's Second Largest Country Exposure

11.0%

(15.8%)

Other Europe is UEM's Third Largest Exposure

10.2%

(5.9%)

Latam's Exposure

36.4%

(32.2%)

Asia's Exposure

40.9%

(47.3%)

Rest of the World

22.7%

(20.5%)

Figures in brackets as at 31 March 2023

Source: ICM

rose 13.1% and Ocean Wilsons Holdings Limited's share price rose 55.3% during the year to 31 March 2024.

UEM exited from Vamos Locacao de Caminhoes Maquinas e Equipamentos S.A. ("Vamos"), receiving £5.9m and Grupo Aeroportuario del Pacifico, S.A.B de C.V., realising £7.5m. UEM also reduced its investment in Gujarat State Petronet Limited, Grupo Aeroportuario del Centro Norte, S.A.B de C.V. and Engie Energia Chile S.A., all of which fell outside the top thirty holdings giving a total realisation of £29.6m. China Datang Corporation Renewable Power Co., Limited ("China Datang") and Telelink Business Services Group both fell out of the top thirty due to relative performance.

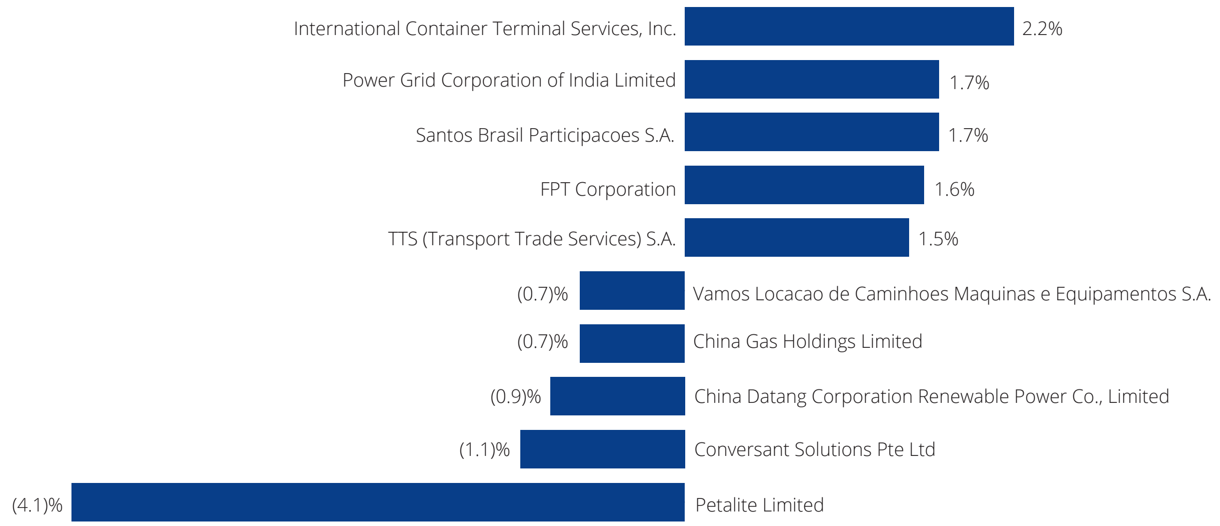
On a total return contribution basis, the top performer in the portfolio was International Container Terminal Services, Inc. ("ICT") which contributed to 2.2% of UEM's performance as its share price over the period appreciated 49.2% and ICT continues to deliver strong financial and operational results. Power Grid Corporation of India Limited ("Power Grid") and Santos both added 1.7% to UEM's performance, Power Grid sustaining strong operational results in a buoyant Indian stock market, whilst Santos also benefitted from the positive Brazilian market momentum as well as improved market position of its main asset Tecon Santos within the Port of Santos. FPT Corporation ("FPT") contributed 1.6% due to strong growth in net profits of 21.2% and improved investor confidence in Vietnam. TTS contributed 1.5% witnessing an improvement in pricing with volumes helping to drive it share price up 126.1% over the period.

The bottom performers over the twelve months to 31 March 2024 were Vamos with a negative 0.7% contribution, affected by market concerns relating to its dealership business. China Gas Holdings Limited also contributed a minus 0.7% as its share price fell 36.2% over the year, reflecting weakness in the Chinese property market driving concerns around new gas connections and demand. China Datang also contributed a negative return of 0.9% as there have been concerns over China Datang's investment in new projects offering lower returns, with its share price falling 42.7% over the year. Conversant Solutions Pte Ltd and Petalite, two unlisted investments also reduced UEM's performance by 1.1% and 4.1% respectively.

Purchases in the portfolio decreased to £80.2m in the year ended 31 March 2024 (31 March 2023: £108.9m) and realisations increased to £155.5m (31 March 2023: £126.6m). This reflects both the reduction in debt by £35.1m as UEM repaid its loan facility and the decision to maintain a high level of buybacks to take advantage of the wide discount.

There have been some small sector shifts during the year to 31 March 2024 and more detail is set out on page 20. On a geographical basis, again there were modest changes and more detail is set out on page 9. It is worth noting that Brazil remains our top country exposure and grew to 25.8% from 20.9% in the prior

Total Return Contribution to NAV



Source: ICM

year, mainly due to valuation uplifts. China remains the second biggest country exposure, but it reduced to 11.0% from 15.8% in the prior year on realisations and valuation weakness.

Level 3 Investments

UEM ended the year with level 3 investments totalling £23.1m (31 March 2023: £58.7m), representing 4.5% of total investments (31 March 2023: 10.8%). UEM's level 3 investments reduced mainly as a result of the devaluation of Petalite by £20.0m and the £5.0m realisation from CGN Capital Partners Infra Fund 3 ("CGN").

Pleasingly we realised the majority of our holding in CGN, a private Chinese onshore wind developer and received 40% of the proceeds during the year to 31 March 2024. We are expecting to realise the balance of this investment and make a positive return. Further we exited from an Indian solar farm developer and operator at an internal rate of return of close to 28%.

UEM's investment in Petalite continues to make progress on its product development path and it is seeking to raise up to £20.0m in a Series A fund raising. However, the comparable listed entities in this space have had a difficult time and many have seen their valuations reduce by over 70%. UEM has reduced its investment valuation in line with this and as at 31 March 2024 its equity was valued at £8.6m. Since then, Petalite has continued its Series A fund raising efforts but market conditions have continued to be weak and UEM reduced Petalite's equity valuation to £3.5m as at 12 June 2024. Attention is drawn to note 26(d) of the accounts which provides more information on Petalite's valuation methodology.

Bank Debt

UEM's net debt, being bank loans and net overdrafts, decreased from £36.1m as at 31 March 2023 to nil as at 31 March 2024. UEM repaid its bank debt in March 2024 when the loan facility matured. The Company is currently in discussions regarding a replacement revolving facility and a further announcement will be made in due course.

Revenue Return

Revenue income decreased to £23.1m in the year to 31 March 2024, from £24.3m in the prior year, reflecting the fewer dividends received from investee companies due to the changes in the portfolio. The revenue yield on the closing portfolio was unchanged at 4.5% for both years.

Management fees and other expenses having been flat in 2023 rose to £3.4m in the year to 31 March 2024, (31 March 2023: £3.0m). While disappointing, this reflects the increases in marketing expenditure, audit and custody fees. Finance costs rose to £0.3m reflecting the higher interest rate environment (31 March 2023: £0.2m). Taxation rose to £2.0m during the year ended 31 March 2024 (31 March 2023: £1.6m) reflecting increased dividends received from countries with higher withholding tax rates.

As a result of the above, profit for the year decreased by 10.3% to £17.5m from £19.5m for 31 March 2023. EPS decreased by 6.1% to 8.83p compared to the prior year of 9.40p, reflecting the decrease in profit and the reduced average number of shares in issue following the buybacks. Dividends per share ("DPS") of 8.60p were fully covered by earnings.

Retained revenue reserves rose to £10.1m as at 31 March 2024, equal to 5.29p per share.

Capital Return

The portfolio gains were £46.8m on the capital account during the year to 31 March 2024 (31 March 2023: losses of £8.4m). The highest returns were from ICT with £9.5m, and Power Grid and FPT at £7.5m each. Gains on foreign exchange were £0.6m and the resultant total income on the capital account was £47.4m against prior year losses of £8.9m.

Management and administration fees were almost flat for the second year in a row at £4.4m (31 March 2023: £4.3m).

Finance costs increased to £1.3m from £0.7m as a result of higher interest rates. There was a taxation charge of £1.4m (31 March 2023: credit of £0.2m) which arose from Indian capital gains tax. The net effect of the above was a gain on capital return of £40.4m compared to a loss of £13.7m for 31 March 2023.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

14 June 2024

Our Investment Approach

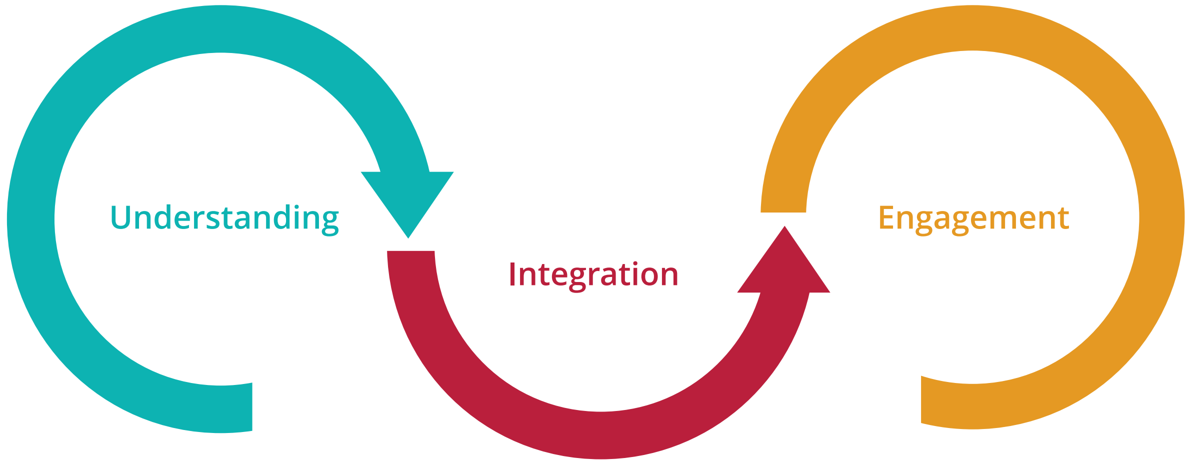
ICM is a long term investor and typically operates focused portfolios with narrow investment remits. ICM has several dedicated research teams who have deep knowledge and understanding in their specific sectors, which improves the ability to source and make compelling investments. ICM has approximately USD 1.9bn of assets directly under management and is responsible indirectly for a further USD 24.5bn of assets in subsidiary investments.

ICM looks to exploit market and pricing opportunities and concentrates on absolute performance. The investments are not market index driven and the investment portfolio comprises a series of bottom-up decisions. ICM typically does not participate in either an IPO or an auction unless there is compelling value.

UEM seeks to leverage ICM's investment abilities to both identify and make investments across a range of industries within the EM sector. New investments usually offer an attractive valuation with strong risk/return expectations at the time of investment.

When reviewing investment opportunities, as part of the investment process ICM will look to understand the material ESG factors.

ICM incorporates ESG factors into the investment process in three key ways:



In-depth analysis of the key issues that face potential and current holdings, as well as a **deep understanding** of the industry in which they operate.

Incorporate the output of the 'Understanding' component into the full company analysis to ensure a **clear and complete picture** of the investment opportunity is obtained.

Engage with investee companies on the key issues on a regular basis, both virtually and on location, where possible, to **discuss and identify** any gaps in their ESG policies to further develop and improve their ESG disclosure and implementation.

ICM works to create value by harnessing our experience and expertise to generate and grow strong relationships with our stakeholders

We are focused on creating sustainable long term value for our shareholders and supporting the broader community through our:

Values

ICM's origins date back to 1988 and our organisation has evolved with offices now spanning the globe. We are focused on our values of:

- Independence and Integrity
- Creativity and Innovation
- Excellence
- Accountability

Team

We are proud of our diverse and inclusive environment for our teams to work in, which reflects the diversity of our communities.

Investment Practices

Our deep and extensive research and understanding of the companies, sectors and markets we invest in moderates our risk and creates value for our investors. Our status as a signatory to the United Nations-supported Principles of Responsible Investment emphasises our commitment to integrating ESG factors into our investment decision making process.

Financial

Strong balance sheet and disciplined capital allocation to drive sustainable growth and shareholder value.

Platforms

Technology, digital and analytics enable our investment platforms to deliver growth for our shareholders.

Communities

ICM supports the ICM Foundation, which has identified sustainable, effective and focused education where the biggest impact can be made on individuals and in communities. Over the past decade ICM and its stakeholders have contributed over USD 17.6m to not-for-profit and community organisations.

ESG Spotlight

The Board believes that it is in shareholders' interests to consider ESG factors when selecting and retaining investments and accordingly these form a key part of the process when investing.

Details of how ESG forms part of the integrated research analysis, decision-making and ongoing monitoring are set out on page 39. Where companies in the portfolio are assessed as having minimal ESG disclosure, ICM's approach is to engage with the companies directly to further understand the ESG profile of the company. Below are examples of two of UEM's investments that have robust ESG credentials within the portfolio.

serena
ENERGIA

The largest independent renewable energy company in Brazil with a portfolio of wind, solar and hydro assets.

ESG Analysis:

Serena Energia ("Serena") plays a crucial role in decarbonising Brazil's energy sector. Since Serena's IPO in 2017, it has helped avoid 2.3m kiloton of CO2 emissions. At supply capacity, Sernea can provide 4.2m households with clean energy. Serena manages adverse weather risk due to its geographically diversified asset base with multiple sources of energy putting Serena in a strong position to generate the best possible returns.

ICM ESG Conclusion:

Alongside Serena's green credentials, it has good disclosure and a strong framework of enforced ESG-related policies and procedures, putting it in a strong position to capitalise on an increase in demand for green energy.

sonatel

Sonatel is the leading telecoms operator in five countries in West Africa (including Senegal, Mali and Guinea) offering fixed, mobile, internet, television, payment and IT services.

ESG Analysis:

Sonatel creates a large amount of social value in West Africa through its digital development strategy. It has a strong Corporate Social Responsibility (CSR) policy that supports its corporate goals toward greater social and financial inclusion. Since its inception, Sonatel has enabled more than 38,000 young men and women to benefit from various training programmes.

ICM ESG Conclusion:

Social benefits will continue to be achieved through Sonatel's commitment to digital transformation and its social and economic inclusion goals. Sonatel is well placed to contribute to the growth occurring in West Africa.

Largest Holdings Overview

Cia de Saneamento Basico do Estado de Sao Paulo (Brazil)

The Value of the Ten Largest Holdings Represents	The Value of the Twenty Largest Holdings Represents	The Value of the Thirty Largest Holdings Represents	The Total Number of Companies Included on the Portfolio is
35.4%	**55.6%**	**70.9%**	**72**
of Total Investments (2023: 32.6%)	of Total Investments (2023: 52.3%)	of Total Investments (2023: 67.7%)	(2023: 81)

The value of convertible securities represents 0.0% (2023: 0.0%) of the portfolio. The value of fixed income securities represents 2.6% (2023: 3.4%) of the portfolio.

Ten Largest Holdings Review

1 International Container Terminal Services, Inc.

Country	The Philippines
Sector	Ports and Logistics
Megatrend	Global Trade
Value £'000s	25,309
% of total investments	4.9%

International Container Terminal Services, Inc. ("ICT") is a Philippines listed global port management company in the business of acquiring, developing, managing and operating container ports and terminals worldwide. ICT operates 32 terminals in 19 countries across six continents, handling 12.8m containers in 2023.

In the year to 31 December 2023, ICT saw another solid year of performance, despite the ongoing disruptions to global trade. Volume growth for the year increased by 4.4% and revenue increased by 6.5% as management saw improvements in container handling tariffs and volume mix, as well as benefitting from the consolidation of a newly acquired terminal. EBITDA for the year was up by 6.8% as ICT continued to remain focused on cost control, with EBITDA margin creeping up to 63.0%. Adjusted net income increased by 6.7% with the dividend increasing by 10.0% to PHP 11.00 (including a special dividend of PHP 1.65), as ICT's cash flow position continued to improve.

In July 2023, ICT announced that it was the preferred operator for South Africa's largest container terminal, Durban Container Terminal Pier 2, which ICT should commence operating in the second half of 2024 and will add an estimated additional 2.0m TEU (twenty-foot equivalent unit) of capacity.

ICT's share price increased by 49.2% in the year to 31 March 2024. UEM decreased its position in ICT by 32.6%.

2 Alupar

Country	Brazil
Sector	Electricity
Megatrend	Energy Growth and Transition
Value £'000s	24,200
% of total investments	4.7%

Alupar Investimento S.A. ("Alupar") is a holding company for assets focused on the electricity transmission and generation sectors in Brazil, Peru and Colombia. It has 35 transmission projects totalling 8,805km of electricity lines of which 7,139km are operational, and 822MW of renewable energy generation assets.

After a significant investment program during 2019-2022 which saw Alupar expanding its transmission network kilometres by 40% and commissioning a new 94MW hydro plant in Peru, 2023 was a year of consolidation. The only new project to come online was the 63MW Agreste Potiguar wind farm in Brazil. The operational transmission lines have fixed revenue concession contracts which benefit from annual inflation adjustments. In July 2023 indexation increases of 3.94% for IPCA-linked concessions and -4.47% for IGPM-linked concessions were applied. These inflation adjustments, combined with the contribution of new projects resulted in underlying group revenue growth of 8.8% and EBITDA growth of 7.0% in its financial year to 31 December 2023. Dividends per share increased by 32%.

Alupar's share price was up 13.7% in the year to 31 March 2024. UEM's shareholding in Alupar (adjusted for a stock bonus issue) was unchanged over the period.

3 Santos Brasil

Country	Brazil
Sector	Ports and Logistics
Megatrend	Global Trade
Value £'000s	20,550
% of total investments	4.0%


Andre S Prietsch

Santos Brasil Participacoes S.A. ("Santos") is a Brazilian listed port and logistics operator that owns ten terminals on the Brazilian coast, with Tecon Santos, its main asset (86% of Santos's volumes) located at the largest port in South America, Porto de Santos, which handles over 25% of Brazilian trade balance.

During 2023, Santos' neighbouring competitors within the port continued to operate at near to full capacity. Therefore, despite Santos' 6.2% reduction in container units handled during the year, Santos was able to report a 10.5% increase in net revenues, due to its strong strategic position helping to drive tariff increases and improve volume mix. EBITDA for the full year to 31 December 2023 increased by 23.5% as it benefitted from operational leverage with EBITDA margin continuing to improve, reaching 46.8% for the year. Given Santos' strong cash flow generation, Santos was able to achieve a 95% payout ratio.

Santos' share price increased by 64.0% in the year to 31 March 2024. UEM's shareholding in Santos increased 31.5% over the period.

4 FPT

Country	Vietnam
Sector	Data Services and Digital Infrastructure
Megatrend	Digital Infra
Value £'000s	20,457
% of total investments	3.9%

FPT Corporation ("FPT") is a Vietnamese technology and telecommunications company. FPT provides IT services to large multinationals globally, and to the public sector and enterprise customers domestically. Additionally, FPT is a major provider of fixed line broadband, internet, data centre and cloud services in Vietnam though its FPT Telecom subsidiary.

It was another very strong year for FPT in 2023, with the group reporting strong revenue growth in each of its three business segments: Technology (+22.1%), Telecoms (+7.3%) and Education, Investment and others (+52.5%). Group revenues in the year to 31 December 2023 rose by 19.6% and net profits per share increased by 21.2%. Cash dividends increased by 18.1%.

FPT met its target of achieving USD 1.0bn in international revenues in 2023 for its IT services unit, with sales up 28.4% in VND terms compared to the previous year. FPT has set a target of achieving USD 5.0bn in international IT services revenues by 2030.

FPT's telecom segment reported solid growth. Fibre broadband subscribers exceeded 4m, driving a 5.9% growth in broadband internet revenues. Data centre demand is strong, with revenues up over 20% in 2023 and new facilities coming online in 2024. FPT's education segment continues to report exceptional growth, with 145,000 FTE students across its system of schools, colleges and universities, a growth of 34% for 2023.

FPT's share price rose by 69.4% for the year to 31 March 2024, adjusted for the 15.0% bonus issue in June 2023. UEM's position in FPT (adjusted for the bonus issue) was unchanged during the year.

5 Orizon

Country	Brazil
Sector	Water and Waste
Megatrend	Social Infra
Value £'000s	19,995
% of total investments	3.9%

Orizon Valorizacao de Residuos S.A. ("Orizon") is Brazil's leader in waste management and operates 16 sanitary landfill sites. Referred to as "ecoparks" by Orizon, these sites are sophisticated complexes which require specialised infrastructure to safely process waste.

In 2023, Orizon announced two long term contracts for the supply of biomethane. The first was with Copergas, securing a 10-year contract for most of the potential installed biomethane production capacity for Ecopark Jaboatão dos Guararapes. The second was a partnership with Compass, Brazil's leading player in natural gas for final consumers. These support Orizon's strategy for biomethane production commencing in 2025.

Orizon delivered strong results in the year to 31 December 2023. Revenues increased by 24.0%, due to new landfills acquired in 2022 and a solid performance in energy, biogas and waste processing segments. Energy sales volumes increased by 29.5% and biogas volumes by 28.8%. Notably, carbon credit generation rose by 27.6%, although no sales occurred during the year to 31 December 2023 as Orizon waited for its carbon credit gold standard certification. Adjusted EBITDA increased by 47.7%, with margins expanding from 33.9% to 40.4%, due to improved operational efficiencies.

UEM's position in Orizon increased 6.1% in the year to 31 March 2024. Orizon's share price was up by 3.2% during the period.

6 InPost

Country	Poland
Sector	Ports and Logistics
Megatrend	Digital Infra
Value £'000s	15,435
% of total investments	3.0%

InPost S.A. ("InPost") is a leading e-commerce logistics infrastructure player in Poland, listed on Euronext Amsterdam, that is focused on last mile parcel delivery operating automated parcel machine (APM) delivery, to-door delivery and fulfilment services. InPost also has a growing pan-European presence in particular in France, the UK and Italy. As at 31 December 2023, InPost handled 892m parcels and had 4.4m lockers installed across its network of over 35,000 APMs and 30,615 pick-up-drop-off points.

2023 was another strong year for InPost. Revenues increased by 25.2% with Polish operations, which contributed to 60.4% of revenues, seeing strong revenue growth of 27.5%. Adjusted EBITDA also saw strong growth, increasing 39.3% with EBITDA margin reaching 30.8% as profitability within the international business improved as the volume of parcels handled increased. During the year, InPost also acquired a 30% stake in a UK logistics provider helping to improve its delivery network.

InPost's share price increased by 69.8% in the year to 31 March 2024 and UEM's position in InPost remained the same.

7 Eletrobras

Country	Brazil
Sector	Electricity
Megatrend	Energy Growth and Transition
Value £'000s	14,797
% of total investments	2.9%

Centrais Eletricas Brasileiras S.A. ("Eletrobras") is the largest utility company in Latin America and produces and transmits energy in Brazil. It has an installed capacity of 44.6 GW, with 94.8% hydroelectric, 3.6% thermal, and 1.6% solar and wind, representing 22% of Brazil's total installed capacity. On the transmission front, Eletrobras operates over 73,000 km of lines, accounting for 38% of Brazil's total.

2023 marked a continuation of Eletrobras' turnaround phase following its privatisation in June 2022. Efforts were focused on simplifying its administrative structure, enhancing asset management, internal restructuring and boosting investment capacity.

Revenues in the year to 31 December 2023 were up 9.1%, driven by higher average sales price in the generation segment and higher regulated revenues for its transmission business that increased by 28.3%. Meanwhile, Eletrobras' adjusted EBITDA rose by 8.4%, supported by a 8.2% reduction in expenses, largely due to a 9.8% decrease in personnel expenses as part of Eletrobras' turnaround process. Dividends were down 7.4% YoY.

UEM's position in Eletrobras increased 20.7% in the year to 31 March 2024. Eletrobras' share price was up by 28.5% during the period.

8 KINX

Country	South Korea
Sector	Data Services and Digital Infrastructure
Megatrend	Digital Infra
Value £'000s	14,511
% of total investments	2.8%

Korean Internet Neutral Exchange Inc. ("Kinx") is a leading provider of neutral internet infrastructure services in South Korea. It operates Korea's leading internet exchange as well as a number of interconnection data centres. Kinx provides facilities for the leading global and domestic telecommunications, internet and cloud services companies to provide services locally and to connect directly to their customers in South Korea.

Kinx reported revenue growth of 10.6% but EBITDA improved marginally on the very strong result recorded in 2022. After several years of planning and construction, Kinx's new 10MW data centre in Gwacheon (Seoul metropolitan area) is due to open to clients in the second half of 2024. This facility will add significant incremental capacity which should drive strong revenue and profit growth in the coming years. Unlike many of Kinx's other current facilities which are leased, it owns a share of the freehold on this site. The expansion has primarily been funded by strong cashflows generated in recent years and Kinx had net cash on the balance sheet at the end of 2023. However, it is expected to draw down on its debt facility by the time the data centre is completed.

Kinx's share price increased by 58.8% during the year to 31 March 2024 and UEM took some profit on its investment, with its shareholding reducing by 5.1%.

9 IndiGrid

Country	India
Sector	Electricity
Megatrend	Energy Growth and Transition
Value £'000s	14,288
% of total investments	2.7%

India Grid Trust ("Indigrid") is an infrastructure investment trust listed on the Bombay Stock Exchange which owns power transmission assets in India. It has 46 lines totalling 8,468km and 13 substations, with the transmission assets having an average of 26 years remaining contract life. The trust is managed by KKR, which is also a 21% shareholder.

In August 2023, Indigrid completed the acquisition of Virescent Renewable Energy Trust ("Virescent") for INR 40bn. This increased Indigrid's renewable portfolio five-fold to 676MW and bolstered the AUM of the trust by 18% to INR 269bn (USD 3.2bn). In the nine months to 31 December 2023, revenue and EBITDA grew by 28% and 27% respectively, aided by a full quarter's contribution from Virescent. The trust is required to pay out at least 90% of cash flows, which is paid in quarterly dividends, and over the nine month period the aggregate dividends per unit were increased by 6.6%.

UEM's shareholding in Indigrid was unchanged during the year to 31 March 2024 and Indigrid's share price declined by 1.6%.

10 VinaCapital

Country	Vietnam
Sector	Infrastructure Investment Funds
Megatrend	Social Infra
Value £'000s	13,364
% of total investments	2.6%

VinaCapital Vietnam Opportunity Fund Ltd ("VOF") is a closed-end investment company, headquartered in Ho Chi Minh City, Vietnam, listed on the main market of the London Stock Exchange. VOF is focused on long term investing in Vietnamese companies across a range of industries and asset classes. As at 31 March 2024, VOF had USD 1,164.5m (£706.4m) assets under management, of which 74.8% were invested in listed equity and 19.5% invested in private equity. By sector, as at 31 March 2024, VOF's largest exposure was real estate at 23.3%, financials at 21.8% and materials at 12.7%.

For the twelve months to 31 March 2024, VOF's NAV increased by 21.2%, outperforming the Vietnam Ho Chi Minh total return Index ("VN Index") which was up by 16.1% in US Dollar terms over the same period. On a three- and-five-years basis, VOF also outperformed the VN Index, up by 21.5% and by 59.7% respectively compared to the index which was up by 4.1% and 33.0% respectively. VOF discount to NAV as at 31 March 2024 was 23.5%.

VOF's share price increased by 6.7% in the year to 31 March 2024 and UEM's position increased by 3.6%.

Strategic Report

Principal Activity

UEM carries on business as an investment trust and its principal activity is portfolio investment.

Investment Objective

UEM's objective is to provide long term total return through a flexible investment policy that permits it to make investments predominantly in infrastructure, utility and related sectors, mainly in EM.

Strategy And Business Model

UEM invests in accordance with the objective set out above. The Board is collectively responsible to shareholders for the long term success of the Company. Since the Company has no employees it outsources its activities to third party service providers, including the appointment of external investment managers to deliver investment performance. The Board oversees and monitors the activities of the service providers with the Board setting investment policy and risk guidelines, together with investment limits.

ICMIM, an English incorporated company authorised and regulated by the Financial Conduct Authority ("FCA") as an alternative investment fund manager ("AIFM") pursuant to the AIFM Regulations, is the Company's AIFM and joint portfolio manager alongside ICM. The investment team responsible for the management of the portfolio is headed by Charles Jillings.

ICMIM and ICM, operating under guidelines determined by the Board, have direct responsibility for the decisions relating to the day to day running of the Company and are accountable to the Board for the investment, financial and operating performance of the Company. Other service providers include JPMorgan Chase Bank N.A. – London Branch which provides administration and custodial services, JP Morgan Europe Limited ("JPMEL") which acts as the Company's Depositary under the AIFM Directive and Computershare Investor Services which acts as registrar. ICMIM has also been appointed Company Secretary.

Investment Policy

UEM's investment policy is flexible and its investments include (but are not limited to) water, sewerage, waste, electricity, gas, telecommunications, ports, airports, service companies, rail, roads, any business with essential service or monopolistic characteristics and any new infrastructure or utilities which may arise mainly in emerging markets. The Company may also invest in businesses which supply services to, or otherwise support, the infrastructure, utility and related sectors.

The Company focuses on the under-developed and developing markets of Asia, Latin America, Emerging Europe and Africa but has the flexibility to invest in markets worldwide. The Company generally seeks to invest in emerging market countries where the Directors believe that there are attributes such as political stability, economic development, an acceptable legal framework and an encouraging attitude to foreign investment.

The Company has the flexibility to invest in shares, bonds, convertibles and other types of securities, including non-investment grade bonds and to invest in unlisted securities.

The Company may also use derivative instruments such as American Depository Receipts, promissory notes, foreign currency hedges, interest rate hedges, contracts for difference, financial futures, call and put options, warrants and similar instruments for investment purposes and efficient portfolio management, including protecting the Company's portfolio and Statement of Financial Position from major corrections and reducing, transferring or eliminating investment risks in its investments. These investments will be long term in nature.

Investment Restrictions

The Board has prescribed the following limits on the investment policy, all of which are at the time of investment unless otherwise stated:

- Investments in unquoted and untraded investments in aggregate must not exceed 10.0% of gross assets at the time of investment;
- No single investment may exceed 20.0% of gross assets at the time of investment;
- Investments other than in infrastructure, utility and related companies must not exceed 20.0% of gross assets at the time of investment;
- Investments in a single country must not exceed 50.0% of gross assets at the time of investment (and for these purposes investments will be considered to have been made in the countries where the relevant investee company reports that it carries out its business operations, as determined on a look-through basis);
- Not more than 10.0% in aggregate of the value of the total assets of the Company at the time the investment is made will be invested in other closed-ended investment funds which are listed on the Official List (except to the extent that those investment funds have stated investment policies to invest no more than 15.0% of their total assets in other investment companies which are listed on the Official List); and
- Regardless of the investment policy of other closed-ended investment funds listed on the Official List and which are invested in by the Company, the Company shall not invest in such funds more than 15.0% in aggregate of the value of the total assets of the Company at the time the investment is made.

The above limits only apply at the time the investment is made and the Company will not be required to realise any assets or rebalance the portfolio where any limit is exceeded as a result of any increases or decreases in the valuation of the particular assets which occurs after the investment is made, but no further relevant assets may be acquired or loans made by the Company until the relevant limit can again be complied with.

Borrowing and Gearing Policy

UEM may use bank borrowings for short term liquidity purposes. In addition, the Board may gear the Company by borrowing on a longer-term basis for investment purposes.

The Board has set a current limit on gearing (being total borrowings measured against gross assets) not exceeding 25% at the time of drawdown. Borrowings may be drawn down in Sterling, US Dollars or any currency for which there are corresponding assets within the portfolio (at the time of drawdown the value drawn must not exceed the value of the relevant assets in the portfolio).

On 13 March 2024, the Company announced that it had repaid all the amounts outstanding under the £50.0m committed multicurrency revolving facility with The Bank of Nova Scotia, London Branch ahead of its maturity date on 15 March 2024. The Company is currently in discussions regarding a replacement revolving facility.

Investment Approach

UEM seeks to identify and invest in undervalued investments predominantly in the infrastructure and utility sectors, mainly in EM. The Investment Managers aim to identify securities where underlying value and growth prospects are not reflected in the market price. This is often as a result of strong growth drivers, but can include changes in regulation, technology, market motivation, potential for financial engineering, competition or shareholder indifference.

The Company seeks to minimise risk by investing 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. Most investee companies are asset backed, have good cash flows and offer good dividend yields. UEM generally seeks to invest in companies with strong management who have the potential to grow their business and who have an appreciation of, and ability to manage, risk.

UEM believes it is generally appropriate to support investee companies with their capital requirements while at the same time maintaining an active and constructive shareholder approach through encouraging a review of capital structures and business efficiencies. The Investment Managers maintain regular contact with the investee companies and UEM is often among the largest international shareholders.

The Company aims to maximise value for shareholders by holding a relatively concentrated portfolio of securities and investing through instruments appropriate to the particular situation. UEM is prepared to hold investments in unlisted securities when the attractiveness of the investment justifies the risks and lower liquidity associated with unlisted investments. ICMIM, as the Company's AIFM, controls stock-specific, sector and geographic risk by continuously monitoring the exposures in the portfolio. In depth continual analysis of the fundamentals of investee companies allows ICMIM to assess the financial risks associated with any particular stock. The portfolio is typically made up of 60 to 90 stocks.

Dividend Policy

The Board's objective is to maintain or increase the total annual dividend. Dividends are expected to be paid quarterly each year in September, December, March and June. In determining dividend payments, the Board will take account of factors such as income forecasts, retained revenue reserves and the Company's dividend payment record. However, in order to maintain its approval as an investment trust, the Company will distribute at least 85.0% of its distributable income earned in each financial year by way of dividends. The Board also has the flexibility to pay dividends from capital reserves and special reserve.

Results and Dividends

Details of the Company's performance are set out in the Investment Managers' Report. The results for the year ended 31 March 2024 are set out in the attached accounts. The dividends in respect of the year, which total 8.60p per share, have been declared by way of four interim dividends.

Key Performance Indicators

Delivery of shareholder value is achieved through the increase in capital value of the Company's shares and by its income return. The Board reviews performance by reference to a number of Key Performance Indicators ("KPIs") that include the following:

- NAV total return relative to the MSCI EM total return Index
- Share price
- Discount to NAV
- Revenue earnings
- Ongoing charges figure

While some elements of performance against KPIs are beyond management control, they provide measures of the Company's absolute and relative performance and are therefore monitored by the Board on a regular basis. These KPIs fall within the definition of Alternative Performance Measures under guidance issued by the European Securities and Markets Authority and additional information explaining how these are calculated is set out on pages 97 and 98.

Year ended 31 March	2024	2023
NAV total return per share (%)	12.8	2.1
MSCI EM total return Index (GBP adjusted) (%)	5.8	(5.0)
Share price (pence)	221.00	217.00
Discount to NAV (%)	(19.3)	(13.5)
Percentage of issued shares bought back during the year (based on opening share capital) (%)	5.6	5.8
Revenue earnings per share (pence)	8.83	9.40
Dividends per share (pence)	8.60	8.45
Ongoing charges figure (%)	1.5	1.4

A graph showing the NAV total return performance compared to the MSCI EM total return Index, can be found on page 3. The ten-year record on page 99 shows historic data for the Company and its predecessor, UEM Limited.

Discount to NAV: The Board monitors the premium/discount at which the Company's shares trade in relation to its NAV. During the year the Company's shares traded at a discount relative to NAV in a range of 12.4% to 20.5% and an average discount of 15.2%. The Board and Investment Managers closely monitor both movements in the Company's share price and significant dealings in the shares.

The Board believes that the best way of addressing the discount over the long term is to continue to generate good performance and to create natural demand for the Company's shares in the secondary market through increasing awareness of the Company, its philosophy and management style. The Board has maintained expenditure on marketing the Company. The Board continues to seek authority from shareholders to buyback and issue shares which can assist in the management of the discount and/or any premium at which the shares trade to their NAV. A total of 11,369,753 shares were bought back and cancelled during the year, representing 5.6% of the Company's opening issued share capital.

Earnings and dividends per share: As referred to in "Dividend Policy" above, the Board's objective is to maintain or increase the total annual dividend. The Board and the Investment Managers attach great importance to maintaining dividends per share since dividends form a key component of the total return to shareholders.

The Board declared four quarterly dividends, each of 2.15p per share, in respect of the year ended 31 March 2024. The fourth quarterly dividend will be paid on 28 June 2024 to shareholders on the register on 7 June 2024. The total dividend for the year was 8.60p per share (2023: 8.45p per share).

Ongoing charges: These are calculated in accordance with the industry measure of costs as a percentage of NAV. The expenses of the Company are reviewed at every Board meeting, with the aim of managing costs incurred and their impact on performance. The ongoing charges figure for the year ended 31 March 2024 was 1.5% (2023: 1.4%). This ratio is sensitive to the size of the Company, as well as the level of costs.

Principal Risks And Risk Mitigation

During the year ended 31 March 2024, ICMIM was the Company's AIFM and had sole responsibility for risk management, subject to the overall policies, supervision, review and control of the Board.

As required by the Association of Investment Companies ("AIC") Code of Corporate Governance, the Board has undertaken a robust assessment of the principal risks facing the Company. It seeks to mitigate these risks through regular review by the Audit & Risk Committee of the Company's risk register which identifies the risks facing the Company and the likelihood and potential impact of each risk, together with the controls established for mitigation.

During the year the Audit & Risk Committee also discussed and monitored a number of emerging risks that could potentially impact the Company, the principal ones being geopolitical risk and climate change risk. The Audit & Risk Committee has determined that they are not currently sufficiently material to be categorised as separate key risks and are considered within investment risk and market risk below.

The principal risks and uncertainties currently faced by the Company and the controls and actions to mitigate those risks, are described below. There have been no significant changes to the principal risks during the year.

Key Risk Factors

Investment Risk:	
The risk that the investment strategy does not achieve long-term positive total returns for the Company's shareholders. **Insufficient consideration of ESG factors could lead to poor performance and/or a reduction in demand for the Company's shares.**	The Board monitors the performance of the Company and has established guidelines to ensure that the approved investment policy is pursued by the Investment Managers. These guidelines include sector and market exposure limits. The investment process employed by the Investment Managers combines assessment of economic and market conditions in the relevant countries with stock selection. Fundamental analysis forms the basis of the Company's stock selection process, with an emphasis on sound balance sheets, good cash flows, the ability to pay and sustain dividends, good asset bases and market conditions. In addition, ESG factors are also considered when selecting and retaining investments, and political risks associated with investing in EM are also assessed. The Investment Managers try to reduce risk by ensuring that the Company's portfolio is always appropriately diversified. Overall, the investment process aims to achieve absolute returns through an active fund management approach and the Board monitors the implementation and results of the investment process with the Investment Managers.
Market Risk:	
The Company's assets consist mainly of listed securities and its principal risks are therefore market related and adverse market conditions could lead to a fall in NAV.	The Company's portfolio is exposed to equity market risk and foreign currency risk. Adverse market conditions may result from factors such as economic conditions, political change, geo-political confrontations, climate change, natural disasters and health epidemics. At each Board meeting the Board reviews the diversification of the portfolio, asset allocation, stock selection, unquoted investments and levels of gearing and has set investment restrictions and guidelines which are monitored and reported on by the Investment Managers. The Company's results are reported in Sterling, although the majority of its assets are priced in foreign currencies and therefore any rise or fall in Sterling will lead, respectively, to a fall or rise in the Company's reported NAV. Such factors are out of the control of the Board and the Investment Managers and may give rise to distortions in the reported returns to shareholders. It is difficult and expensive to hedge EM currencies.
Key Staff Risk:	
Loss by the Investment Managers of key staff could affect investment returns.	The quality of the investment management team is a crucial factor in delivering good performance. There are training and development programmes in place for employees and the remuneration packages have been developed in order to retain key staff. Any material changes to the management team are considered by the Board at its next meeting; the Board discusses succession planning with the Investment Managers at regular intervals.
Discount Risk:	
The Company's shares may trade at a discount to their NAV and a widening discount may undermine investor confidence in the Company.	The Board monitors the price of the Company's shares in relation to their NAV and is focussed on reducing the discount at which they trade. The Board generally buys back shares for cancellation in normal market conditions if they are trading at a discount in excess of 10% and the Investment Managers agree that it is a good investment decision.

Operational Risk:	
Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to successfully pursue its investment policy.	The Company's main service providers are listed on page 96. The Audit & Risk Committee monitors the performance and controls (including business continuity procedures) of the service providers at regular intervals. All listed and a number of unlisted investments are held in custody for the Company by JPMorgan Chase Bank N.A. – London Branch. JPMEL, the Company's depositary services provider, also monitors the movement of cash and assets across the Company's accounts. The Audit & Risk Committee reviews the JP Morgan system and organisation controls reports, which are reported on by Independent Service Auditors, in relation to its administration, custodial and information technology services. The Board reviews the overall performance of the Investment Managers and all the other service providers on a regular basis. The risk of cybercrime is high, as it is with most organisations, but the Board regularly seeks assurances from the Investment Managers and other key service providers on the preventative steps that they are taking to reduce this risk.
Gearing Risk:	
Whilst the use of borrowings should enhance total return where the return on the Company's underlying securities is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is falling.	Gearing levels may change from time to time in accordance with the Board and Investment Managers' assessment of risk and reward. As at 31 March 2024, since the Company's bank facility has been repaid, UEM had net cash. In the event of a new facility being put in place, ICMIM will continue to monitor compliance with the banking covenants when each drawdown is made and at the end of each month. The Board will review compliance with the banking covenants at each Board meeting.
Regulatory Risk:	
Failure to comply with applicable legal and regulatory requirements such as the tax rules for investment companies, the FCA's Listing Rules and the Companies Act 2006 could lead to suspension of the Company's Stock Exchange listing, financial penalties, a qualified audit report or the Company being subject to tax on capital gains.	The Investment Managers and the Company's professional advisers monitor developments in relevant laws and regulations and provide regular reports to the Board in respect of the Company's compliance.

Viability Statement

The Board makes an assessment of the longer-term prospects of the Company beyond the timeframe envisaged under the going concern basis of accounting, having regard to the Company's current position and the principal risks it faces. The Company is a long term investment vehicle and the Board believes that it is appropriate to assess the Company's viability over a long term horizon. For the purposes of assessing the Company's prospects in accordance with provision 31 of the UK Corporate Governance Code, the Board considers that assessing the Company's prospects over a period of five years is appropriate given the nature of the Company, reflecting the long term strategy of the Company and is in line with the five-yearly cycle of the Company's continuation vote.

In its assessment of the viability of the Company, the Board has considered each of the Company's principal risks and uncertainties detailed above, as well as the impact of a significant fall in the EM equity markets on the value of the Company's investment portfolio. All of the key operations required by the Company are outsourced to third party providers and it is considered that alternative providers could be engaged at relatively short notice, if necessary. The Directors have also considered the Company's income and expenditure projections and the fact that the Company's operating expenses comprise a very small percentage of net assets while the majority of the Company's investments comprise readily realisable securities which can be sold to meet funding requirements, if necessary. The next opportunity for shareholders to vote on the continuation of the Company will be at the AGM expected to be held in September 2026.

As part of this assessment the Board considered a number of stress tests and scenarios which considered the impact of severe stock market and currency volatility on shareholders' funds over a five-year period. Initially, the Company's projections were adjusted to reflect a material reduction in the value of its investments in line with that experienced during the emergence of the Covid-19 pandemic in the first quarter of 2020. The first stress test considered a fall in markets of 30% in the first year with recovery of 10% per annum thereafter. A second test considered a fall in markets of 30% and adverse Sterling movement, the Company's reporting currency, of 10% in the first year with a further fall in markets of 20% in the second year and no movement thereafter. The results demonstrated the impact on the Company's NAV, its expenses, and its ability to meet its liabilities over that period. As a result of this analysis, the Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years.

Section 172 Statement

Under Section 172 of the Companies Act 2006, the Directors have a duty to promote the success of the Company for the benefit of its members as a whole. This includes having regard (amongst other matters) to fostering relationships with the Company's stakeholders and maintaining a reputation for high standards of business conduct.

As an externally managed investment trust, the Company has no employees, customers, operations or premises. Therefore, the Company's key stakeholders (other than its shareholders) are considered to be its service providers, including lenders. The need to promote business relationships with the service providers and maintain a reputation for high standards of business conduct is central to the Directors' decision-making. The Directors believe that fostering constructive and collaborative relationships with the Company's service providers will assist in their promotion of the success of the Company for the benefit of all shareholders and their performance is monitored by the Board and its committees. The principal service provider is the Investment Managers, who are responsible for managing the Company's assets in order to achieve its stated investment objective, and the Board maintains a good working relationship with them. Whilst strong long term investment performance is essential, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Investment Managers must have regard to ethical and environmental issues that impact society. Accordingly, ESG considerations are an important part of the Investment Managers' investment process as explained more fully below.

The Board seeks to engage with its Investment Managers and other service providers in a collaborative and collegiate manner, whilst also ensuring that appropriate and regular challenge is brought and evaluation conducted. The aim of this approach is to enhance service levels and strengthen relationships with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.

The Directors aim to act fairly as between the Company's shareholders and the approach to shareholder relations is summarised in the Corporate Governance Statement on pages 50 to 55. As part of this, the AGM provides a key forum for the Board and Investment Managers to present to shareholders on the performance of UEM and its future prospects. It also allows shareholders the opportunity to meet with the Board and Investment Managers and to raise questions and concerns. The Chairman is available to meet with shareholders as appropriate and the Investment Managers meet regularly with shareholders and their respective representatives, reporting back on views to the Board. Shareholders may also communicate with the Company at any time by writing to the Board at the Company's registered office or contacting the Company's broker. These communication opportunities help inform the Board when considering how best to promote the success of the Company for the benefit of all shareholders over the long term.

In addition to ensuring that the Company's stated investment objective was being pursued, the Directors confirm that they have considered Section 172 factors when making decisions, including in relation to:

- the repayment of the Company's multicurrency revolving facility in March 2024;
- the repurchase of the Company's shares, in line with the Board's policy to buy back shares for cancellation in normal market conditions if they are trading at a discount in excess of 10%;
- the recommendation that shareholders vote in favour of the Company's dividend policy at the forthcoming AGM; and
- the recommendation that shareholders vote in favour of the renewal of the buyback and allotment authorities as set out in the notice of AGM.

Responsible Investment Policy

The Board believes that it is in the shareholders' interests to consider ESG factors when selecting and retaining investments, and has asked the Investment Managers to take these into account when investing. The concept of responsible investing has always been a core component of the investment process and the Investment Managers employ a disciplined investment process that seeks to both uncover opportunities and evaluate potential risks, while striving for the best possible return outcomes. When reviewing any investment opportunity, the Investment Managers look to understand the relevant ESG issues in conjunction with the financial, macro and political drivers as part of their investment process, populating an internally built ESG framework due to lack of appropriate coverage from external providers. Relevant and material ESG opportunities and risks can meaningfully affect investment performance, therefore the consideration of ESG issues forms part of the integrated research analysis, decision-making and ongoing monitoring.

The Investment Managers believe that "G" is the core foundation on which all else is built, as strong governance within a company ensures that minority shareholder interests are aligned with other shareholders, management and stakeholders. The Investment Managers' "G" assessment therefore includes questions covering shareholders' rights, transparency and related parties, as well as audit and accounting, board composition and effectiveness, executive oversight and compensation. Each area is assessed and weighted, and the Investment Managers then apply an aggregated weighting towards "G" in line with the strong empirical evidence linking robust corporate governance and performance.

The "E" and "S" are also focal points for the Investment Managers, as assessing key environmental and social risks are essential to a long term sustainable business model. The Investment Managers identify the most material "E" and "S" risks that are believed to affect each sector and companies are then assessed against each risk. The results from this analysis feed into an "E" and "S" score for each company reflecting, for each material risk, whether suitable/sustainable plans are in place, how clear the company has been in disclosing its approach and how well it is doing against its objective to manage such risk.

Where a portfolio company is assessed as having a relatively low "E", "S" and/or "G" score, ICM's approach is to engage with the company to see improvements over time. ESG considerations provide a way to identify and review the long term drivers of an investment that are not found within the financial accounts, thereby enabling the Investment Managers to fully question a company's investment potential from a number of perspectives. Examples of ESG progress on two portfolio companies are set out on page 25.

Where possible, the Investment Managers aim to visit companies to access an in-person opportunity to ask management teams what they perceive to be the key operational, social and environmental issues, as well as a chance to see assets operating first-hand. ESG disclosures are not always easy to understand given they may not be openly reported or consistently disclosed. The Investment Managers believe that engaging with companies directly is the best first step. Where necessary, the Investment Managers will question and challenge an investee company's management team directly to ensure a full understanding of any challenges and opportunities.

Given the Investment Managers are long term investors, engagement with management teams is and will remain paramount to the investment approach. On behalf of UEM as shareholder, the Investment

Managers work actively with investee companies to incorporate stronger ESG principles and vote in a considered manner (including against resolutions) to drive positive change. As referred to above, the Investment Managers believe that governance factors are fundamental to an investment.

ICM is a signatory to the United Nations-supported Principles for Responsible Investment, which is an international network of investors working together to implement its six aspirational principles. The Investment Managers believe that good stewardship is essential and these principles align with their philosophy to protect and increase the value of their investments.

Modern Slavery Act

Due to the nature of the Company's business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Gender Diversity

The Board currently consists of three male directors and one female director and announced the appointment of a further female director with effect from 1 September 2024. The Company has no employees and therefore there is nothing further to report in respect of gender representation within the Company. The Company's policy on diversity is detailed in the Corporate Governance Statement on pages 53 and 54.

Greenhouse Gas Emissions and Streamlined Energy and Carbon Reporting ("SECR")

All the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from its operations. In addition, the Company considers itself to be a low energy user under the SECR regulations and therefore is not required to disclose energy and carbon information.

Bribery Act

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Investment Managers also adopt a zero tolerance approach and have policies and procedures in place to prevent bribery.

Criminal Finances Act

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Social, Human Rights And Community Matters

As an externally managed investment trust, the Company does not have any employees or maintain any premises. It therefore has no material, direct impact on the environment or any particular community and the Company itself has no environmental, human rights, social or community policies. The Board however notes the Investment Managers' policy statement in respect of responsible investing, as outlined on page 39.

Outlook

The Board's main focus is on the achievement of the Company's objective of delivering a long term total return and the future of the Company is dependent upon the success of its investment strategy. The outlook for the Company is discussed in the Chairman's Statement and the main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Investment Managers' Report.

This Strategic Report was approved by the Board of Directors on 14 June 2024.

By order of the Board
ICM Investment Management Limited
Company Secretary

14 June 2024

Investment Managers and Team

ICMIM, a company authorised and regulated by the FCA, was the Company's AIFM during the year ended 31 March 2024 with sole responsibility for risk management, subject to the overall policies, supervision, review and control of the Board and is joint portfolio manager of the Company, alongside ICM.

The Investment Managers are focused on finding investments at valuations that do not reflect their true long term value. Their investment approach is to have a deep understanding of the business fundamentals of each investment and its environment versus its intrinsic value. The Investment Managers are long term investors.

ICM manages over USD 1.9bn in funds directly and is responsible indirectly for a further USD 24.5bn of assets in subsidiary investments. ICM has over 80 staff based in offices in Bermuda, Cape Town, Dublin, London, Seoul, Singapore, Sydney, Vancouver and Wellington.

The investment teams are led by Charles Jillings and Duncan Saville.

Charles Jillings

Charles Jillings, a director of ICM and chief executive of ICMIM, is responsible for the day-to-day running of UEM and the investment portfolio. He qualified as a chartered accountant and has extensive experience in corporate finance and asset management. He is an experienced director having previously been a non-executive director in the financial services, water and waste sectors. He is currently a director of Somers Limited and Waverton Investment Management Limited.

Duncan Saville

Duncan Saville, a director of ICM, is a chartered accountant with experience in corporate finance and asset management. He was formerly a non-executive director of Utilico Investment Trust plc and is an experienced non-executive director having been a director in multiple companies in the financial services, utility, mining and technology sectors. He is currently a non-executive director of Australian Securities Exchange listed Resimac Group Limited, Somers Limited and H.R.L. Morrison & Co Limited.

Senior core team assisting on UEM include:

Jacqueline Broers, deputy portfolio manager, has been involved in the running of UEM since September 2010. Mrs Broers is focused on the transport sector worldwide with particular emphasis on emerging markets. Prior to joining the investment team, Mrs Broers worked in the corporate finance team at Lehman Brothers and Nomura. Mrs Broers is a qualified chartered accountant.

Jonathan Groocock, deputy portfolio manager, has been involved in the running of UEM since February 2011. Mr Groocock is focused on the utilities sector worldwide with particular emphasis on emerging markets. Prior to joining the investment team Mr Groocock had nine years of experience in sell side equity research. Mr Groocock qualified as a CFA charterholder in 2005 and is a non executive director of Petalite Limited.

Mark Lebbell has been involved in the running of UEM since its inception and before that was involved with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 2000. Mr Lebbell is focused on the communications sector worldwide with particular emphasis on emerging markets. Mr Lebbell is an associate member of the Institute of Engineering and Technology.

Company Secretary – ICM Investment Management Limited

Alastair Moreton, a chartered accountant, joined the team in 2017 to provide company secretarial services to UEM and UIL Limited. Mr Moreton has over thirty years' experience in corporate finance with Samuel Montagu, HSBC, Arbuthnot Securities and, prior to joining ICM, Stockdale Securities, where he was responsible for the company's closed end fund corporate clients.

The Investment Managers' approach is to have a deep understanding of the business fundamentals of each investment and its environment versus its intrinsic value.

Directors

John Rennocks (Chairman)

John Rennocks joined the Board in 2015 and was appointed Chairman in 2016. He previously served as deputy chairman and senior independent director of Inmarsat plc and as finance director of a number of public companies (including Smith & Nephew plc, PowerGen plc, British Steel plc and Corus Group plc) and as a non-executive chairman or director of several funds, including Foreign & Colonial Investment Trust plc and JP Morgan Overseas Investment Trust plc. He is a Fellow of the Institute of Chartered Accountants of England and Wales.

Mark Bridgeman

Mark Bridgeman joined the Board in 2021. He is UEM's Senior Independent Director and Chairman of the Remuneration Committee. His background is in fund management spending 19 years with Schroders plc with various roles including Emerging Markets Fund Manager and Global Head of Research. He left Schroders in 2009 to manage a rural estate and farming business in Northumberland and was formerly President of the Country Land & Business Association. He has served on the board of several investment trusts since leaving Schroders and is currently on the investment committee of the Leverhulme Trust.

Isabel Liu

Isabel Liu joined the Board in 2021. She has over 25 years' global experience investing equity in infrastructure, including the AIG Asian Infrastructure Fund, the ABN AMRO Global Infrastructure Fund and the Asia Pacific investment business of John Laing plc. More recently she was a board member of an infrastructure fund manager backed by UK pension funds and of passenger champions for Heathrow Airport and UK public transport. She is currently a non-executive director of Schroder Oriental Income Fund Limited and Gresham House Energy Storage Fund plc. Isabel is a graduate of the Ohio State University with a masters from Harvard University and an MBA from the University of Chicago.

Eric Stobart

Eric Stobart joined the Board in 2019 and is Chairman of UEM's Audit & Risk Committee. He has spent most of his career in merchant and commercial banking, latterly as a senior executive at Lloyds Banking Group. He was for 12 years chair of the investment committee of the £25.0bn Lloyds Bank Pension Scheme as well as having been chair of the audit and risk committee of a substantial investment management group. Currently he chairs or is a deputy chair of the trustee board of three pension schemes with combined assets of some £2.3bn. Mr Stobart is a chartered accountant with an MBA from London Business School.

Nadya Wells*

Nadya Wells will join the Board on 1 September 2024. She has over 25 years' emerging and frontier markets experience as a long term investor and governance specialist. She spent 13 years with the Capital Group as a portfolio manager and analyst with a focus on global emerging markets. Prior to that she was a portfolio manager at Invesco Asset Management investing in public and private equity. She is currently a non-executive director of Hansa Investment Company Limited and Barings Emerging EMEA Opportunities plc as well as unlisted SICAVs in Luxembourg, managed by abrdn and M&G. She has an MBA from INSEAD.

All the Directors are independent and are members of the Audit & Risk Committee, Remuneration Committee and Management Engagement Committee

* As at the date of this report, Ms Nadya Wells is not yet a Director but the Board has approved her appointment as a Director with effect from 1 September 2024.

Directors' Report

The Directors present the Annual Report and Accounts of the Company for the year ended 31 March 2024.

Status of the Company

UEM was incorporated on 7 December 2017. On 3 April 2018, as a result of the proposals to redomicile UEM Limited to the United Kingdom, the shareholders of UEM Limited exchanged all their shares in UEM Limited for shares in the Company on a one for one basis and UEM Limited became a wholly owned subsidiary of the Company. All the assets of UEM Limited were transferred to the Company and UEM Limited was dissolved on 7 March 2019. UEM's shares are listed on the premium segment of the Official List of the Financial Conduct Authority and traded on the main market of the London Stock Exchange.

UEM carries on business as an investment trust. It has been approved by HM Revenue & Customs as an investment trust in accordance with sections 1158 and 1159 of the Corporation Tax Act 2010, subject to the Company continuing to meet the eligibility conditions. The Directors are of the opinion that the Company has conducted its affairs in a manner which will satisfy the conditions for continued approval.

UEM is domiciled in the UK as an investment company within the meaning of section 833 of the Companies Act 2006. It is not a close company and has no employees.

UEM is a member of the AIC in the UK.

The Alternative Investment Fund Managers Directive ("AIFMD")

The Company is an Alternative Investment Fund ("AIF") falling within the scope of, and subject to, the requirements of the AIFMD. The Company has appointed ICMIM, an English incorporated company which is regulated by the FCA, as its AIFM, with sole responsibility for risk management and ICM and ICMIM jointly to provide portfolio management services.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information, is available on the Company's website at www.uemtrust.co.uk.

UEM also appointed JPMEL as its depositary service provider. JPMEL's responsibilities include general oversight over the issue and cancellation of the Company's shares, the calculation of the NAV, cash monitoring and asset verification and record keeping. JPMEL receives an ad-valorem fee for its services of 2.0bps of the Company's NAV up to £500m and 1.5bps thereafter, subject to a minimum fee of £25,000 per annum, payable monthly in arrears.

Fund Management Arrangements

In accordance with the Investment Management Agreement ("IMA"), the Company pays to ICMIM and ICM a management fee based on a tiered structure comprising 1.0% of NAV up to £500m; 0.9% of NAV above £500m up to £750m; 0.85% of NAV above £750m up to £1,000m; and 0.75% of NAV above £1,000m. This structure has been in place since 1 April 2021 and replaced the previous arrangement which comprised a management fee and a performance related fee. The management fee is payable quarterly in arrears, with such fee apportioned between ICMIM and ICM as agreed by them. The IMA may be terminated on not less than six months' notice in writing and further details of the amounts payable to ICMIM and ICM are disclosed in note 4 to the accounts.

Under the IMA, ICMIM has been appointed as Company Secretary.

The Board continually reviews the policies and performance of the Investment Managers. The Board's philosophy and the Investment Managers' approach are that the portfolio should consist of shares considered attractive irrespective of their inclusion or weighting in any index. The portfolio's composition and performance are likely, therefore, to be very different, for example, from those of the MSCI EM total return Index. Over the short term, there may be periods of sharp underperformance or outperformance compared with the index. Over the long term, the Board expects the combination of the Company's and Investment Managers' approach to result in a significant degree of outperformance compared with the index. The Board continues to believe that the appointment of ICMIM and ICM on the terms agreed is in the interests of shareholders as a whole.

Administration

The provision of accounting and administration services has been outsourced to JPMorgan Chase Bank N.A. – London Branch (the "Administrator"). The Administrator provides financial and general administrative services to the Company for an annual fee based on the Company's month end NAV (5 bps on the first £100m NAV, 3bps on the next £150m NAV, 2bps on the next £250m NAV and 1.5bps on the next £500m NAV). The Administrator and any of its delegates are also entitled to reimbursement of certain expenses incurred by it in connection with its duties. In addition, ICMIM has appointed Waverton Investment Management Limited ("Waverton") to provide certain support services (including middle office, market dealing and information technology support services). Waverton is entitled to receive an annual fee of 3bps of the Company's NAV and the Company reimburses ICMIM for its costs and expenses incurred in relation to this agreement.

Annually, the Management Engagement Committee considers the ongoing administrative requirements of the Company and assesses the services provided.

Safe Custody Of Assets

During the year ended 31 March 2024, all listed and a number of unlisted investments were held in custody for the Company by JPMorgan Chase Bank N.A. – London Branch (the "Custodian"). Operational matters with the Custodian are carried out on the Company's behalf by ICMIM and the Administrator in accordance with the IMA and the Administration Agreement. The Custodian is paid a variable fee dependent on the number of trades transacted and the location of the securities held.

Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances, bank borrowings and debtors and creditors which arise directly from its operations such as sales and purchases awaiting settlement, and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 26 to the accounts.

Dividends

A dividend of 2.15p per share was paid on 22 September 2023, 15 December 2023 and 28 March 2024. A dividend of 2.15p per share was declared on 24 May 2024 and will be paid on 28 June 2024.

ISA and NMPI

UEM remains a qualifying investment under the Individual Savings Account (ISA) regulations and it is the intention of the Board to continue to satisfy these regulations. Furthermore, the Company currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments and intends to continue to do so for the foreseeable future.

Going Concern

The Board has reviewed the going concern basis of accounting for the Company. The Company's assets consist substantially of equity shares in listed companies and in most circumstances are realisable within a short timescale. The Board has performed a detailed assessment of the Company's operational risk and resources including its ability to meet its liabilities as they fall due, by conducting stress tests and scenarios which considered the impact of severe stock market and currency volatility. This is set out in note 25 to the accounts. In light of this work and there being no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least the next twelve months from the date of approval of these financial statements. Accordingly, the Board considers it appropriate to continue to adopt the going concern basis in preparing the accounts.

Directors

UEM currently has a Board of four non-executive directors who oversee and monitor the activities of the Investment Managers and other service providers and ensure that the Company's investment policy is adhered to. The Board is supported by an Audit & Risk Committee, a Management Engagement Committee and a Remuneration Committee, which deal with specific aspects of the Company's affairs. The Corporate Governance Statement, which is set out on pages 50 to 55, forms part of this Directors' Report.

The Directors have a range of business, financial and asset management skills, as well as experience relevant to the direction and control of the Company. Brief biographical details of the members of the Board are shown on page 43. All the Directors are independent.

All appointments to the Board and re-elections of Directors are carried out in accordance with the Companies Act 2006 and the Company's Articles of Association. The Company's Articles of Association provide that all the Directors retire each year. The Board may also appoint Directors but any Director so appointed must stand for election by the shareholders at the next AGM. Accordingly, an ordinary resolution to elect Ms Nadya Wells (whose appointment to the Board as a Director will take effect on 1 September 2024) will be put to shareholders at the next AGM to be held on 17 September 2024.

Directors' Indemnity and Insurance

As at the date of this report, a deed of indemnity has been entered into by the Company and each of the Directors under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities incurred as a result of carrying out his/her role as a Director of the Company. Each Director is indemnified against the costs of defending any criminal or civil proceedings or any claim by the Company or a regulator as they are incurred provided that where the defence is unsuccessful the Director must repay those defence costs to the Company. The indemnities are qualifying third party indemnity provisions for the purposes of the Companies Act 2006.

UEM also maintains Directors' and Officers' liability insurance which provides appropriate cover for any legal action brought against the Directors.

Directors' Interests

The Directors' interests in the share capital of the Company are disclosed in the Directors' Remuneration Report on page 58.

No Director was a party to, or had any interests in, any contract or arrangement with the Company at any time during the year or at the year end. There are no agreements between the Company and the Directors concerning compensation for loss of office.

A Director must avoid a situation where he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. The Directors have declared any potential conflicts of interest to the Company, which are reviewed regularly by the Board. The Directors have undertaken to advise the Company Secretary and/or Chairman as soon as they become aware of any potential conflicts of interest.

Share Capital

As at 31 March 2024 the issued share capital of the Company and the total voting rights were 190,842,503 shares. As at the date of this report, the share capital of the Company and total voting rights were 189,275,034 shares. There are no restrictions on the transfer of securities in the Company and there are no special rights attached to any of the shares.

Share Issues and Repurchases

UEM has the authority to purchase shares in the market to be held in treasury or for cancellation and to issue new shares for cash. During the year ended 31 March 2024 the Company purchased 11,369,753 shares for cancellation. The current authority to repurchase shares was granted to Directors on 19 September 2023 and expires at the conclusion of the next AGM. The Directors are proposing that their authority to buy back up to 14.99% of the Company's shares for cancellation or to be held in treasury and to issue new shares or sell shares from treasury, be renewed at the forthcoming AGM.

Tender Facility

At the Directors' discretion, the Company can operate a tender facility subject to certain limitations. The tender facility is not expected to be made available in circumstances where the annual compound growth rate of the Company's gross assets exceeds 10% or where the Company's net assets total return performance exceeds 10% in the relevant period. The maximum number of shares which may be tendered pursuant to the tender facility in any financial year would be limited to 12.5% of the shares in issue at the commencement of the relevant financial year, with any excess tender requests being scaled back pro-rata.

The tender facility has not been operated to date by the Company or previously by its predecessor, UEM Limited.

Continuation of the Company

UEM has been established with an unlimited life although the Company's Articles of Association provide for a continuation vote to be put to shareholders every five years. The continuation vote was passed at the AGM held in 2021 and shareholders will therefore have further opportunities to vote on the continuation of the Company in 2026 and every fifth AGM thereafter.

Substantial Share Interests

As at the date of this report, the Company had received notification of the following holdings of voting rights:

	Number of shares held	% held
City of London Investment Management Company Limited	28,672,553	15.2
Lazard Asset Management LLC	18,737,825	9.9
Rathbone Investment Management Limited	10,728,364	5.7
1607 Capital Partners, LLC	10,589,512	5.6
Ameriprise Financial, Inc.	10,127,839	5.4
UIL Limited	9,273,087	4.9

The Common Reporting Standard

Tax legislation under The OECD (Organisation for Economic Co-operation and Development) Common Reporting Standard for Automatic Exchange of Financial Account Information (the "Common Reporting Standard") was introduced on 1 January 2016. The legislation requires an investment trust company to provide personal information to HMRC about investors who purchase shares. The Company is required to provide information annually on the tax residences of a number of non-UK based certificated shareholders. HMRC may in turn exchange the information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements to exchange financial account information.

All new shareholders entered onto the share register, excluding those whose shares are held in CREST, will be sent a certification form for the purposes of collecting this information.

Audit Information and Auditor

As required by section 418 of the Companies Act 2006, the Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Listing Rule 9.8.4R

There are no instances where the Company is required to make disclosures in respect of Listing Rule 9.8.4R (information to be included in annual report and accounts).

Articles of Association

Any amendments to the Company's Articles of Association must be made by special resolution.

Annual General Meeting

The following information to be discussed at the forthcoming AGM is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your shares in the Company, you should pass this document, together with any other accompanying documents including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The business of the AGM consists of 13 resolutions. Resolutions 1 to 11 (inclusive) will be proposed as ordinary resolutions and resolutions 12 and 13 will be proposed as special resolutions.

Ordinary Resolution 1 – Annual Report and Financial Statements

This resolution seeks shareholder approval to receive the report of the Directors and financial statements for the year ended 31 March 2024 and the auditor's report thereon.

Ordinary Resolution 2 – Approval of the Directors' Remuneration Report

This resolution is an advisory vote on the Directors' Remuneration Report.

Ordinary Resolution 3 – Approval of the Company's dividend policy

This resolution seeks shareholder approval of the Company's dividend policy to pay four interim dividends per year. Under the Company's Articles of Association, the Board is authorised to approve the payment of interim dividends without the need for the prior approval of the Company's shareholders. Having regard to corporate governance best practice relating to the payment of interim dividends without the approval of a final dividend by a company's shareholders, the Board has decided to seek express approval from shareholders of its dividend policy to pay four interim dividends per year. If this resolution is not passed, it is the intention of the Board to refrain from authorising any further interim dividends until such time as the Company's dividend policy is approved by its shareholders.

Ordinary Resolutions 4 to 8 (inclusive) – Re-election and election of the Directors

The biographies of the Directors are set out on page 43 and are incorporated into this report by reference.

Resolution 4 relates to the re-election of Mr John Rennocks. Mr Rennocks' leadership of the Board as Chairman draws on his long and varied experience on the boards of many public limited companies and investment companies. His focus is on long-term strategic issues, which are key topics of Board discussion.

Resolution 5 relates to the re-election of Mr Mark Bridgeman. Mr Bridgeman's experience in the investment management industry and with other investment funds means that he brings significant expertise in investment matters to his role on the Board.

Resolution 6 relates to the re-election of Ms Isabel Liu. Ms Liu's long career in infrastructure investing brings in-depth knowledge and expertise in such matters to her role as Director.

Resolution 7 relates to the re-election of Mr Eric Stobart. Mr Stobart has extensive accounting

knowledge and many years of experience of audit and risk committees in the financial services sector. He therefore brings this strong background and skills to his role as the Company's Audit & Risk Committee Chairman.

Resolution 8 relates to the election of Ms Nadya Wells. As referred to in the Chairman's Statement, Ms Wells has been appointed a Director with effect from 1 September 2024. Ms Wells brings to the Board a wealth of experience in investment management, emerging markets and investment companies.

Ordinary Resolutions 9 and 10 – Appointment of the external Auditor and the Auditor's Remuneration

These resolutions relate to the appointment and remuneration of the Company's auditor. The Company, through its Audit & Risk Committee, has considered the independence and objectivity of the external auditor and is satisfied that the proposed auditor is independent. Further information in relation to the assessment of the existing auditor's independence can be found in the report of the Audit & Risk Committee.

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM:

Ordinary Resolution 11 – Authority to allot shares

The Directors may only allot shares for cash if authorised to do so by shareholders in a general meeting. This resolution seeks authority for the Directors to allot shares for cash up to an aggregate nominal amount of £189,275 per annum, which is equivalent to 18,927,500 ordinary shares of 1p each and represents approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at the date of the Notice of the AGM. This resolution will expire at the conclusion of the next AGM of the Company to be held in 2025 unless renewed prior to that date at an earlier general meeting.

Special Resolution 12 – Authority to disapply pre-emption rights

By law, Directors require specific authority from shareholders before allotting new shares or selling shares out of treasury for cash without first offering them to existing shareholders in proportion to their holdings. This resolution empowers the Directors to allot new shares for cash or to sell shares held by the Company in treasury, otherwise than to existing shareholders on a pro rata basis, up to an aggregate nominal amount of £189,275 which is equivalent to 18,927,500 ordinary shares of 1p each and represents approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at the date of the Notice of the AGM. Any such sale of shares would only be made at prices greater than NAV and would therefore increase the assets underlying each share. This resolution will expire at the conclusion of the next AGM of the Company to be held in 2025 unless renewed prior to that date at an earlier general meeting.

Special Resolution 13 – Authority to buy back shares

This resolution seeks to renew the authority granted to the Directors enabling the Company to purchase its own shares. The Directors will only consider repurchasing shares in the market if they believe it to be in shareholders' interests and as a means of correcting any imbalance between supply and demand for the Company's shares.

The Directors are seeking authority to purchase up to 28,370,000 ordinary shares (being approximately 14.99% of the issued ordinary share capital (excluding treasury shares) as at the date of the Notice of the AGM). This authority, unless renewed at an earlier general meeting, will expire at the conclusion of the next AGM of the Company to be held in 2025.

Any shares purchased pursuant to this resolution shall be cancelled immediately upon completion of the purchase or held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Companies Act 2006.

Recommendation

The Board considers that each of the resolutions to be proposed at the AGM is likely to promote the success of the Company for the benefit of its members as a whole and is in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of all the resolutions as they intend to do in respect of their own beneficial holdings.

By order of the Board

Alastair Moreton
For and on behalf of
ICM Investment Management Limited
Company Secretary

14 June 2024

Corporate Governance Statement

The Company's Corporate Governance Framework

Corporate Governance is the process by which the board of directors of a company protects shareholders' interests and by which it seeks to enhance shareholder value. Shareholders hold the directors responsible for the stewardship of a company's affairs, delegating authority and responsibility to the directors to manage the company on their behalf and holding them accountable for its performance. Responsibility for good governance lies with the Board. The Board considers the practice of good governance to be an integral part of the way it manages the Company and is committed to maintaining high standards of financial reporting, transparency and business integrity.

The governance framework of the Company reflects the fact that, as an investment company, it has no full-time employees and outsources its activities to third party service providers.

The Board

Four Non-Executive Directors (NEDS)
Chairman: John Rennocks
Senior Independent Director: Mark Bridgeman

Key Objectives:

- To set strategy, values and standards;
- To provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed; and
- To constructively challenge and scrutinise performance of all outsourced activities.

Audit & Risk Committee	Management Engagement Committee	Nomination Committee	Remuneration Committee
All independent NEDs **Chairman:** Eric Stobart	All independent NEDs **Chairman:** John Rennocks	The Board as a whole performs this function	All independent NEDs **Chairman:** Mark Bridgeman

Audit & Risk Committee – Key Objective:

- To oversee the financial reporting and control environment.

Management Engagement Committee – Key Objectives:

- To review the performance of the Investment Managers and the Administrator; and
- To review the performance of other service providers.

Nomination Committee – Key Objectives:

- To regularly review the Board's structure and composition; and
- To consider any new appointments.

Remuneration Committee – Key Objective:

- To set the remuneration policy for the Directors of the Company.

The AIC Code of Corporate Governance

As a UK-listed investment trust the Board's principal governance reporting obligation is in relation to the UK Corporate Governance Code (the "UK Code") issued by the Financial Reporting Council ("FRC") in July 2018. However, it is recognised that investment companies have special circumstances which have an impact on their governance arrangements. An investment company typically has no employees and the roles of portfolio management, administration, accounting and company secretarial tend to be outsourced to a third party. The AIC has therefore drawn up its own set of guidelines known as the AIC Code of Corporate Governance (the "AIC Code") issued in February 2019, which recognises the nature of investment companies by focusing on matters such as board independence and the review of management and other third party contracts. The FRC has endorsed the AIC Code and confirmed that companies which report against the AIC Code will be meeting their obligations in relation to the UK Code and paragraph LR9.8.6 of the FCA's Listing Rules. The Board believes that reporting against the principles and recommendations of the AIC Code will provide better information to shareholders.

The UK Code is available from the FRC's website at www.frc.org.uk. The AIC Code is available from the Association of Investment Companies' website at www.theaic.co.uk.

Compliance with the AIC Code

During the year ended 31 March 2024, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except those relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function; and
- membership of the Audit & Risk Committee by the Chairman of the Board.

For the reasons set out in the AIC Code and as explained in the UK Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. As explained in the Audit & Risk Committee Report, the Chairman of the Board is also a member of the Audit & Risk Committee, as permitted by the AIC Code.

Information on how the Company has applied the principles of the AIC Code and the UK Code is set out below.

The Board

The Board is responsible to shareholders for the overall stewardship of the Company. A formal schedule of matters reserved for the decision of the Board has been adopted. Investment policy and strategy are determined by the Board and it is also responsible for the gearing policy, dividend policy, public documents, such as the Annual Report and Financial Statements, the buy-back policy and corporate governance matters. In order to enable the Directors to discharge their responsibilities effectively, the Board has full and timely access to relevant information.

The Board meets at least quarterly, with additional Board and Committee meetings being held on an ad hoc basis to consider particular issues as they arise. Key representatives of the Investment Managers attend each meeting and between these meetings there is regular contact with the Investment Managers. Two board meetings a year are usually held in countries where the Company holds investments and, as part of its monitoring and risk management responsibilities, the Board will meet with investee companies and local experts.

The Board has direct access to the advice and services of the company secretary, who is an employee of ICMIM. The company secretary, with advice from the Company's lawyers and financial advisers, is responsible for ensuring that the Board and Committee procedures are followed and that applicable rules and regulations are complied with.

The company secretary is also responsible to the Board for ensuring timely delivery of information and reports and that the statutory obligations of the Company are met. The company secretary is responsible for advising the Board, through the Chairman, on all governance matters.

There is an agreed procedure for Directors, in the furtherance of their duties, to take legal advice at the Company's expense, having first consulted with the Chairman.

During the year, none of the Directors took on any significant new commitments or appointments. All of the Directors consider that they have sufficient time to discharge their duties.

There were four Board meetings, three Audit & Risk Committee meetings, one Management Engagement Committee meeting and one Remuneration Committee meeting held during the year ended 31 March 2024 and the attendance by the Directors was as follows:

	Board	Audit & Risk Committee	Management Engagement Committee	Remuneration Committee
Number of meetings held during the year	4	3	1	1
John Rennocks	4	3	1	1
Mark Bridgeman	4	3	1	1
Susan Hansen	2/2	n/a	n/a	n/a
Isabel Liu	3	2	1	1
Eric Stobart	4	3	1	1

Apart from the meetings detailed above, there were a number of meetings held by committees of the Board to approve the declaration of quarterly dividends and other ad hoc items.

Audit & Risk Committee

The Audit & Risk Committee comprises all the independent Directors of the Company and is chaired by Mr Stobart. Further details of the Audit & Risk Committee are provided in its report starting on page 59.

Management Engagement Committee

The Management Engagement Committee, which is chaired by Mr Rennocks, comprises all the independent Directors of the Company and meets at least once a year.

The Investment Managers' performance is considered by the Board at every meeting, with a formal evaluation by the Management Engagement Committee annually. The Board received detailed reports and views from the Investment Managers on investment policy, asset allocation, gearing and risk at each Board meeting in the year ended 31 March 2024, with ad hoc market/company updates if there were significant movements in the intervening period.

The Management Engagement Committee also considers the effectiveness of the administration services provided by the Investment Managers and Administrator and the performance of other third party service providers. In this regard the Committee assessed the services provided by the Investment Managers, the Administrator and the other service providers to be good.

Remuneration Committee

The Remuneration Committee, which is chaired by Mr Bridgeman, comprises all the independent Directors of the Company. Further details are provided in the Directors' Remuneration Report on page 56.

Internal Controls

The Directors acknowledge that they are responsible for ensuring that the Company maintains a sound system of internal financial and non-financial controls ("internal controls") to safeguard shareholders' investments and the Company's assets.

The Company's system of internal control is designed to manage rather than eliminate risk of failure to achieve the Company's investment objective and/or adhere to the Company's investment policy and/or investment limits. The system can therefore only provide reasonable and not absolute assurance against material misstatement or loss.

The Investment Managers, Administrator and Custodian maintain their own systems of internal controls and the Board and the Audit & Risk Committee receive regular reports from these service providers.

The Board meets regularly, at least four times a year. It reviews financial reports and performance against relevant stock market criteria and the Company's peer group, amongst other things.

The effectiveness of the Company's system of internal controls, including financial, operational and compliance and risk management systems is reviewed at least bi-annually against risk parameters approved by the Board.

The Board confirms that the necessary actions are taken to remedy any significant failings or weaknesses identified from its review. No significant failings or weaknesses occurred during the year ended 31 March 2024 or subsequently up to the date of this report.

Board Diversity, Appointment, Re-Election and Tenure

The Board as a whole undertakes the responsibilities which would otherwise be assumed by a nomination committee. It considers the size and structure of the Board, including the balance of expertise and skills brought by individual Directors. It supports the principles of boardroom diversity, including gender and ethnicity, progressive refreshing and succession planning and such matters are discussed by the Board as a whole at least annually.

The Company's policy is that the Board should be comprised of directors with a diverse range of skills, knowledge and experience and that any new appointments should be made on the basis of merit against objective criteria, including diversity. The Listing Rules, requires companies to report against the following three diversity targets:

(i) at least 40% of individuals on the board are women;

(ii) at least one of the senior board positions (defined in the Listing Rules as the chair, CEO, Senior Independent Director ("SID") and CFO) is held by a woman; and

(iii) at least one individual on the board is from a minority ethnic background

As at 31 March 2024, UEM complies with target (iii).

As referred to in the Chairman's Statement, following the appointment of Ms Nadya Wells to the Board, UEM will also comply with target (i) from 1 September 2024.

The Company only has two of the senior roles specified by the Listing Rules, that is the position of chair and SID. Both these roles were occupied by men as at 31 March 2024. However, as set out in the Chairman's Statement, with Isabel Liu taking on the role of SID at the end of 2024, UEM will comply with target (ii) from 1 January 2025.

The Board has chosen to align its diversity reporting reference date with the Company's financial year end. As required by the Listing Rules, further details in relation to the three diversity targets are set out in the tables on page 54. The information was obtained by asking each of the Directors how they wished to be categorised for the purposes of these disclosures:

31 March 2024	Number of Board Members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, Chair)
Men	3	75%	2
Women	1	25%[1]	0[2]

1 This percentage will be 40% from 1 September 2024 - see page 53

2 This number will be 1 from 1 January 2025 - see page 53

31 March 2024	Number of Board Members	Percentage of the Board	Number of Senior Positions on the Board (CEO, CFO, SID, Chair)
White British or other White (including minority-white groups)	2	50%	2
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	1	25%	0[1]
Black/African/Caribbean/Black British	–	–	–
Other ethnic group, including Arab	–	–	–
Not specified/prefer not to say	1	25%	–

1 This number will be 1 from 1 January 2025 - see page 53

The Board is of the view that length of service does not necessarily compromise the independence or contribution of directors of an investment company, where continuity and experience can add significantly to the strength of the Board. This is supported by the views on independence expressed in the AIC Code. No limit on the overall length of service of any of the Company's Directors has been imposed. All Directors are subject to annual re-election.

The Board reviews succession planning at least annually. Appointments of new Directors will be made on a formalised basis with the Chairman agreeing, in conjunction with his colleagues, a job specification and other relevant selection criteria and the methods of recruitment (where appropriate using an external recruitment agency), selection and appointment. The potential Director would meet with Board members prior to formal appointment.

An induction process will be undertaken, with new appointees to the Board being given a full briefing on the workings and processes of the Company and the management of the Company by the Chairman, the Investment Managers, the company secretary and other appropriate persons.

All appointments are subject to subsequent confirmation by shareholders in general meeting.

Board, Committee and Directors' Performance Appraisal

The Directors recognise the importance of the AIC Code's recommendations in respect of evaluating the performance of the Board, the Committees and individual Directors. This encompasses both quantitative and qualitative measures of performance including:

- attendance at meetings;
- the independence of individual Directors;
- the ability of Directors to make an effective contribution to the Board and Committees through the range and diversity of skills and experience each Director brings to their role; and
- the Board's ability to challenge the Investment Managers' recommendations, suggest areas of debate and set the future strategy of the Company.

The Board opted to conduct performance evaluation through questionnaires and discussion between the Directors, the Chairman and the chairmen of the Committees. This process is conducted by the Chairman reviewing individually with each of the Directors their performance, contribution and commitment to the Company and the possible further development of skills. In addition, the Senior Independent Director reviews the performance of the Chairman with the other Directors, taking into account the views of the Investment Managers. The relevant points arising from these meetings are then reported to, and discussed by, the Board as a whole.

This process has been carried out in respect of the period under review and will be conducted on an annual basis. The result of this period's performance evaluation process was that the Board, the Committees of the Board and the Directors individually were all assessed to have performed satisfactorily. No follow-up actions were required.

It is not felt appropriate currently to employ the services of, or to incur the additional expense of, an external third party to conduct the evaluation process as an appropriate process is in place; this will, however, be kept under review.

Relations with Shareholders

UEM welcomes the views of shareholders and places great importance on communication with shareholders. All shareholders have the opportunity to attend and vote at the Company's AGM. The Notice of AGM sets out the business of the meeting and each resolution is explained in the Directors' Report. In addition, the Investment Managers will review the Company's portfolio and performance at the AGM, where the Directors and representatives of the Investment Managers will be available to answer shareholders' questions.

The prime medium by which the Company communicates with shareholders is through the half-yearly and annual financial reports, which aim to provide shareholders with a full understanding of the Company's activities and its results. This information is supplemented by the calculation and publication, via a Regulatory Information Service, of the NAV of the Company's shares and by monthly factsheets produced by the Investment Managers.

Shareholders can visit the Company's website: www.uemtrust.co.uk in order to access copies of half-yearly and annual financial reports, factsheets and regulatory announcements.

There is a regular dialogue between the Investment Managers and institutional shareholders, including private client wealth managers, to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help develop an understanding of their issues and concerns. General presentations to institutional shareholders and analysts follow the publication of the annual results. All meetings between the Investment Managers and institutional and other shareholders are reported to the Board.

The Chairman, Senior Independent Director and other Directors are available to discuss any concerns with shareholders if required and shareholders may communicate with the Company at any time by writing to the Board at the Company's registered office or contacting the Company's broker.

By order of the Board
ICM Investment Management Limited
Company Secretary

14 June 2024

Directors' Remuneration Report

Mark Bridgeman
Chairman of the Remuneration Committee

Statement of the Chairman

As Chairman of the Remuneration Committee, I am pleased to present the Directors' Remuneration Report to shareholders. The report comprises a remuneration policy, which is subject to a triennial binding shareholder vote, or sooner if an alteration to the policy is proposed, and a report on remuneration, which is subject to an annual advisory vote. An ordinary resolution for the approval of this report will therefore be put to shareholders at the Company's forthcoming AGM.

The law requires the Company's auditor to audit certain parts of the disclosures provided. Where disclosures have been audited, they are indicated as such. The auditor's opinion is included in their report starting on page 63.

The Remuneration Committee is responsible for reviewing and making recommendations to the Board in respect of the fees of Directors. In line with the AIC Code, it reviews the ongoing appropriateness of the Company's remuneration policy and the individual remuneration of Directors by reference to the activities of the Company and in comparison with other companies of a similar structure and size. Any views expressed by shareholders on the fees being paid to Directors will also be taken into consideration. Following recommendations from the Remuneration Committee, the Board reviews the fees payable to the Chairman and Directors annually. There were no changes to the remuneration policy during the year.

All the Directors invest the full amount of their fees (net of tax) in the shares of the Company. The review in respect of the year ending 31 March 2025 has resulted in the increases being applied to the annual fees as detailed in the table below.

Year ending 31 March	2025 £'000s	2024* £'000s
Chairman	54.0	52.5
Chairman of the Audit & Risk Committee	50.5	49.1
Directors	40.0	38.9

*Actual

Directors' Remuneration Policy

The Board, on the recommendation of its Remuneration Committee, considers the level of the Directors' fees at least annually. The Board determines the level of Directors' fees within the limit currently set by the Company's Articles, which limit the aggregate fees payable to the Board of Directors to a total of £250,000 per annum.

The Board's policy is to set Directors' remuneration at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the investment objective. Time committed to the Company's business and the specific responsibilities of the Chairman, Directors and the chairman of the Audit & Risk Committee are taken into account. The policy aims to be fair and reasonable in relation to comparable investment companies.

The fees are fixed and the monetary amount (net of tax) is used by the Directors to purchase shares in the Company quarterly in arrears. Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at Board and general meetings and Committee meetings. Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.

Directors are provided with a letter of appointment when they join the Board. There is no provision for compensation upon early termination of appointment. The letters of appointment are available on request at the Company's registered office during business hours.

Voting at Annual General Meeting

A resolution to approve the Remuneration Report was put to shareholders at the AGM of the Company held on 19 September 2023. Of the votes cast, 99.94% were in favour and 0.06% were against; this resolution will be put to shareholders again this year. In accordance with the Companies Act 2006, the Company is required to seek shareholder approval for its remuneration policy on a triennial basis and a binding resolution was last put to shareholders at the AGM held on 20 September 2022. Of the votes cast, 99.94% were in favour and 0.06% were against. A resolution to approve the remuneration policy will be put to shareholders at the AGM in 2025.

Directors' Annual Report on Remuneration (Audited)

A single figure for the total remuneration of each Director who served during the year ended 31 March 2024 is set out in the table below.

Director	2023/24 Shares purchased[1]	2023/24 Entitlement £[2]	2023/24 Taxable benefits £[3]	2023/24 Total £	2022/23 Shares purchased[1]	2022/23 Entitlement £[2]	2022/23 Taxable benefits £[3]	2022/23 Total £
John Rennocks (Chairman)	**12,862**	**52,500**	**–**	**52,500**	12,982	50,000	–	50,000
Mark Bridgeman	**10,181**	**38,900**	**176**	**39,076**	9,819	37,000	451	37,451
Susan Hansen[4]	**8,029**	**18,153**	**1,000**	**19,153**	17,340	37,000	1,000	38,000
Isabel Liu	**12,491**	**38,900**	**–**	**38,900**	12,432	37,000	–	37,000
Anthony Muh[5]	**–**	**–**	**–**	**–**	8,191	17,409	1,000	18,409
Eric Stobart	**11,808**	**49,100**	**–**	**49,100**	11,933	46,725	–	46,725
Totals	**55,371**	**197,553**	**1,176**	**198,729**	72,697	225,134	2,451	227,585

1 All the shares were purchased in the market, using the net fee entitlement after applicable tax deductions of each director, as set out in note 1(j) to the accounts
2 The Directors' entitlement to fees is calculated in arrears
3 Taxable benefits comprise amounts reimbursed for expenses incurred in carrying out business for the Company
4 Retired 19 September 2023
5 Retired 20 September 2022
6 There were no payments to third parties included in the fees referred to in the table above. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Relative Importance of Spend on Pay

The following table compares the remuneration paid to the Directors with aggregate distributions to shareholders relating to the year ended 31 March 2024 and the prior year. Although this disclosure is a statutory requirement, the Directors consider that comparison of Directors' remuneration with annual dividends and share buybacks does not provide a meaningful measure relative to the Company's overall performance as an investment company with an objective of providing shareholders with long term total return.

Year ended 31 March	2024 £'000s	2023 £'000s	Change £'000s
Aggregate Directors' emoluments	198	225	(27)
Aggregate dividends	16,673	17,239	(566)
Aggregate share buybacks	25,397	27,159	(1,762)

Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Directors' remuneration compared to the previous year.

Year ended 31 March	2024 Fees %	2023 Fees %	2022 Fees %	2021 Fees %
John Rennocks	5.0	5.0	3.5	0.0
Mark Bridgeman	5.1	5.1	n/a	n/a
Susan Hansen	5.1	5.1	3.5	0.0
Isabel Liu	5.1	5.1	n/a	n/a
Eric Stobart	5.1	5.0	3.5	0.0

Directors' Beneficial Share Interests (Audited)

The beneficial shareholdings of the Directors who served during the year are set out below:

As at 31 March	14 June 2024	31 March 2024	31 March 2023
John Rennocks[1]	169,808	166,537	208,227
Mark Bridgeman	26,074	22,744	15,019
Susan Hansen	n/a	166,429[3]	162,150
Isabel Liu[2]	35,721	35,721	20,348
Eric Stobart[4]	73,000	69,750	60,000

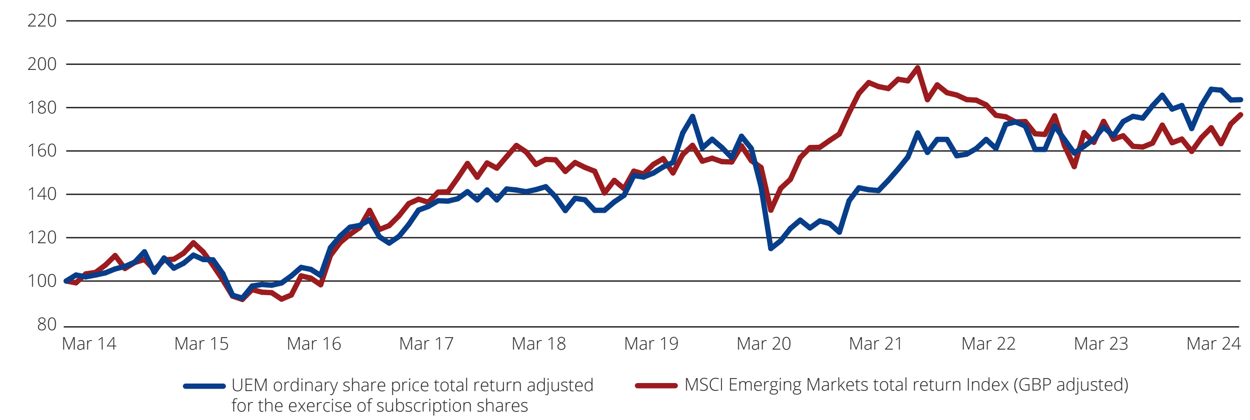
1 Including 5,882 shares held by Mrs Rennocks
2 The shares are held by Ms Liu's husband, Mak Lo Chiu
3 As at 19 September 2023, the date Ms Hansen retired from the Board
4 Including 5,500 shares held by Mrs Stobart

Company Performance

Including the performance of UEM Limited, the graph below compares, for the ten years ended 31 March 2024, the share price total return (assuming all dividends are reinvested and adjusted for the exercise of warrants and subscription shares) to shareholders with the MSCI EM total return Index. The MSCI EM total return Index has been used as the Company invests across a broad spread of emerging markets.

Total Return Comparative Performance

from 31 March 2014 to 31 March 2024



Rebased to 100 as at 31 March 2014

Source: ICM and Bloomberg

On behalf of the Board
Mark Bridgeman
Chairman of the Remuneration Committee

14 June 2024

Audit & Risk Committee Report

Eric Stobart, FCA
Chairman of the Audit & Risk Committee

As Chairman of the Audit & Risk Committee, I am pleased to present the Committee's report to shareholders for the year ended 31 March 2024.

Role and Responsibilities

UEM has established a separately chaired Audit & Risk Committee whose duties include considering and recommending to the Board for approval the contents of the half yearly and annual financial statements and providing an opinion as to whether the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. The Committee also reviews the external auditors' report on the annual financial statements and is responsible for reviewing and forming an opinion on the effectiveness of the external audit process and audit quality. Other duties include reviewing the appropriateness of the Company's accounting policies and ensuring the adequacy of the internal control systems and standards.

The Audit & Risk Committee meets at least three times a year. Two of the planned meetings are held prior to the Board meetings to approve the half yearly and annual results. Representatives of the Investment Managers attend all meetings.

Composition

During the year ended 31 March 2024, the Audit & Risk Committee consisted of all the independent Directors of the Company. It is considered that there is a range of recent and relevant financial experience amongst the members of the Audit & Risk Committee together with experience of the investment trust sector.

In light of the Chairman of the Board's relevant financial experience, his continued independence and his valued contributions in Committee meetings, the Audit & Risk Committee considers it appropriate that he is a member.

Responsibilities and Review of the External Audit

During the year the principal activities of the Audit & Risk Committee included:

- considering and recommending to the Board for approval the contents of the half yearly and annual financial statements and reviewing the external auditor's report;
- management of the relationship with the external auditor, including its appointment and the evaluation of scope, execution, cost effectiveness, independence and objectivity;
- reviewing and approving the external auditors' plan for the financial year, with a focus on the identification of areas of audit risk, and consideration of the appropriateness of the level of audit materiality adopted;
- reviewing and recommending to the Board for approval the audit and non-audit fees payable to the external auditor and the terms of its engagement;
- evaluation of reports received from the external auditor with respect to the annual financial statements and its review of the half-yearly report;
- reviewing the efficacy of the external audit process and making a recommendation to the Board with respect to the reappointment of the external auditor;
- evaluation of the effectiveness of the internal control and risk management systems including reports received on the operational controls of the Company's service providers and reports from the Company's depositary;
- reviewing the appropriateness of the Company's accounting policies; and
- monitoring developments in accounting and reporting requirements that impact on the Company's compliance with relevant statutory and listing requirements.

Auditor and Audit Tenure

KPMG LLP has been the auditor of the Company since 2018 and prior to that, auditor of UEM Limited since 2012. Listed companies are required to tender the external audit at least every ten years and change auditor at least every twenty years. The Company will be required to tender the external audit no later than for the year ending 31 March 2028. The audit partner has rotated regularly. Ms Bano Sheikh was appointed the lead audit partner this year and her predecessor, Mr John Waterson, acted as audit partner since 2020. The Audit & Risk Committee has considered the independence of the auditor and the objectivity of the audit process and is satisfied that KPMG has fulfilled its obligations to shareholders as independent auditor to the Company.

It is the Company's policy not to seek substantial non-audit services from its auditor, unless they relate to a review of the half-yearly report as the Board considers the auditor is best placed to provide this work. If the provision of significant non-audit services were to be considered, the Committee would procure such services from an accountancy firm other than the auditor. Non-audit fees paid to KPMG amounted to £nil for the year ended 31 March 2024 (2023: £nil).

The partner and manager of the audit team at KPMG presented their audit plan to the Audit & Risk Committee in advance of the financial year end. Items of audit focus were discussed, agreed and given particular attention during the audit process. KPMG reported to the Audit & Risk Committee on these items, their independence and other matters. This report was considered by the Audit & Risk Committee and discussed with KPMG and the Investment Managers prior to approval of the annual financial report.

Members of the Audit & Risk Committee meet in camera with the external auditor at least annually.

Accounting Matters and Significant Areas

For the year ended 31 March 2024 the accounting matters that were subject to specific consideration by the Audit & Risk Committee were as follows:

Significant Area	How Addressed
Value of the level 1 investments	Actively traded level 1 investments are valued using stock exchange prices provided by third party pricing vendors. The Audit & Risk Committee regularly reviews the portfolio. The Audit & Risk Committee reviews the annual internal control reports produced by the Investment Managers and Administrator which detail the systems, processes and controls around the daily pricing of the securities.
Value of the level 3 investments	Investments that are classified as level 3 are valued using a variety of techniques to determine a fair value, as set out in note 1(c) to the accounts, and all such valuations are carefully reviewed by the Audit & Risk Committee with the Investment Managers. The Audit & Risk Committee receives detailed information on all level 3 investments and it discusses and challenges the valuations with the Investment Managers. It considers market comparables and discusses any proposed revaluations with the Investment Managers.

The Audit & Risk Committee reviewed the external audit plan at an early stage and concluded that the appropriate areas of audit risk relevant to the Company had been identified and that suitable audit procedures had been put in place to obtain reasonable assurance that the financial statements as a whole would be free of material misstatements.

As a result, and following a thorough review process, the Audit & Risk Committee advised the Board it is satisfied that, taken as a whole, the annual financial report for the year to 31 March 2024 is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. In reaching this conclusion, the Audit & Risk Committee has assumed that the reader of the report would have a reasonable level of knowledge of the investment company industry.

External Audit, Review of its Effectiveness and Auditor Reappointment

The Audit & Risk Committee advises the Board on the appointment of the external auditor, its remuneration for audit and non-audit work and its cost effectiveness, independence and objectivity.

As part of the review of the effectiveness of the audit process, a formal evaluation process incorporating views from the members of the Audit & Risk Committee and relevant personnel at the Investment Managers is followed and feedback is provided to KPMG. Areas covered by this review include:

- the calibre of the audit firm, including reputation and industry presence;
- the extent of quality controls including review processes, second director oversight and annual reports from its regulator;
- the performance of the audit team, including skills of individuals, specialist knowledge, partner involvement, team member continuity and quality and timeliness of audit planning and execution;
- audit communication including planning, relevant accounting and regulatory developments, approach to significant accounting risks, communication of audit results and recommendations on corporate reporting;
- ethical standards including independence and integrity of the audit team, lines of communication to the Audit & Risk Committee and partner rotation; and
- reasonableness of the audit fees.

For the year ended 31 March 2024, the Audit & Risk Committee is satisfied that the audit process was effective.

Resolutions proposing the reappointment of KPMG as the Company's auditor and authorising the Directors to determine its remuneration will be put to the shareholders at the forthcoming AGM.

Internal Controls and Risk Management

UEM's risk assessment procedures and the way in which significant risks are managed is a key area of focus for the Audit & Risk Committee. Work here was driven by the Audit & Risk Committee's assessment of the risks arising in the Company's operations and identification of the controls exercised by the Board and its delegates, the Investment Managers, the Administrator and other service providers. These are recorded in risk matrices produced by ICMIM, as the Company's AIFM with responsibility for risk management, which continue to serve as an effective tool to highlight and monitor the principal risks, details of which are provided in the Strategic Report on pages 35 to 37. It also received and considered, together with representatives of the Investment Managers, reports in relation to the operational controls of the Investment Managers, Administrator and Custodian. These reviews identified no issues of significance.

Whistleblowing Policy

The Committee has also reviewed and accepted the 'whistleblowing' policy that has been put in place by the Investment Managers under which their staff, in confidence, can raise concerns about possible improprieties in matters of financial reporting or other matters, in so far as they affect the Company.

Internal Audit

Due to the nature of the Company, being an externally managed investment company with no executive employees, the Company does not have its own internal audit function. The Committee and the Board have concluded that there is no current need for such a function, based on the satisfactory operation of controls within the Company's service providers.

Eric Stobart
Chairman of the Audit & Risk Committee

14 June 2024

Directors' Statement of Responsibilities

in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, they are required to prepare the financial statements in accordance with UK adopted International Accounting Standards and the Companies Act 2006.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK adopted International Accounting Standards and of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditor's report on these financial statements provides no assurance over the ESEF format.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, which is maintained by the Company's Investment Managers. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in Respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Approved by the Board on 14 June 2024 and signed on its behalf by:

John Rennocks
Chairman

KPMG

Independent auditor's report

to the members of Utilico Emerging Markets Trust plc

Overview		
Materiality: financial statements as a whole	£5.2m (2023:£5.5m) 1% (2023: 1%) of total assets	
Key audit matters		**vs 2023**
Recurring risks	Valuation of certain Level 3 Investments	◄►
	Carrying amount of non – derivative Level 1 Investments	◄►

1. Our opinion is unmodified

We have audited the financial statements of Utilico Emerging Markets Trust plc ("the Company") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

— give a true and fair view of the state of Company's affairs as at 31 March 2024 and of its return for the year then ended;

— have been properly prepared in accordance with UK-adopted international accounting standards; and

— have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit and Risk Committee.

We were first appointed as auditor by the Directors on 7 February 2018. The period of total uninterrupted engagement is for the six financial years ended 31 March 2024. We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

	The risk	Our response
Valuation of certain level 3 investments (Certain specific investments within the total of level 3 investments of £23.1 million; 2023: £58.7million) *Refer to page 59 (Audit Committee Report), page 73 (accounting policy), pages 78 to 80 and 87 to 90 (financial disclosures).*	**Subjective Valuation** 4.4% (2023: 10.7%) of the Company's total assets (by value) is held in investments where no quoted market price is available. Level 3 investments are measured at fair value, which is established in accordance with the International Private Equity and Venture Capital Valuation Guidelines by using measurements of value such as prices of recent orderly transactions, milestone analysis, revenue multiples and valuing fund interest by reference to their reported Net Asset Value. There is a significant risk over the judgements and estimates inherent in the valuation of certain unlisted investments and therefore this is one of the key areas that our audit has focused on. The effect of this matter is that, as part of our risk assessment, we determined that certain level 3 investment valuations have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The factors considered in assessing which unlisted investments were subject to significant risk included the quantum of the individual investment, performance of the investment, nature of the asset held as well as the estimation uncertainty of the methodology and inputs used. We assessed that the level of risk associated with this matter has decreased in the year as the quantum of the balance has decreased from prior year. The quantum of the investments subject to the significant risk is £10.08m out of a total unlisted investment balance of £23.1m. The financial statements note 26(d) discloses the range/sensitivity estimated by the Company.	We performed the detailed tests below rather than seeking to rely on controls, because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described below: Our procedures included: — **Methodology choice:** In the context of observed industry best practice and the provisions of the International Private Equity and Venture Capital Valuation Guidelines, we challenged the appropriateness of the valuation basis selected; — **Our valuation experience:** We challenged the investment manager on key judgements affecting investee company valuations, such as discount factors and the basket of peer group multiples. We compared key underlying financial and operational data inputs to external sources and management information as applicable. We challenged the assumptions around sustainability of revenue based on the plans of the investee company and whether these are achievable. We also obtained an understanding of existing and prospective investee company cash flows. For the valuation of the loan balance, we reviewed the underlying agreements and assessed the recoverability of the loan. Our work included consideration of events which occurred subsequent to the year end up until the date of the audit report. — **Comparing valuations:** Where a recent transaction has been used to value a holding, we obtained an understanding of the circumstances surrounding the transaction and vouched the price to supporting documentation. We also assessed whether subsequent changes or events such as market or entity specific factors would imply a change in value; — **Assessing transparency:** We considered the appropriateness, in accordance with relevant accounting standards, of the disclosures in respect of certain Level 3 investments and the effect of changing one or more inputs to reasonably possible alternative valuation assumptions **Our results:** — We found the Company's valuation of certain Level 3 investments to be acceptable (2023: acceptable).

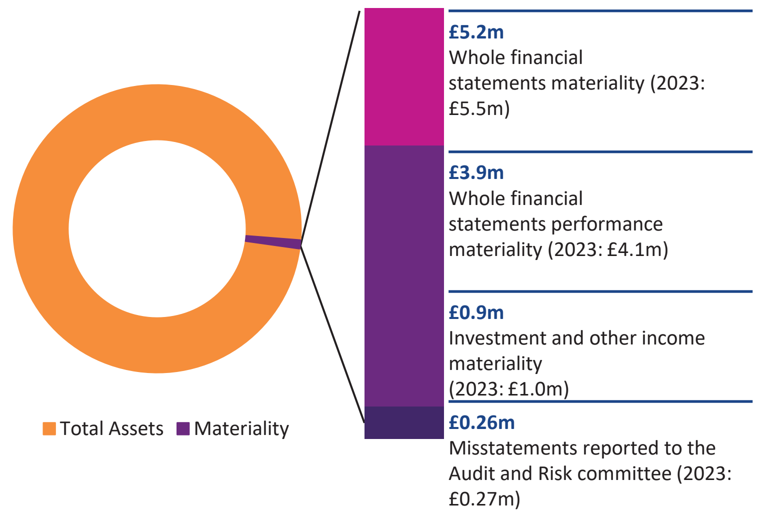
2. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
Carrying amount of non-derivative Level 1 investments (£487.6m; 2023: £483.1m) *Refer to page 59 (Audit Committee Report), page 73 (accounting policy), pages 78 to 80 and 90 (financial disclosures).*	**Low risk, high value:** The Company's portfolio of non-derivative Level 1 investments makes up 92.2% (2023: 88.2%) of the Company's total assets by value and is considered to be one of the key drivers of results. We do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement because they comprise liquid, quoted investments. However, due to their materiality in the context of the financial statements as a whole, they are considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	We performed the detailed tests below rather than seeking to rely on controls, because the nature of the balance is such that detailed testing is determined to be the most effective manner of obtaining audit evidence. Our procedures included: — **Tests of detail:** Agreed the valuation of 100% of non-derivative Level 1 investments in the portfolio to externally quoted prices; and — **Enquiry of custodians:** All investments in non-derivative level 1 investments were agreed to independently received third party confirmations from investment custodians. **Our results** — We found the carrying amount of non-derivative Level 1 investments to be acceptable (2023: acceptable).

3. Our application of materiality and an overview of the scope of our audit

Total Assets
£529.0m (2023: £547.5m)

Materiality
£5.2m (2023: £5.5m)



Materiality for the financial statements as a whole was set at £5.2m (2023: £5.5m), determined with reference to a benchmark of total assets, of which it represents 1% (2023: 1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality was set at 75% (2023 : 75%) of materiality for the financial statements as a whole, which equates to £3.9m (2023 : £4.1m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

In addition, we applied materiality of £0.9m (2023: £1.0m) and performance materiality of £0.7m (2023: £0.8m) to investment and other income, for which we believe misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the Company's members' assessment of the financial performance of the Company.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £0.26m (2023: £0.27m), or £0.05m in relation to investment and other income (2023: £0.1m) in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality and performance materiality levels specified above and was performed by a single audit team.

The scope of the audit work performed was fully substantive as we did not rely upon the Company's internal control over financial reporting.

4. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Company's available financial resources and its ability to operate over this period were:

- The impact of a significant reduction in the valuation of investments;
- The liquidity of the investment portfolio and its ability to meet the liabilities of the Company as and when they fall due;
- The operational resilience of key service organisations.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Company's liquid investment position (and the results of their stress testing).

We considered whether the going concern disclosure in note 1 and 25 of the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and related sensitivities.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the Directors' statement in note 1 and note 25 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 and note 25 to be acceptable; and
- the related statement under the Listing Rules set out on page 45 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Directors, the Administrator and the Company's Investment Manager; and
- Reading Board and Audit and Risk Committee minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular to the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of level 3 investments. We evaluated the design and implementation of the relevant controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. Based on these procedures, we selected journal entries for testing, which included material post-closing journal entries.

On this audit we have rebutted the fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation. We did not identify any significant unusual transactions or additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors, the Investment Manager and the Administrator (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit .

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and its qualification as an Investment Trust under UK taxation legislation, any breach of which could lead to the Company losing various deductions and exemptions from UK corporation tax, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

5. Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection, bribery and corruption legislation and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Strategic Report on page 35 they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks and Risk mitigation disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Company, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

6. We have nothing to report on the other information in the Annual Report (continued)

We are also required to review the viability statement, set out on page 37 and 38 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

— the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;

— the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and

— the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

— adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

— the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or

— certain disclosures of directors' remuneration specified by law are not made; or

— we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 62, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company will be including these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format

9. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Bano Sheikh (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

14 June 2024

KPMG

Statement of Comprehensive Income

Notes		for the year to 31 March 2024 Revenue return £'000s	Capital return £'000s	Total return £'000s	for the year to 31 March 2023 Revenue return £'000s	Capital return £'000s	Total return £'000s
10	Gains/(losses) on investments	–	46,836	46,836	–	(8,389)	(8,389)
20	Foreign exchange gains/(losses)	–	610	610	–	(515)	(515)
3	Investment and other income	23,079	–	23,079	24,326	–	24,326
	Total income/(loss)	23,079	47,446	70,525	24,326	(8,904)	15,422
4	Management and administration fees	(1,445)	(4,368)	(5,813)	(1,394)	(4,336)	(5,730)
5	Other expenses	(1,911)	–	(1,911)	(1,651)	–	(1,651)
	Profit/(loss) before finance costs and taxation	19,723	43,078	62,801	21,281	(13,240)	8,041
6	Finance costs	(318)	(1,274)	(1,592)	(169)	(674)	(843)
	Profit/(loss) before taxation	19,405	41,804	61,209	21,112	(13,914)	7,198
7	Taxation	(1,958)	(1,360)	(3,318)	(1,638)	212	(1,426)
	Profit/(loss) for the year	17,447	40,444	57,891	19,474	(13,702)	5,772
8	**Earnings per share (basic) – pence**	8.83	20.48	29.31	9.40	(6.61)	2.79

All items in the above statement derive from continuing operations.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

The Company does not have any income or expense that is not included in the profit for the year and therefore the profit for the year is also the total comprehensive income for the year, as defined in International Accounting Standard 1 (revised).

All income is attributable to the equity holders of the Company.

The notes on pages 73 to 90 form part of these financial statements.

Statement of Changes in Equity

for the year to 31 March 2024

Notes		Ordinary share capital £'000s	Merger reserve £'000s	Capital redemption reserve £'000s	Special reserve £'000s	Retained earnings Capital reserves £'000s	Retained earnings Revenue reserve £'000s	Total £'000s
	Balance as at 31 March 2023	2,023	76,706	322	432,577	(13,841)	9,587	507,374
16,18, 19	Shares purchased by the Company and cancelled	(114)	–	114	(25,397)	–	–	(25,397)
20,21	Profit for the year	–	–	–	–	40,444	17,447	57,891
9	Dividends paid in the year	–	–	–	–	–	(16,935)	(16,935)
	Balance as at 31 March 2024	1,909	76,706	436	407,180	26,603	10,099	522,933

for the year to 31 March 2023

Notes		Ordinary share capital £'000s	Merger reserve £'000s	Capital redemption reserve £'000s	Special reserve £'000s	Retained earnings Capital reserves £'000s	Retained earnings Revenue reserve £'000s	Total £'000s
	Balance as at 31 March 2022	2,148	76,706	197	459,736	(139)	7,268	545,916
16,18, 19	Shares purchased by the Company and cancelled	(125)	–	125	(27,159)	–	–	(27,159)
20,21	(Loss)/profit for the year	–	–	–	–	(13,702)	19,474	5,772
9	Dividends paid in the year	–	–	–	–	–	(17,155)	(17,155)
	Balance as at 31 March 2023	2,023	76,706	322	432,577	(13,841)	9,587	507,374

The notes on pages 73 to 90 form part of these financial statements.

Statement of Financial Position

Notes	as at 31 March	2024 £'000s	2023 £'000s
	Non-current assets		
10	Investments	517,195	545,657
	Current assets		
11	Other receivables	6,078	1,444
	Cash and cash equivalents	5,751	456
		11,829	1,900
	Current liabilities		
12	Other payables	(4,573)	(3,461)
13	Bank loans	–	(35,102)
		(4,573)	(38,563)
	Net current assets/(liabilities)	7,256	(36,663)
	Total assets less current liabilities	524,451	508,994
	Non-current liabilities		
14	Provision for capital gains tax	(1,518)	(1,620)
	Net assets	522,933	507,374
	Equity attributable to equity holders		
16	Ordinary share capital	1,909	2,023
17	Merger reserve	76,706	76,706
18	Capital redemption reserve	436	322
19	Special reserve	407,180	432,577
20	Capital reserves	26,603	(13,841)
21	Revenue reserve	10,099	9,587
	Total attributable to equity holders	522,933	507,374
22	**Net asset value per share**		
	Basic – pence	274.01	250.91

The notes on pages 73 to 90 form part of these financial statements.

Approved by the Board on 14 June 2024 and signed on its behalf by

John Rennocks
Chairman

Utilico Emerging Markets Trust plc
Registered in England, No 11102129

Statement of Cash Flows

Year to 31 March	2024 £'000s	2023 £'000s
Operating activities		
Profit before taxation	61,209	7,198
Deduct investment income – dividends	(21,100)	(22,671)
Deduct investment income – interest	(1,932)	(1,627)
Deduct bank Interest received	(47)	(28)
Add back interest charged	1,592	843
Add back (gains)/losses on investments	(46,836)	8,389
Add back foreign exchange (gains)/losses	(610)	515
Increase in other receivables	(30)	(31)
Decrease in other payables	(683)	(88)
Net cash outflow from operating activities before dividends and interest	(8,437)	(7,500)
Interest paid	(1,813)	(646)
Dividends received	20,212	22,417
Investment income – interest	1,125	475
Bank interest received	47	28
Taxation paid	(3,431)	(1,691)
Net cash inflow from operating activities	7,703	13,083
Investing activities		
Purchase of investments	(75,544)	(106,821)
Sales of investments	151,442	125,649
Net cash inflow from investing activities	75,898	18,828
Financing activities		
Repurchase of shares for cancellation	(25,397)	(27,159)
Dividends paid	(16,935)	(17,155)
Drawdown of bank loans	19,821	35,385
Repayment of bank loans	(53,943)	(24,440)
Net cash outflow from financing activities	(76,454)	(33,369)
Increase/(decrease) in cash and cash equivalents	7,147	(1,458)
Cash and cash equivalents at the start of the year	(1,026)	452
Effect of movement in foreign exchange	(370)	(20)
Cash and cash equivalents as at the end of the year	5,751	(1,026)
Comprised of:		
Cash	5,751	456
Bank overdraft	–	(1,482)
Total	5,751	(1,026)

The notes on pages 73 to 90 form part of these financial statements.

Notes to the Accounts

1. Accounting Policies

The Company is an investment company incorporated in the United Kingdom with a premium listing on the London Stock Exchange.

(a) Basis of accounting

The accounts have been prepared on a going concern basis (see note 25) in accordance with UK adopted International Accounting Standards, which comprise standards and interpretations approved by the IASB and International Accounting Standards and Standing Interpretations Committee interpretations approved by the IASC that remain in effect and the Companies Act 2006.

The accounts have been prepared on a historical cost basis, except for the measurement at fair value of investments and derivative financial instruments.

The Board has determined by having regard to the currency of the Company's share capital and the predominant currency in which its shareholders operate, that Sterling is the functional and reporting currency.

Where presentational recommendations set out in the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP"), issued in the UK by the AIC in July 2022, do not conflict with the requirements of International Financial Reporting Standards ("IFRS"), the Directors have prepared the accounts on a basis consistent with the recommendations of the SORP.

In accordance with the SORP, the Statement of Comprehensive Income has been analysed between a revenue return (dealing with items of a revenue nature) and a capital return (relating to items of a capital nature). Revenue returns include, but are not limited to, dividend income, operating expenses, finance costs and taxation (insofar as they are not allocated to capital, as described in notes 1(h), 1(i), 1(k) and 1(l) below). Net revenue returns are allocated via the revenue return to the Revenue Reserve. Capital returns include, but are not limited to, profits and losses on the disposal and the valuation of non-current investments, derivative instruments and on cash and borrowings, operating costs and finance costs (insofar as they are not allocated to revenue as described in notes 1(i) and 1(k) below). Net capital returns are allocated via the capital return to Capital Reserves.

Dividends on shares may be paid out of Special Reserve, Capital Reserves and Revenue Reserve.

A number of new standards and amendments to standards and interpretations, which have not been applied in preparing these accounts, were in issue but not effective. None of these are expected to have a material effect on the accounts of the Company.

(b) Financial instruments

Financial Instruments include fixed asset investments, derivative assets and liabilities and long term debt instruments. Accounting Standards recognise a hierarchy of fair value measurements for Financial Instruments which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The classification of instruments depends on the lowest significant applicable input.

(c) Valuation of investments and derivative instruments

Investment purchases and sales are accounted for on the trade date, inclusive of transaction costs. Investments, including both equity and loans, used for efficient portfolio management are classified as being at fair value through profit or loss. As the Company's business is investing in financial assets with a view to profiting from their total return in the form of dividends, interest or increases in fair value, its investments (including those ordinarily classified as subsidiaries under IFRS 10 but exempted by that financial reporting standard from requirement to be consolidated) are designated as being at fair value through profit or loss on initial recognition. Derivatives comprising forward foreign exchange contracts, options and credit default swaps are accounted for as a financial asset/liability at fair value through profit or loss. The Company manages and evaluates the performance of these investments and derivatives on a fair value basis in accordance with its investment strategy and information about the Company is provided internally on this basis to the Company's Directors and key management personnel. Gains and losses on investments and on derivatives are analysed within the Statement of Comprehensive Income as capital return. Quoted investments are shown at fair value using market bid prices. The fair value of unquoted investments is determined by the Board in accordance with IFRS and International Private Equity and Venture Capital Valuation Guidelines. In exercising its judgement over the value of these investments, the Board uses valuation techniques which take into account, where appropriate, latest dealing prices, valuations from reliable sources, net asset values, earnings multiples, recently orderly transactions in similar securities, time to expected repayment and other relevant factors (see key valuation techniques on pages 88 and 89).

(d) Subsidiary undertakings

Subsidiary undertakings of the Company, which are held as part of the investment portfolio (see note 1(c) above), are accounted for as investments at fair value through profit and loss.

(e) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and short term deposits with an original maturity of three months or less. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the cash flow statement only.

(f) Debt instruments

The Company's debt instruments can include short term and long term bank borrowings and overdrafts, initially measured at fair value and subsequently measured at amortised cost using the effective interest method. No debt instruments held during the year required hierarchical classification.

(g) Foreign currency

Foreign currency assets and liabilities are expressed in Sterling at rates of exchange ruling at the Statement of Financial Position date. Foreign currency transactions are translated at the rates of exchange ruling at the dates of those transactions. Exchange profits and losses on currency balances are credited or charged to the Statement of Comprehensive Income and analysed as capital or revenue as appropriate. Forward foreign exchange contracts are valued in accordance with quoted market rates.

(h) Investment and other income

Dividends receivable are shown gross of withholding tax and are analysed as revenue return within the Statement of Comprehensive Income (except where, in the opinion of the Directors, their nature indicates they should be recognised as capital return) on the ex-dividend date or, where no ex-dividend date is quoted, when the Company's right to receive payment is established. Where the Company has elected to receive its dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is allocated as revenue in the Statement of Comprehensive Income. Any excess in the value of the shares received over the amount of the cash dividend foregone is allocated as capital in the Statement of Comprehensive Income. Interest on debt securities is accrued on a time basis using the effective interest rate method. Bank and short term deposit interest is recognised on an accruals basis.

(i) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the Statement of Comprehensive Income and analysed under revenue return except as stated below:

– the management fees, company secretarial fees and research fees payable to ICM and ICMIM are allocated 80% to capital return and 20% to revenue return.

– expenses incidental to the acquisition or disposal of Investments are allocated to capital return.

(j) Directors' fees

Directors' fees are charged quarterly through the revenue column of the Statement of Comprehensive Income. The net fee entitlement after any applicable tax deductions of each Director is satisfied in shares of the Company, by either purchasing shares in the market around each quarter end or, if the shares are trading at a premium to the net asset value, allotting new shares by dividing the net fee entitlement by the net asset value on the date of allotment.

(k) Finance costs

Finance costs are accounted for using the effective interest method, recognised through the Statement of Comprehensive Income.

Finance costs are allocated 80% to capital return and 20% to revenue return.

(l) Taxation

Taxation currently payable is calculated using tax rules and rates in force at the year end, based on taxable profit for the year, which differs from the net return before tax. Note 7(b) sets out those items which are not subject to UK Corporation Tax.

Deferred tax is provided on an undiscounted basis on all timing differences that have originated but not reversed by the Statement of Financial Position date, based on the tax rates that have been enacted at the Statement of Financial Position date and that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of timing differences can be deducted. In line with the recommendations of the SORP, the allocation method used to calculate the tax relief on expenses charged to capital is the "marginal" basis. Under this basis, if taxable income is capable of being offset entirely by expenses charged through the revenue account, then no tax relief is transferred to the capital account.

(m) Dividends payable

Dividends paid by the Company are accounted for in the period in which the Company is liable to pay them and are reflected in the Statement of Changes in Equity.

(n) Capital reserves

Capital reserves are distributable reserves to the extent gains arising from investments held are from liquid holdings. The following items are accounted for through the Statement of Comprehensive Income as capital returns and transferred to capital reserves:

Capital reserve – arising on investments sold

– gains and losses on disposal of investments and derivative instruments

– exchange differences of a capital nature

– expenses allocated in accordance with notes 1(i) and 1(k)

Capital reserve – arising on investments held

– increases and decreases in the valuation of investments and derivative instruments held at the year end.

2. Significant accounting judgements, estimates and assumptions

The presentation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on perceived risks, historical experience, expectations of plausible future events and other factors. Actual results may differ from these estimates.

The area requiring the most significant judgement and estimation in the preparation of the financial statements is the accounting for the value of unquoted investments.

The policy for valuation of unquoted securities is set out in note 1(c) to the accounts and further information on Board procedures is contained in the Audit & Risk Committee Report and note 26(d) to the accounts. The fair value of unquoted (level 3) investments, as disclosed in note 27 to the accounts, represented 4.5% of total investments as at 31 March 2024 (10.8% of total investments as at 31 March 2023).

3. Investment and other income

			2024			2023
Year to 31 March	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Investment income						
Dividends*	**21,100**	**–**	**21,100**	22,671	–	22,671
Interest	**1,932**	**–**	**1,932**	1,627	–	1,627
Total investment income	**23,032**	**–**	**23,032**	24,298	–	24,298
Other income						
Bank interest	**47**	**–**	**47**	28	–	28
Total income	**23,079**	**–**	**23,079**	24,326	–	24,326

* Includes scrip dividends of £237,000 (2023: £346,000)

4. Management and administration fees

Year to 31 March	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
Payable to: ICM/ICMIM						
– management, secretarial and research fees	**1,092**	**4,368**	**5,460**	1,084	4,336	5,420
Administration fees	**353**	**–**	**353**	310	–	310
	1,445	**4,368**	**5,813**	1,394	4,336	5,730

The Company has appointed ICMIM as its Alternative Investment Fund Manager and joint portfolio manager with ICM, for which they are entitled to a management fee. The aggregate fees payable by the Company are apportioned between the Investment Managers as agreed by them.

The relationship between ICMIM and ICM is compliant with the requirements of the UK version of the EU Alternative Investment Fund Managers Directive as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and also such other requirements applicable to ICMIM by virtue of its regulation by the Financial Conduct Authority.

The annual management fee is a tiered structure as follows: 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, payable quarterly in arrears. The management fee is allocated 80% to capital return and 20% to revenue return. The investment management agreement may be terminated upon six months' notice.

ICMIM also provides company secretarial services to the Company, with the Company paying £70,000 (31 March 2023: £70,000) equivalent to 45% of the costs associated with this office and recharges research fees to the Company based on a budget of £0.3m per annum, paid quarterly in arrears. These charges are allocated 80% to capital return and 20% to revenue return.

JPMorgan Chase Bank N.A. – London Branch has been appointed Administrator and ICMIM has appointed Waverton to provide certain support services (including middle office, market dealing and information technology support services).

5. Other Expenses

Year to 31 March	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
Auditor's remuneration:						
for audit services(1)	**180**	**–**	**180**	111	–	111
Broker and consultancy fees	**153**	**–**	**153**	109	–	109
Custody fees	**608**	**–**	**608**	549	–	549
Depositary fees	**110**	**–**	**110**	129	–	129
Directors' fees for services to the Company						
(see Directors' Remuneration Report on pages 56 to 58)	**198**	**–**	**198**	225	–	225
Travel expenses	**232**	**–**	**232**	215	–	215
Professional fees	**87**	**–**	**87**	48	–	48
Sundry expenses	**343**	**–**	**343**	265	–	265
	1,911	**–**	**1,911**	1,651	–	1,651

All expenses are stated gross of irrecoverable VAT, where applicable.

(1) Total auditor's remuneration for audit services, exclusive of VAT, amounted to £180,000, £147,000 for the year to 31 March 2024 and £33,000 for additional audit costs for the year to 31 March 2023 (2023: £110,000, £100,000 for the year to 31 March 2023 and £10,000 for additional audit costs for the year to 31 March 2022).

6. Finance Costs

Year to 31 March	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
On loans and bank overdrafts	**318**	**1,274**	**1,592**	169	674	843

7. Taxation

(a) Analysis of charge in the year :

Year to 31 March Tax on ordinary activities	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
UK corporation tax at 25.0% (2023: 19.0%)	**–**	**–**	**–**	–	–	–
Overseas tax suffered	**1,958**	**–**	**1,958**	1,638	–	1,638
Capital gains tax	**–**	**1,462**	**1,462**	–	58	58
Deferred tax (see note 14)	**–**	**(102)**	**(102)**	–	(270)	(270)
Total tax charge for the year	**1,958**	**1,360**	**3,318**	1,638	(212)	1,426

The Company is liable to Indian capital gains tax and the deferred tax in the capital account is in respect of capital gains tax on Indian investment holding gains that will be taxed in future years on realisations of the investments.

(b) Factors affecting current tax charge for the year

The tax assessed for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

Year to 31 March	Revenue £'000s	Capital £'000s	2024 Total £'000s	Revenue £'000s	Capital £'000s	2023 Total £'000s
Net profit/(loss) before taxation	**19,405**	**41,804**	**61,209**	21,112	(13,914)	7,198
Corporation tax at 25.0% (2023: 19.0%)	**4,851**	**10,451**	**15,302**	4,011	(2,644)	1,367
Effects of:						
Non taxable dividend income	**(4,561)**	**–**	**(4,561)**	(3,607)	–	(3,607)
Non taxable capital returns	**–**	**(11,862)**	**(11,862)**	–	1,692	1,692
Overseas tax suffered	**1,958**	**–**	**1,958**	1,638	–	1,638
Double taxation relief	**(290)**	**222**	**(68)**	(265)	187	(78)
Movement in tax losses that no deferred tax asset is recognised on	**–**	**1,189**	**1,189**	(139)	765	626
Capital gains tax	**–**	**1,360**	**1,360**	–	(212)	(212)
Total tax charge for the year	**1,958**	**1,360**	**3,318**	1,638	(212)	1,426

As at 31 March 2024, the Company had net surplus management expenses of £28,087,000 (2023: £23,253,000) and a non-trade loan relationship deficit of £299,000 (2023: £299,000), giving total unutilised tax losses of £28,386,000 (2022: £23,552,000). A deferred tax asset has not been recognised in respect of these tax losses because the Company is not expected to generate taxable income in the future in excess of the deductible expenses of those future periods and, accordingly, it is unlikely that the Company will be able to reduce future tax liabilities through the use of the existing management expenses and non-trade loan relationship deficit. The Company has an unrecognised deferred tax asset of £7.1m as at 31 March 2024 (2023: £5.9m) based on the corporation tax rate of 25% which took effect from 1 April 2023.

8. Earnings Per Share

Year to 31 March	2024 £'000s	2023 £'000s
Revenue return	17,447	19,474
Capital return	40,444	(13,702)
Total return	57,891	5,772
	Number	Number
Weighted average number of shares in issue during the year	197,484,731	207,220,648
	Pence	Pence
Revenue return per share	8.83	9.40
Capital return per share	20.48	(6.61)
Total profit per share	29.31	2.79

9. Dividends

Year to 31 March	Record date	Payment date	2024 £'000s	2023 £'000s
2022 Fourth quarterly dividend of 2.00p per share	06-Jun-22	24-Jun-22	–	4,250
2023 First quarterly dividend of 2.00p per share	02-Sep-22	23-Sep-22	–	4,164
2023 Second quarterly dividend of 2.15p per share	02-Dec-22	16-Dec-22	–	4,384
2023 Third quarterly dividend of 2.15p per share	03-Mar-23	24-Mar-23	–	4,357
2023 Fourth quarterly dividend of 2.15p per share	02-Jun-23	23-Jun-23	4,334	–
2024 First quarterly dividend of 2.15p per share	01-Sep-23	22-Sep-23	4,280	–
2024 Second quarterly dividend of 2.15p per share	01-Dec-23	15-Dec-23	4,206	–
2024 Third quarterly dividend of 2.15p per share	08-Mar-24	28-Mar-24	4,115	–
			16,935	17,155

The Directors have declared a fourth quarterly dividend in respect of the year ended 31 March 2024 of 2.15p per share payable on 28 June 2024 to shareholders on the register at close of business on 7 June 2024. The total cost of the dividend, which has not been accrued in the results for the year to 31 March 2024, is £4,072,000 based on 189,405,062 shares in issue at the record date, see note 16 for changes in share capital.

10. Investments

Year to 31 March	2024 £'000s	2023 £'000s
Cost of investments brought forward	491,177	523,644
Net unrealised profits brought forward	54,480	48,042
Valuation brought forward	545,657	571,686
Purchases at cost	80,163	108,938
Sales proceeds	(155,498)	(126,638)
Gains/(losses) on investments	46,873	(8,329)
Valuation as at 31 March	517,195	545,657
Analysed as at 31 March		
Cost of investments	425,879	491,177
Net unrealised gains on investments	91,316	54,480
Valuation	517,195	545,657

The Company received £155,498,000 (2023: £126,638,000) from investments sold in the year. The book cost of these investments when they were purchased was £145,461,000 (2023: £141,405,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Year to 31 March Gains/(losses) on investments	2024 £'000	2023 £'000
Net gain/(loss) on investments sold	10,037	(14,767)
Other capital charges	(37)	(60)
Movement in unrealised gains	36,836	6,438
Total gains/(losses) on investments	46,836	(8,389)

Subsidiary undertakings

Under IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities, the following is a subsidiary of the Company as at 31 March 2024 and as at 31 March 2023.

	Country of registration and incorporation	Number and class of shares held	Holding and voting rights	2024 Fair value £'000s	2023 Fair value £'000s
UEM (HK) Limited	Hong Kong	1,000 ordinary shares	100	–	1,498

Incorporated on 26 January 2017 and commenced trading on 18 July 2017 to carry on business as an investment company (see note 24 for related party transactions).

UEM Mauritius Holdings Limited, a Bermuda registered company was a subsidiary of UEM as at 31 March 2023. UEM held a loan with UEM Mauritius Holdings Limited, the parent company of Utilico Emerging Markets (Mauritius), and under the terms of the loan agreement, provided that UEM retained effective control of the company since it could only appoint directors with the approval of UEM. The fair value of the loan at 31 March 2023 was £nil and was cancelled in the year to 31 March 2024. Utilico Emerging Markets (Mauritius) was dissolved on 8 November 2023 and UEM Mauritius Holdings Limited was dissolved on 14 December 2023.

The subsidiary undertakings carried on business as investment companies and are considered to be investment entities. They are held as part of the investment portfolio, and are accounted for as investments at fair value through profit and loss.

Associated undertakings

Under IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities, the following associated undertakings as at 31 March 2024 are held as part of the investment portfolio and consequently are accounted for as investments at fair value through profit and loss (2023: East Balkan Properties plc, Petalite Limited and Pitch Hero Holdings Limited):

	EBP Holdings Limited	East Balkan Properties plc	Petalite Limited	Pitch Hero Holdings Limited
Country of incorporation	Isle of Man	Isle of Man	United Kingdom	United Kingdom
Country of listing	Unlisted	Unlisted	Unlisted	Unlisted
Country of operations	Bulgaria & Romania	Bulgaria & Romania	United Kingdom	United Kingdom
Number of ordinary shares held	731	155	10,725	62,874
Percentage of ordinary shares held	25.3%	25.3%	28.5%	36.7%

Transactions with associated undertaking were as follows:

EBP Holdings Limited ("EBP") and East Balkan Properties plc ("East Balkan")

During the year East Balkan restructured its business to simplify its capital structure such that shareholders received an in-specie capital distribution of the shares into its wholly owned subsidiary, EBP. This effected a transfer of value from East Balkan to EBP with no change in the economic interest of UEM, with EBP replacing East Balkan as the ultimate parent company. Following the distribution, East Balkan will be dissolved.

Petalite Limited ("Petalite")

Pursuant to a loan agreement dated 24 October 2023 under which UEM has agreed to loan £2,500,000 to Petalite, UEM advanced to Petalite £1,500,000. As at 31 March 2024, the balance of the loan and interest outstanding was £1,547,000. The loan bears interest at an annual rate of 10.0% for the first 6 months, 12.0% for the following 3 months and 14.0% thereafter. The loan is repayable on 15 July 2024. As part of the loan agreement, UEM received 2 year warrants to subscribe for £2.5m at a valuation to be determined by a capital raise planned to be effected in 2024 ("Series A raise"). At the year end the Company held 10,725 equity shares (31 March 2023: 10,725 equity shares) and held 31.2% (31 March 2023: 29.4%) of the undiluted shareholding of Petalite. Factoring in dilutive options the Company's stake in Petalite is 28.5% (31 March 2023: 28.6%).

Pitch Hero Holdings Limited ("Pitch Hero")

Pursuant to a loan agreement dated 1 March 2021 under which UEM has agreed to loan monies to Pitch Hero, UEM advanced to Pitch Hero a loan of £150,000. As at 31 March 2024, the balance of the loan and interest outstanding was £657,000 (31 March 2023: £470,000). The loan bears interest at an annual rate of 10.0%, having increased from 5.0% on 24 August 2023. The first repayment is due on 25 August 2024, with a final repayment date of 25 August 2027.

Significant interests

In addition to the above, the Company has a holding of 3% or more of any class of share capital of the following undertakings, which are material in the context of the accounts:

	Country of registration and incorporation	Class of shares held	2024 % of class of instruments held	2023 % of class of instruments held
Korean Internet Neutral Exchange Inc.	South Korea	Ordinary shares	**5.3**	5.6
Orizon Valorizacao De Residuos S.A.	Brazil	Ordinary shares	**4.0**	3.9
Umeme Limited	Uganda	Ordinary shares	**8.3**	8.4

11. Other receivables

	2024 £'000s	2023 £'000s
Accrued income	**1,373**	796
Sales for future settlement	**4,563**	548
Overseas tax recoverable	**36**	24
Other debtors	**106**	76
	6,078	1,444

12. Other payables

	2024 £'000s	2023 £'000s
Bank overdraft	**–**	1,482
Interest payable	**–**	221
Other creditors and accruals	**1,071**	1,758
Purchases awaiting settlement	**3,502**	–
	4,573	3,461

13. Bank loans

	2024 £'000s	2023 £'000s
EUR 12.0m repaid March 2024	**–**	10,544
GBP 10.0m repaid March 2024	**–**	10,000
USD 18.0m repaid August 2023	**–**	14,558
	–	35,102

The Company had an unsecured committed senior multicurrency revolving facility of £50,000,000 with the Bank of Nova Scotia, London Branch that expired on 15 March 2024. Commitment fees were charged on any undrawn amounts at commercial rates. The terms of the loan facility, including those related to accelerated repayment and costs of repayment, were typical of those normally found in facilities of this nature.

14. Provision for capital gains tax

	2024 £'000s	2023 £'000s
Balance brought forward	**1,620**	1,890
Decrease in provision for Indian tax on capital gains	**(102)**	(270)
Balance as at 31 March	**1,518**	1,620

Provision is made for deferred tax in respect of capital gains tax on chargeable investment holding gains in India.

15. Operating segments

The Directors are of the opinion that the Company is engaged in a single segment of business of investing in equity and debt securities, issued by companies operating and generating revenue in emerging markets and therefore no segmental reporting is provided.

16. Ordinary share capital

	2024 Number	2024 £'000s	2023 Number	2023 £'000s
Issued, called up and fully paid				
Ordinary shares of 1p each				
Balance brought forward	**202,212,256**	**2,023**	214,744,067	2,148
Purchased for cancellation by the Company	**(11,369,753)**	**(114)**	(12,531,811)	(125)
Balance as at 31 March	**190,842,503**	**1,909**	202,212,256	2,023

During the year the Company bought back for cancellation 11,369,753 (2023: 12,531,811) ordinary shares at a total cost of £25,397,000 (2023: £27,159,000). A further 1,567,469 ordinary shares have been purchased for cancellation at a total cost of £3,572,000 since the year end.

17. Merger reserve

	2024 £'000s	2023 £'000s
Balance brought forward and carried forward	**76,706**	76,706

The surplus of the net assets of UEM Limited received from the issue of new ordinary shares over the nominal value of such shares was credited to this account which is non-distributable. The nominal value of the shares issued is recognised in called up share capital.

18. Capital redemption reserve

	2024 £'000s	2023 £'000s
Balance brought forward	**322**	197
Purchased for cancellation by the Company (see note 16)	**114**	125
Balance as at 31 March	**436**	322

The capital redemption reserve represents the nominal value of ordinary shares repurchased and cancelled. This is non-distributable.

19. Special reserve

	2024 £'000s	2023 £'000s
Balance brought forward	**432,577**	459,736
Purchased for cancellation by the Company (see note 16)	**(25,397)**	(27,159)
Balance as at 31 March	**407,180**	432,577

The special reserve arose from the High Court of England and Wales approving the Company's application in May 2018 to part cancel the merger reserve and a special reserve created. This is a distributable reserve and can be used to pay dividends and buy back shares.

20. Capital reserves

			2024			2023
	Realised £'000s	Investment holding gains £'000s	Total £'000s	Realised £'000s	Investment holding gains £'000s	Total £'000s
Realised gains/(losses) on investments	**10,037**	**–**	**10,037**	(14,767)	–	(14,767)
Unrealised gains on investments	**–**	**36,836**	**36,836**	–	6,438	6,438
Foreign exchange gains/(losses)	**610**	**–**	**610**	(515)	–	(515)
Finance costs charged to capital	**(1,274)**	**–**	**(1,274)**	(674)	–	(674)
Expenses charged to capital	**(4,368)**	**–**	**(4,368)**	(4,336)	–	(4,336)
Capital gains tax	**(1,360)**	**–**	**(1,360)**	212	–	212
Other capital charges	**(37)**	**–**	**(37)**	(60)	–	(60)
	3,608	**36,836**	**40,444**	(20,140)	6,438	(13,702)
Balance brought forward	**(68,321)**	**54,480**	**(13,841)**	(48,181)	48,042	(139)
Balance as at 31 March	**(64,713)**	**91,316**	**26,603**	(68,321)	54,480	(13,841)

Included within the capital reserve movement for the year is £nil (2023: £1,303,000) of dividend receipts recognised as capital in nature, £152,000 (2023: £189,000) of transaction costs on purchases of investments and £297,000 (2023: £251,000) of transaction costs on sales of investments.

21. Revenue reserve

	2024 £'000s	2023 £'000s
Balance brought forward	**9,587**	7,268
Revenue profit for the year	**17,447**	19,474
Dividend paid in the year	**(16,935)**	(17,155)
Balance as at 31 March	**10,099**	9,587

The revenue reserve represents accumulated revenue profits retained by the Company that have not currently been distributed to shareholders as a dividend

22. Net asset value per share

The net asset value per share is based on the net assets attributable to the equity shareholders of £522,933,000 (2023: £507,374,000) and on 190,842,503 (2023: 202,212,256) shares, being the number of shares in issue at the year end.

23. Reconciliation of liabilities arising from financing activities

2024	Balance as at 31 March 2023 £'000s	Transactions in the year £'000s	Net cashflow £'000s	Foreign exchange loss £'000s	Balance as at 31 March 2024 £'000s
Bank loans	**35,102**	**–**	**(34,122)**	**(980)**	**–**
Repurchase of shares for cancellation	**–**	**25,397**	**(25,397)**	**–**	**–**
Dividends paid	**–**	**16,935**	**(16,935)**	**–**	**–**
	35,102	**42,332**	**(76,454)**	**(980)**	**–**

2023	Balance as at 31 March 2022 £'000s	Transactions in the year £'000s	Net cashflow £'000s	Foreign exchange loss £'000s	Balance as at 31 March 2023 £'000s
Bank loans	23,662	–	10,945	495	35,102
Repurchase of shares for cancellation	–	27,159	(27,159)	–	–
Dividends paid	–	17,155	(17,155)	–	–
	23,662	44,314	(33,369)	495	35,102

24. Related party transactions

The following are considered related parties of the Company: the subsidiary undertakings and the associated undertakings of the Company set out under note 10, the Board of UEM, ICM and ICMIM (the Company's joint portfolio managers), Mr Saville, Mr Jillings (a key management person of ICMIM) and UIL Limited.

The following transactions were carried out during the year to 31 March 2024 between the Company and its related parties above:

As at 31 March 2023 the fair value of the loan held with UEM (HK) Limited was £10,118,000 and loan interest accrued was £71,000. In the year, UEM (HK) Limited repaid £290,000 of interest and £4,692,000 of capital and £492,000 loan interest was capitalised and added to the balance of the loan. As at 31 March 2024 the fair value of the loan held with UEM (HK) Limited was £4,711,000 and loan interest accrued was £43,000.

UEM paid £11,000 fees on behalf of UEM Mauritius Holdings Limited to finalise the liquidation of UEM Mauritius Holdings Limited.

There were no transactions between the associated undertakings and the Company other than transactions in the ordinary course of UEM's business and these are set out in note 10. As detailed in the Directors' Remuneration Report on pages 56 to 58, the Board received aggregate remuneration of £198,000 (31 March 2023: £225,000) included within "other expenses" for services as Directors. As at the year end, £nil (31 March 2023: £nil) remained outstanding to the Directors. In addition to their fees, the Directors received dividends totalling £33,000 (31 March 2023: £44,000) during the year under review in respect of their shareholdings in the Company. There were no further transactions with the Board during the year.

There were no transactions with ICM or ICMIM other than investment management, secretarial costs, research fees as set out in note 4 and reimbursed expenses included within Other Expenses of £140,000 (31 March 2023: £134,000). As at the period end £376,000 (31 March 2023: £1,330,000) remained outstanding in respect of management, company secretarial and research fees.

Mr Jillings received dividends totalling £40,000 (31 March 2023: £38,000) and UIL Limited received dividends totalling £1,310,000 (31 March 2023: £2,051,000). There were no transactions with Mr Saville in the year.

25. Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons. The Board's going concern assessment has focused on the forecast liquidity of the Company for at least twelve months from the date of approval of the financial statements. This analysis assumes that the Company would, if necessary, be able to meet its short term obligations through the sale of listed securities, which represented 95.5% of the Company's total portfolio as at 31 March 2024. As part of this assessment the Board has considered a severe but plausible downside that reflects the impact of the Company's key risks and an assessment of the Company's ability to meet its liabilities as they fall due assuming a significant reduction in asset values and accompanying currency volatility.

The Directors believe that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements.

26. Financial risk management

The Company's investment policy is to provide long term total return by investing predominantly in the infrastructure, utility and related sectors, mainly in emerging markets. The Company seeks to meet its investment policy by investing principally in a diversified portfolio of both listed and unlisted companies. Derivative instruments may be used for purposes of hedging the underlying portfolio of investments. The Company has the power to take out both short and long term borrowings. In pursuing the investment policy, the Company is exposed to financial risks which could result in a reduction of either or both of the value of the net assets and the profits available for distribution by way of dividend. These financial risks are principally related to the market (currency movements, interest rate changes and security price movements), liquidity and credit and counterparty risk. The Board of Directors, together with the Investment Managers, is responsible for the Company's risk management. The Directors' policies and processes for managing the financial risks are set out in (a), (b) and (c) below. The accounting policies which govern the reported Statement of Financial Position carrying values of the underlying financial assets and liabilities, as well as the related income and expenditure, are set out in note 1 to the accounts. The policies are in compliance with IFRS in conformity with the requirements of Companies Act 2006 and best practice and include the valuation of financial assets and liabilities at fair value. The Company does not make use of hedge accounting rules.

(a) Market risks

The fair value of equity and other financial securities held in the Company's portfolio and derivative financial instruments fluctuates with changes in market prices. Prices are themselves affected by movements in currencies and interest rates and by other financial issues, including the market perception of future risks. The Board sets policies for managing these risks within the Company's investment policy and meets regularly to review full, timely and relevant information on investment performance and financial results. ICMIM assesses exposure to market risks when making each investment decision and monitors on-going market risk within the portfolio of investments and derivatives. The Company's other assets and liabilities may be denominated in currencies other than Sterling and may also be exposed to interest rate risks. ICMIM and the Board regularly monitor these risks. The Company does not normally hold significant cash balances. Borrowings are limited to amounts and currencies commensurate with the portfolio's exposure to those currencies, thereby limiting the Company's exposure to future changes in exchange rates. Gearing may be short or long term, in Sterling and foreign currencies, and enables the Company to take a long term view of the countries and markets in which it is invested without having to be concerned about short term volatility. The Board regularly monitors the effects on net revenue of interest earned on deposits and paid on gearing.

Currency exposure

The principal currencies to which the Company was exposed during the year are set out below (2023: Brazilian Real, Hong Kong Dollar, Indian Rupee, Mexican Peso, Philippine Peso and United States Dollar) . The exchange rates applying against Sterling as at 31 March, and the average rates during the year, were as follows:

		2024	Average	2023
BRL	Brazilian Real	**6.3233**	**6.2022**	6.2691
EUR	Euro	**1.1697**	**1.1586**	1.1381
HKD	Hong Kong Dollar	**9.8868**	**9.8349**	9.7061
INR	Indian Rupee	**105.3582**	**104.0566**	101.6145
PHP	Philippine Peso	**71.0136**	**70.2503**	67.2196
USD	United States Dollar	**1.2633**	**1.2569**	1.2364

The Company's assets and liabilities as at 31 March (shown at fair value, except derivatives at gross exposure value), by currency based on the country of primary exposure, are shown below:

2024	BRL £'000s	EUR £'000s	HKD £'000s	INR £'000s	PHP £'000s	USD £'000s	Other £'000s	Total £'000s
Current assets	**2,110**	**–**	**232**	**–**	**2,320**	**8,292**	**875**	**13,829**
Creditors	**(1,693)**	**–**	**–**	**–**	**(1,970)**	**(2,146)**	**–**	**(5,809)**
Foreign currency exposure on net monetary items	**417**	**–**	**232**	**–**	**350**	**6,146**	**875**	**8,020**
Investments	**126,075**	**37,174**	**42,140**	**38,023**	**35,267**	**23,682**	**169,292**	**471,653**
Total net foreign currency exposure	**126,492**	**37,174**	**42,372**	**38,023**	**35,617**	**29,828**	**170,167**	**479,673**
Percentage of net exposures (%)	**26.4**	**7.8**	**8.8**	**7.9**	**7.4**	**6.2**	**35.5**	**100.0**

2023	BRL £'000s	HKD £'000s	INR £'000s	MXN £'000s	PHP £'000s	USD £'000s	Other £'000s	Total £'000s
Current assets	141	–	165	–	21	(1,060)	405	(328)
Creditors	–	–	(1,621)	–	–	(91)	(35,168)	(36,880)
Foreign currency exposure on net monetary items	141	–	(1,456)	–	21	(1,151)	(34,763)	(37,208)
Investments	109,417	59,737	56,669	29,267	26,584	35,623	169,234	486,531
Total net foreign currency exposure	109,558	59,737	55,213	29,267	26,605	34,472	134,471	449,323
Percentage of net exposures (%)	24.4	13.3	12.3	6.5	5.9	7.7	29.9	100

Based on the financial assets and liabilities held, and exchange rates applying, at the Statement of Financial Position date, a weakening or strengthening of Sterling against each of these currencies by 10% would have had the following approximate effect on annualised income after tax and on NAV per share:

						2024						2023
Weakening of Sterling	**BRL £'000s**	**EUR £'000s**	**HKD £'000s**	**INR £'000s**	**PHP £'000s**	**USD £'000s**	BRL £'000s	HKD £'000s	INR £'000s	MXN £'000s	PHP £'000s	USD £'000s
Statement of Comprehensive Income return after tax												
Revenue return	**443**	**–**	**199**	**403**	**168**	**5**	518	252	432	116	139	–
Capital return	**14,009**	**4,131**	**4,683**	**4,236**	**3,926**	**2,631**	12,157	6,637	6,297	3,252	2,954	3,958
Total return	**14,452**	**4,131**	**4,882**	**4,639**	**4,094**	**2,636**	12,675	6,889	6,729	3,368	3,093	3,958
NAV per share												
Basic – pence	**7.32**	**2.09**	**2.47**	**2.35**	**2.07**	**1.33**	6.12	3.32	3.25	1.63	1.49	1.91

Strengthening of Sterling	BRL £'000s	EUR £'000s	HKD £'000s	INR £'000s	PHP £'000s	USD £'000s	BRL £'000s	HKD £'000s	INR £'000s	MXN £'000s	PHP £'000s	USD £'000s
	2024						2023					
Statement of Comprehensive Income return after tax												
Revenue return	**(443)**	**–**	**(199)**	**(403)**	**(168)**	**(5)**	(518)	(252)	(432)	(116)	(139)	–
Capital return	**(14,009)**	**(4,131)**	**(4,683)**	**(4,236)**	**(3,926)**	**(2,631)**	(12,157)	(6,637)	(6,297)	(3,252)	(2,954)	(3,958)
Total return	**(14,452)**	**(4,131)**	**(4,882)**	**(4,639)**	**(4,094)**	**(2,636)**	(12,675)	(6,889)	(6,729)	(3,368)	(3,093)	(3,958)
NAV per share												
Basic – pence	**(7.32)**	**(2.09)**	**(2.47)**	**(2.35)**	**(2.07)**	**(1.33)**	(6.12)	(3.32)	(3.25)	(1.63)	(1.49)	(1.91)

Interest rate exposure

	Within one year £'000s	More than one year £'000s	Total £'000s	Within one year £'000s	More than one year £'000s	Total £'000s
	2024			2023		
Exposure to floating rates						
Cash	**5,751**	**–**	**5,751**	456	–	456
Bank overdrafts	**–**	**–**	**–**	(1,482)	–	(1,482)
Loans	**–**	**–**	**–**	(35,102)	–	(35,102)
	5,751	**–**	**5,751**	(36,128)	–	(36,128)

Exposures vary throughout the year as a consequence of changes in the make-up of the net assets of the Company arising out of the investment and risk management processes. Interest received on cash balances or paid on overdrafts and loans is at ruling market rates. The Company's total returns and net assets are sensitive to changes in interest rates on cash and borrowings. Based on the financial assets and liabilities held and the interest rates pertaining at each Statement of Financial Position date, a relative decrease or increase in market interest rates by 2% would have had the following approximate effects on the income statement revenue and capital returns after tax and on the NAV per share.

	2% increase in rate £'000s	2% decrease in rate £'000s	2% increase in rate £'000s	2% decrease in rate £'000s
	2024		2023	
Revenue return	**115**	**(115)**	(161)	161
Capital return	**–**	**–**	(562)	562
Net assets	**115**	**(115)**	(723)	723

Other market risk exposures

The portfolio of investments, valued at £517,195,000 as at 31 March 2024 (2023: £545,657,000) is exposed to market price changes.

Based on the portfolio of investments at the Statement of Financial Position date and assuming other factors remain constant, a decrease or increase in the fair values of the portfolio by 20% would have had the following approximate effects on the Statement of Comprehensive Income capital return after tax and on the basic NAV per share:

	Increase in value	Decrease in value	Increase in value	Decrease in value
	2024		2023	
Statement of Comprehensive Income capital return £'000s	**102,901**	**(102,901)**	108,564	(108,564)
NAV per share				
Basic – pence	**53.92**	**(53.92)**	53.69	(53.69)

(b) Liquidity risk exposure

The Company is required to raise funds to meet commitments associated with financial instruments. These funds may be raised either through the realisation of assets or through increased borrowing. The risk of the Company not having sufficient liquidity at any time is not considered by the Board to be significant given the number and value of quoted liquid investments held in the Company's portfolio (66 valued at £494,081,000 as at 31 March 2024).

Cash balances are held with reputable banks with high quality external credit ratings.

The Investment Managers review liquidity at the time of making each investment decision. The Board reviews liquidity exposure at each meeting. The remaining contractual maturities of the financial liabilities as at 31 March, based on the earliest date on which payment can be required, were as follows:

2024	Three months or less £'000	More than three months but less than one year £'000	More than one year £'000	Total £'000
Creditors:				
Securities purchased for future settlement	**3,502**	**–**	**–**	**3,502**
Other payables	**695**	**–**	**–**	**695**
	4,197	**–**	**–**	**4,197**

2023	Three months or less £'000	More than three months but less than one year £'000	More than one year £'000	Total £'000
Creditors:				
Bank overdrafts	1,482	–	–	1,482
Bank loans and interest	690	36,458	–	37,148
Other payables	428	–	–	428
	2,600	36,458	–	39,058

(c) Credit risk and counterparty exposure

The Company is exposed to potential failure by counterparties to deliver securities for which the Company has paid, or to pay for securities which the Company has delivered. The Board approves all counterparties used by the Company in such transactions, which must be settled on the basis of delivery against payment (except where local market conditions do not permit). Broker counterparties are selected based on a combination of criteria, including credit rating, balance sheet strength and membership of a relevant regulatory body. The rate of default in the past has been negligible. Cash and deposits are held with reputable banks with high quality external credit ratings.

The Company has an on-going contract with its custodians for the provision of custody services. The contracts are reviewed regularly.

Details of securities held in custody on behalf of the Company are received and reconciled monthly. To the extent that the Investment Managers and Waverton carry out duties (or cause similar duties to be carried out by third parties) on the Company's behalf, the Company is exposed to counterparty risk. The Board assesses this risk continuously through regular meetings with the Investment Managers.

None of the Company's financial assets is past due or impaired.

(d) Fair value of financial assets and financial liabilities

The assets and liabilities of the Company are, in the opinion of the Directors, reflected in the Statement of Financial Position at fair value, or at a reasonable approximation thereof. Borrowings under the loan facility did not have a value materially different from their capital repayment amounts. Borrowings in foreign currencies were converted into Sterling at exchange rates ruling at each valuation date.

Unquoted investments are valued based on professional assumptions and advice that is not wholly supported by prices from current market transactions or by observable market data. The Directors make use of recognised valuation techniques and may take account of recent arms' length transactions in the same or similar investments. The Directors regularly review the principles applied by the Investment Managers to those valuations to ensure they comply with the Company's accounting policies and with fair value principles.

Level 3 financial instruments valuation methodology

The objective of using valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Company uses proprietary valuation models, which are compliant with IPEV guidelines and IFRS 13 and which are usually developed from recognised valuation techniques. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows of the financial instrument being valued, determination of the probability of counterparty default and prepayments, peer group multiple and selection of appropriate discount rates.

Fair value estimates obtained from such models are adjusted for any other factors, such as controlling interest, historical and projected financial data, entity specific strengths and weaknesses, or model uncertainties, to the extent that the Company believes that a third party market participant would take them into account in pricing a transaction.

The Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuations. The level 3 assets comprise of a number of unlisted investments at various stages of development and each has been assessed based on its industry, location and business cycle. The valuation methodologies include net assets, discounted cash flows, cost of recent investment or last funding round, or listed peer comparison or peer group multiple as appropriate. Where applicable, the Directors have considered observable data and events to underpin the valuations. A discount has been applied, where appropriate, to reflect both the unlisted nature of the investments and business risks.

Sensitivity of level 3 financial investments measured at fair value to changes in key assumptions.

Level 3 inputs are sensitive to assumptions made when ascertaining fair value. While the Directors believe that the estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. The sensitivities shown in the table below give an indication of the effect of applying reasonable and possible alternative assumptions.

In assessing the level of reasonably possible outcomes consideration was also given to the impact on valuations of the elevated level of volatility in equity markets during the year, principally reflecting concerns about high rates of inflation, tightening energy supplies, higher interest rates and the Ukraine and Middle East conflicts. The impact on the valuations has been varied and largely linked to their relevant sectors and this has been reflected in the level of sensitivities applied.

The following table shows the sensitivity of the fair value of level 3 financial investments to changes in key assumptions. For each unlisted holding valued over £5.0m, the significant valuation inputs have been detailed below the table.

As at 31 March 2024

Investment	Investment type	Valuation methodology	Risk weighting	Sensitivity +/-	Carrying amount £'000s	Sensitivity £'000s
Petalite	**Equity/Loan**	**Last funding round**	**High**	**70%**	**10,082**	**7,057**
UEM (HK) Limited	**Loan**	**NAV**	**Low**	**10%**	**4,711**	**471**
EBP	**Equity**	**Fair Value of net assets**	**Medium**	**20%**	**3,452**	**690**
Other investments	**Equity**	**Various**	**Medium**	**20%**	**4,212**	**842**
Other investments	**Loan**	**Discounted cash flows**	**Medium**	**20%**	**657**	**131**
Total					**23,114**	**9,191**

As at 31 March 2023

Investment	Investment type	Valuation methodology	Risk weighting	Sensitivity +/-	Carrying amount £'000s	Sensitivity £'000s
Petalite	Equity	Last funding round	High	50%	28,607	14,304
UEM (HK) Limited	Equity/Loan	NAV	Low	10%	11,615	1,162
Conversant Solutions Pte Ltd	Equity	Last funding round	Medium	20%	7,877	1,575
Other investments	Equity	Various	Medium	20%	5,956	1,191
Other investments	Equity	Various	Low	10%	4,187	419
Other investments	Loan	Discounted cash flows	Medium	20%	450	90
Total					58,692	18,741

Petalite

UEM holds 10,725 ordinary shares in Petalite and, as at 31 March 2024 carried this investment at £8.6m (2023: £28.6m). The cost of this investment was £2.8m (2023: £2.8m). UEM has also provided a loan of £1.5m to Petalite.

Key valuation inputs: Most recent fundraise price of £2,667 per ordinary share. Peer group value reduction of 70%.

Valuation Methodology: Petalite is an unlisted electric vehicle ("EV") charging infrastructure company based in the UK that has been developing a new technology which enables more reliable and cost effective EV chargers. Over the last year, the EV charging sector, as measured by listed stock prices, has weakened considerably and private capital activity has decreased. The Directors consider these events would also apply to Petalite and have accordingly reduced the carrying value of Petalite by an amount equivalent to the average reduction of Petalite's peer group comparable companies, giving a carrying value of £8.6m as at 31 March 2024. Petalite's fair value has been given a sensitivity of 70% (2023: 50%) reflecting the high level of uncertainty due to the length of time since the last fundraise and the fact that Petalite remains pre-revenue. As Petalite has yet to commercialise its technology and is pre-revenue it remains reliant on external funding. As at 12 June 2024, UEM valued Petalite's equity at £3.5m reflecting the most recent price indications from the Series A fund raise which is ongoing.

Sensitivities: Should the value of Petalite move by 70% the gain or loss would be £7.1m.

(e) Capital Risk Management

The investment policy of the Company is stated as being to provide long term total return through a flexible investment policy that permits it to make investments predominantly in infrastructure, utility and related sectors, mainly in emerging markets. The capital of the Company comprises ordinary share capital and reserves equivalent to the net assets of the Company. In pursuing the long term investment policy, the Board has a responsibility for ensuring the Company's ability to continue as a going concern. It must therefore maintain an optimal capital structure through varying market conditions. This involves the ability to: issue and buyback share capital within limits set by the shareholders in general meeting; borrow monies in the short and long term (up to a limit of 25% of gross assets); and pay dividends to shareholders out of reserves. Changes to ordinary share capital are set out in note 16. Dividend payments are set out in note 9. Loans are set out in note 13.

27. Fair Value Hierarchy

IFRS 13 'Financial Instruments: Disclosures' require an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

Level 3 reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

The financial assets measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy as follows:

As at 31 March 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	487,603	6,478	23,114	517,195

During the year three holdings with a value of £9.4m were transferred from level 1 to level 2 due to the investee companies shares trading irregularly in the year. The book cost and fair value were transferred using the 31 March 2023 balances.

As at 31 March 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	483,146	3,818	58,693	545,657

A reconciliation of fair value measurements in level 3 is set out in the following table:

	2024 £'000	2023 £'000
Balance brought forward	58,693	48,110
Purchases	2,600	3,691
Sales	(9,435)	(4,423)
Gains on investments sold in the year	742	1,760
(Losses)/gains on investments held at end of year	(29,486)	9,555
Balance as at 31 March	23,114	58,693
Analysed as at 31 March		
Cost of investments	23,391	29,484
(Losses)/gains on investments	(277)	29,209
Valuation	23,114	58,693

28. Post Balance Sheet Event

Since the year end, UEM advanced to Petalite a further £1.0m, fully utilising the loan agreement (see note 10). As at 12 June 2024, UEM valued Petalite's equity at £3.5m reflecting the most recent price indications from the Series A fund raise which is ongoing and continued weakness in a difficult funding environment for early stage companies.

Other Financial Information (Unaudited)

Alternative Investment Fund Managers Directive ("AIFMD")

In accordance with the AIFMD, information in relation to the Company's leverage and the remuneration of the Company's AIFM, ICMIM, is required to be made available to investors. Detailed regulatory disclosures including those on the AIFM's remuneration policy are available on ICM's website at https://www.icm.limited/icm-investment-management.

The Company's maximum and actual leverage as at 31 March are shown below:

	2024		2023	
Leverage exposure	Gross method	Commitment method	Gross method	Commitment method
Maximum permitted limit	300%	300%	300%	300%
Actual	100%	100%	107%	107%

The leverage limits are set by the AIFM and approved by the Board. The AIFM is also required to comply with the gearing parameters set by the Board in relation to borrowings.

Securities Financing Transactions ("SFT")

The Company has not, in the years to 31 March 2024 and 31 March 2023, participated in any: repurchase transactions; securities lending or borrowing; buy-sell back transactions; margin lending transactions; or total return swap transactions (collectively called SFT). As such, it has no disclosure to make in satisfaction of the UK version of the EU regulation 2015/2365 on transparency of SFT which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Utilico Emerging Markets Trust plc will be held at The Royal Society of Chemistry, Burlington House, Piccadilly, London W1J 0BA on Tuesday, 17 September 2024 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (which will be proposed in the case of resolutions 1 to 11, as ordinary resolutions and, in the case of resolutions 12 and 13, as special resolutions).

Ordinary Business

1. To receive and adopt the report of the Directors of the Company and the financial statements for the year ended 31 March 2024, together with the report of the auditor thereon.
2. To approve the Directors' Remuneration Report for the year ended 31 March 2024.
3. To approve the Company's dividend policy to pay four interim dividends per year.
4. To re-elect Mr John Rennocks as a Director.
5. To re-elect Mr Mark Bridgeman as a Director.
6. To re-elect Ms Isabel Liu as a Director.
7. To re-elect Mr Eric Stobart as a Director.
8. To elect Ms Nadya Wells as a Director.
9. To re-appoint KPMG LLP as auditor to the Company to hold office until the conclusion of the next Annual General Meeting of the Company.
10. To authorise the Directors to determine the auditor's remuneration.

Special Business

Ordinary Resolution

11. That, in substitution for all existing authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("Securities") up to an aggregate nominal amount of £189,275 (being 10% of the aggregate nominal amount of the issued share capital excluding treasury shares of the Company as at the date of this Notice) provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2025 but so that the Company may, at any time before such expiry, make any offer or agreement which would or might require Securities to be allotted after such expiry pursuant to any such offer or agreement as if the authority hereby conferred had not expired.

Special Resolutions

12. That, in substitution for all existing authorities and subject to the passing of resolution 11, the Directors of the Company be and are hereby empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560 of the Act) pursuant to the authority granted by resolution 10, and to sell equity securities held by the Company as treasury shares (as defined in section 724 of the Act) for cash, as if section 561(1) of the Act did not apply to any such allotments or sales of equity securities, provided that this power:

    (a) shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2025, except that the Company may at any time before such expiry make offers or agreements which would or might require equity securities to be allotted or sold after such expiry and notwithstanding such expiry the Directors may allot or sell equity securities in pursuance of such offers or agreements;

    (b) shall be limited to the allotment of equity securities and/or sale of equity securities held in treasury for cash up to an aggregate nominal amount of £189,275 (representing 10% of the aggregate nominal amount of the issued share capital, excluding treasury shares of the Company, as at the date of this Notice); and

    (c) shall be limited to the allotment of equity securities and/or the sale of equity securities held in treasury at a price of not less than the net asset value per share as close as practicable to the relevant allotment or sale.

13. That, in substitution for the Company's existing authority to make market purchases of ordinary shares of 1p in the Company ("Shares"), the Company be and is hereby authorised in accordance with section 701 of the Companies Act 2006 (the "Act") to make market purchases of Shares (within the meaning of section 693 of the Act), provided that:

    (a) the maximum number of Shares hereby authorised to be purchased is 28,370,000 (being 14.99% of the Company's issued ordinary share capital, excluding treasury shares of the Company, as at the date of this Notice);

    (b) the minimum price (exclusive of expenses) which may be paid for a Share shall be 1p being the nominal value per share;

    (c) the maximum price (exclusive of expenses) which may be paid for a Share shall be the higher of: (i) 5% above the average of the market value of a Share for the five business days immediately preceding the date of purchase as derived from the Daily Official List of the London Stock Exchange; and (ii) that stipulated by article 5(6) of the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Market Abuse (Amendment) (EU Exit) Regulations 2019; and

    (d) unless renewed, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company to be held in 2025 save that the Company may, at any time prior to such expiry, enter into a contract to purchase Shares which will or may be completed or executed wholly or partly after such expiry and the Company may purchase Shares pursuant to any such contract or contracts as if the authority conferred hereby had not expired.

    All Shares purchased pursuant to the above authority shall be either: (i) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act; or (ii) cancelled immediately upon completion of the purchase.

By order of the Board
ICM Investment Management Limited
Company Secretary

14 June 2024

Registered Office:
The Cottage, Ridge Court
The Ridge
Epsom, Surrey KT18 7EP

Notes:

1. A member entitled to attend and vote at the meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend, speak and vote in his/her place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
2. To appoint a proxy, you may use the form of proxy enclosed with this annual report. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarial certified or office copy of the same, must be completed and returned to the office of the Company's registrar in accordance with the instructions printed thereon as soon as possible and in any event by not later than 10:30 a.m. on 13 September 2024. Amended instructions must also be received by the Company's registrar by the deadline for receipt of forms of proxy. Alternatively, you can vote or appoint a proxy electronically by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the form of proxy. The latest time for the submission of proxy votes electronically is 10:00 a.m. on 13 September 2024. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on +44 (0370) 707 1375 or you may photocopy the form of proxy. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms of proxy must be signed and should be returned together in the same envelope.
3. Completion and return of the form of proxy will not prevent you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.
4. Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person") should note that the provisions in Notes 1 and 2 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only ordinary shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such agreement to give instructions to the member as to the exercise of voting rights at the meeting.
5. Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy the information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from the Nominated Person.
6. Pursuant to Regulation 41 (1) of The Uncertificated Securities Regulations 2001 and for the purposes of section 360B of the Companies Act 2006, the Company has specified that only shareholders registered on the register of members of the Company by not later than 6.00 p.m. two days prior to the time fixed for the meeting shall be entitled to attend and vote at the meeting in respect of the number of the ordinary shares registered in their name at such time. If the meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned meeting is 6.00 p.m. two days prior to the time of adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
8. Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar not later than 10:00 a.m. on 13 September 2024. Instructions on how to vote through CREST can be found by accessing the CREST manual via www.euroclear.com. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.
9. If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare (ID number 3RA50) not later than 10:30 a.m. on 13 September 2024. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of The Uncertificated Securities Regulations 2001.
10. If the Chairman, as a result of proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3% or more of the voting rights in the Company, who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and Financial Conduct Authority. Any such person holding 3% or more of the voting rights in the Company who appoints a person other than the Chairman as his proxy will need to ensure that both he and such person complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
11. Any questions relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. A shareholder may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under section 319A of the Companies Act 2006, the Company must answer any question a shareholder asks relating to the business being dealt with at the meeting, unless (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares.
13. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006.

    The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
14. As at 13 June 2024 (being the last practicable date prior to the publication of this Notice of Annual General Meeting), the Company's issued share capital consisted of 189,275,034 ordinary shares of 1p each, excluding shares held in treasury. Each ordinary share carries the right to one vote and therefore the total voting rights in the Company as at the date of this Notice are 189,275,034.
15. Further information regarding the meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting, can be accessed at www.uemtrust.co.uk.
16. No service contracts exist between the Company and any of the Directors, who hold office in accordance with letters of appointment and the Articles of Association.
17. Copies of the letters of the appointment and deeds of indemnity between the Company and the Directors, a copy of the Articles of Association of the Company and the register of the Directors' holdings will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) until the date of the meeting and also on the date of the meeting from 15 minutes prior to commencement of the meeting until the conclusion thereof.
18. Under sections 338 and 338A of the Companies Act 2006, members meeting with the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless:

    (a) (in the case of a resolution only), it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);

    (b) it is defamatory of any person; or

    (c) it is frivolous or vexatious.

    Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 5 August 2024 (being the date six clear weeks before the meeting) and, in the case of a matter to be included in the business only, must be accompanied by a statement setting out the grounds for the request.
19. Any electronic address provided either in this Notice or in any related documents (including the form of proxy) may not be used to communicate with the Company for any purpose other than those expressly stated.

Company Information

Directors

John Rennocks (Chairman)
Mark Bridgeman
Isabel Liu
Eric Stobart, FCA

Registered Office

The Cottage
Ridge Court
The Ridge
Epsom
Surrey KT18 7EP

Company Registration Number: 11102129

Legal Entity Identifier: 2138005TJMCWR2394O39

AIFM, Joint Portfolio Manager and Company Secretary

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Administrator and custodian

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Alternative Performance Measures

The European Securities and Markets Authority defines an Alternative Performance Measure as being a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The Company uses the following Alternative Performance Measures:

Discount/Premium – if the share price is lower than the NAV per share, the shares are trading at a discount. Shares trading at a price above NAV per share are said to be at a premium. As at 31 March 2024 the share price was 221.00p (2023: 217.00p) and the NAV per share was 274.01p (2023: 250.91p), the discount was therefore 19.3% (2023: 13.5%).

Gearing – represents the ratio of the borrowings less cash of the Company to its net assets.

Year to 31 March	*Page*	2024 £'000s	2023 £'000s
Bank overdrafts	*80*	**–**	1,482
Bank loans	*71*	**–**	35,102
Cash	*71*	**(5,751)**	(456)
Total cash/(debt)		**(5,751)**	36,128
Equity holders' funds	*71*	**522,933**	507,374
(Net cash)/gearing (%)		**(1.1)**	7.1

NAV/share price total return – the return to shareholders calculated on a per share basis by adding dividends paid in the year to the increase or decrease in the NAV or share price in the year. The dividends are assumed to have been re-invested in the form of net assets or shares, respectively, on the date on which the dividends were paid.

Year to 31 March 2024	Dividend rate (pence)	NAV (pence)	Share price (pence)
31 March 2023	**n/a**	**250.91**	**217.00**
23 June 2023	**2.15**	**261.45**	**226.00**
22 September 2023	**2.15**	**266.05**	**225.00**
15 December 2023	**2.15**	**262.94**	**223.00**
28 March 2024	**2.15**	**274.01**	**221.00**
31 March 2024	**n/a**	**274.01**	**221.00**
		12.8	**5.8**

Year to 31 March 2023	Dividend rate (pence)	NAV (pence)	Share price (pence)
31 March 2022	n/a	254.22	224.00
24 June 2022	2.00	238.47	208.00
23 September 2022	2.00	260.38	221.00
16 December 2022	2.15	234.69	204.00
24 March 2023	2.15	246.23	210.00
31 March 2023	n/a	250.91	217.00
Total return (%)		2.1	0.8

NAV/share price total return since inception – the return to shareholders calculated on a per share basis by adding dividends paid and adjusting for the exercise of warrants and subscription shares to the increase or decrease in the NAV/share price since inception. The dividends are assumed to have been re-invested in the form of net assets on the date on which the dividends were paid. The adjustment for the exercise of warrants and subscription shares is made on the date the warrants and subscription shares were exercised.

Total return since inception	NAV 31 March 2024	Share price 31 March 2024	NAV 31 March 2023	Share price 31 March 2023
NAV/share price 20 July 2005 (pence)[1]	**98.36**	**100.00**	98.36	100.00
Total dividend, warrants and subscription shares adjustment factor	**1.94953**	**2.05750**	1.88776	1.98031
NAV/share price at year end (pence)	**274.01**	**221.00**	250.91	217.00
Adjusted NAV/share price at year end (pence)	**534.19**	**454.71**	473.66	429.73
Total return (%)	**443.1**	**354.7**	381.6	329.7

1 Date of admission to trading on the Alternative Investment Market of UEM Limited.

Annual compound NAV total return since inception – the annual return to shareholders calculated on the same basis as NAV total return, since inception.

Annual compound	31 March 2024	31 March 2023
Annual compound NAV total return since inception (%)	**9.5**	9.3

Ongoing charges – all operating costs expected to be regularly incurred and that are payable by the Company or suffered within underlying investee funds, expressed as a proportion of the average weekly net asset values of the Company (valued in accordance with its accounting policies) over the reporting period. The costs of buying and selling investments and derivatives are excluded, as are interest costs, taxation, non-recurring costs and the costs of buying back or issuing shares.

Ongoing charges calculation (excluding and including performance fees)	*Page*	31 March 2024 £'000s	31 March 2023 £'000s
Management and administration fees	*69*	**5,813**	5,730
Other expenses	*69*	**1,911**	1,651
Total expenses for ongoing charges calculation		**7,724**	7,381
Average net asset values of the Company		**516,317**	512,080
Ongoing Charges (%)		**1.5**	1.4

Gross assets – the value of the Group's assets less liabilities excluding loans.

	Page	31 March 2024 £'000s	31 March 2023 £'000s
Investments	*71*	**517,195**	545,657
Current assets	*71*	**11,829**	1,900
Current liabilities - Other payables	*71*	**(4,573)**	(3,461)
Non-current liabilities - Provision for capital gains tax	*71*	**(1,518)**	(1,620)
Gross assets		**522,933**	542,476

Historical Performance

as at 31 March	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NAV total return per ordinary share[1] (annual) (%)	**12.8**	2.1	14.9	30.2	(24.9)	3.5	6.6	26.2	1.7	12.4
Share price total return per ordinary share[1] (annual) (%)	**5.8**	0.8	17.6	27.3	(23.2)	5.4	7.1	24.9	(1.8)	8.2
Annual compound NAV total return[1] (since inception) (%)	**9.5**	9.3	9.7	9.4	8.1	11.0	11.7	12.1	10.9	11.9
Undiluted NAV per ordinary share (pence)	**274.01**	250.91	254.22	228.54	181.84	249.84	247.22	251.72	206.45	209.79
Diluted NAV per ordinary share (pence)	**274.01[2]**	250.91[2]	254.22[2]	228.54[2]	181.84[2]	249.84[2]	247.22[2]	241.29	202.52	209.79[2]
Ordinary share price (pence)	**221.00**	217.00	224.00	197.50	161.50	217.90	212.00	214.50	178.50	188.50
Discount[3] (%)	**(19.3)**	(13.5)	(11.9)	(13.6)	(11.2)	(12.8)	(14.2)	(11.1)	(11.9)	(10.1)
Earnings per ordinary share (basic)										
- Capital (pence)	**20.48**	(6.61)	24.49	45.73	(68.29)	(0.12)	4.66	44.46	(5.50)	18.53
- Revenue (pence)	**8.83**	9.40	8.17	8.13	7.88	7.47	9.27	7.80	8.23	4.98
Total (pence)	**29.31**	2.79	32.66	53.86	(60.41)	7.35	13.93	52.26	2.73	23.51
Dividends per ordinary share (pence)	**8.600**	8.450	8.000	7.775	7.575	7.200	7.000	6.650	6.400	6.100
Gross assets[1] (£m)	**522.9**	542.5	569.6	556.1	461.4	581.9	579.8	579.0	455.2	479.2
Equity holders' funds (£m)	**522.9**	507.4	545.9	505.7	414.3	574.2	579.8	532.2	436.6	447.4
Ordinary shares bought back (£m)	**25.4**	27.2	13.9	12.1	4.8	9.5	21.9	10.0	3.0	–
Net cash/(overdraft) (£m)	**5.8**	(1.0)	0.5	(3.2)	39.5	11.7	8.1	15.3	12.6	0.5
Bank loans (£m)	**–**	(35.1)	(23.7)	(50.4)	(47.1)	(7.8)	0.0	(46.8)	(18.7)	(31.9)
Net cash/(debt) (£m)	**5.8**	(36.1)	(23.2)	(53.6)	(7.6)	3.9	8.1	(31.5)	(6.1)	(31.4)
Net cash/(gearing) on net assets (%)	**1.1**	(7.1)	(4.3)	(10.6)	(1.8)	0.7	1.4	(5.9)	(1.4)	(7.0)
Management and administration fees and other expenses										
- excluding performance fee (£m)	**7.7**	7.4	7.3	5.0	6.4	5.9	5.7	5.2	4.5	4.6
- including performance fee (£m)	**7.7**	7.4	7.3	10.1	6.4	5.9	5.7	14.3	4.5	7.7
Ongoing charges figure[1]										
- excluding performance fee (%)	**1.5[4]**	1.4[4]	1.4[4]	1.1	1.1	1.0	1.0	1.1	1.1	1.1
- including performance fee (%)	**1.5[4]**	1.4[4]	1.4[4]	2.1	1.1	1.0	1.0	2.9	1.1	1.8

1 See Alternative Performance Measures on pages 97 and 98

2 There was no dilution

3 Based on diluted NAV

4 Investment Management Agreement was amended on 1 April 2021 and the performance fee discontinued

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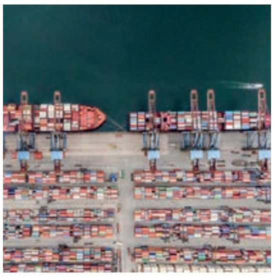

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