

UK listed fund uniquely focused on global infrastructure and utilities megatrends in emerging markets



Overall rating out of 2,782 Global Emerging Markets Equity funds as of 31 August 2023.

Fund details

Investment objective

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

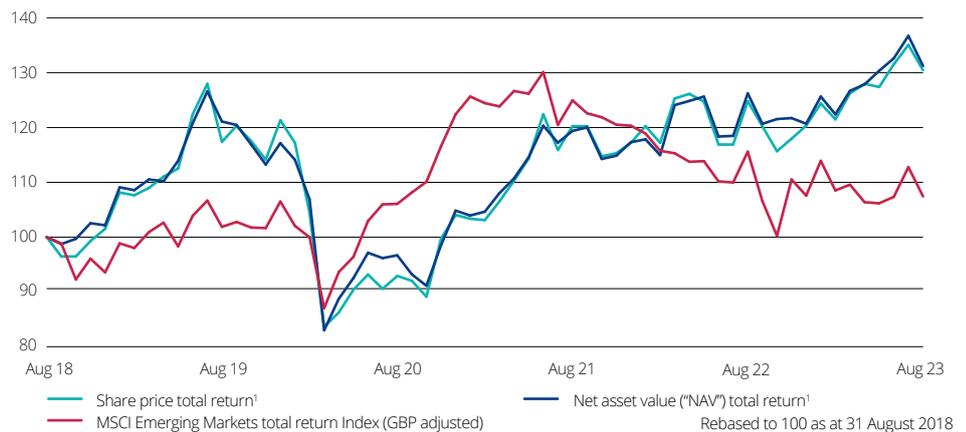
Investment approach

UEM is a UK closed-ended investment trust investing primarily in operational infrastructure and utilities assets benefiting from long-term infrastructure megatrends.

Fund Manager

Charles Jillings

Fund performance



| Fund overview | |
|--|--------------|
| NAV per share at launch ² | 98.36p |
| NAV per share (cum income) | 255.65p |
| Share price | 220.00p |
| Discount to NAV | (13.9%) |
| NAV per share total return since launch ¹ | 398.8% |
| Annual average compound return ¹ | 9.3% |
| Historic dividend paid per share (last 12 months) | 8.60p |
| Historic dividend yield (last 12 months) | 3.9% |
| Ongoing charges figure | 1.4% |
| Shares in issue | 198,936,959 |
| Market capitalisation | £437.7m |
| Fund launch date | 20 July 2005 |
| Year end | 31 March |

| Capital structure | |
|---------------------------------------|----------|
| Gross assets less current liabilities | £522.1m |
| Bank debt | £(13.5)m |
| Net assets | £508.6m |
| Gearing/(net cash) | 1.2% |

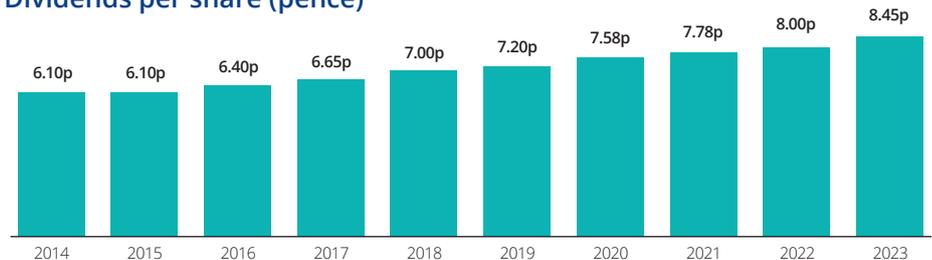
| Performance (total return ¹) | 1 month | 3 months | 1 year | 3 years | 5 years | Inception |
|--|---------|----------|--------|---------|---------|-----------|
| Share price | (3.4%) | 2.4% | 4.5% | 40.4% | 30.5% | 344.1% |
| NAV per share | (4.0%) | 0.7% | 4.0% | 35.8% | 31.2% | 398.8% |
| MSCI EM Index (GBP adjusted) | (4.7%) | 1.2% | (7.0%) | 1.3% | 7.8% | 253.9% |

| Rolling 12 month performance (total return ¹) | Aug 23 | Aug 22 | Aug 21 | Aug 20 | Aug 19 |
|---|--------|--------|--------|---------|--------|
| Share price | 4.5% | 3.8% | 29.4% | (20.9%) | 17.4% |
| NAV per share | 4.0% | 5.8% | 23.4% | (20.2%) | 21.1% |
| MSCI EM Index (GBP adjusted) | (7.0%) | (7.5%) | 17.8% | 4.1% | 2.2% |

Investment management

| | |
|---------------------------|---|
| Investment managers | ICM Limited and ICM Investment Management Limited |
| Investment management fee | 1.0% of NAV ≤ £500m; 0.9% of NAV > £500m ≤ £750m; 0.85% of NAV > £750m ≤ £1,000m; and, 0.75% of NAV > £1,000m |

Dividends per share (pence)



Dividends payable March, June, September and December

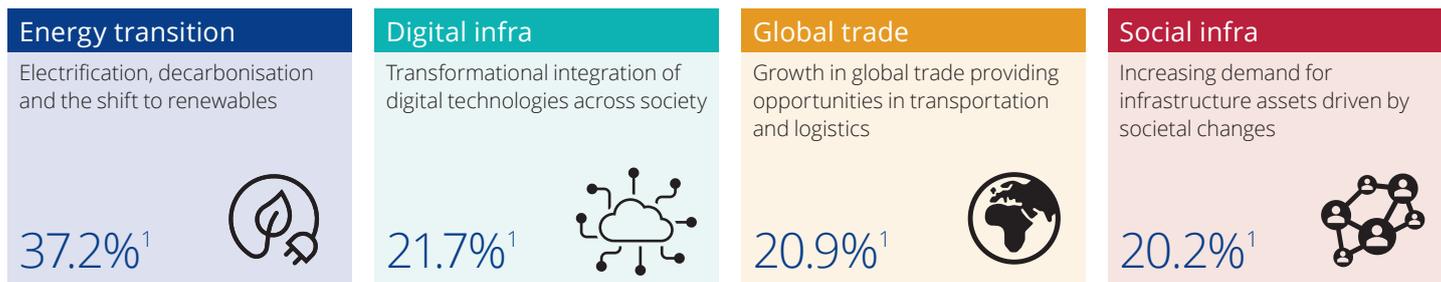
Past performance is not a guide to future returns and future returns are not guaranteed.

¹ Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares.

² Utilico Emerging Markets Limited – UEM's predecessor.

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Megatrends providing potential for sustainable and defensible growth

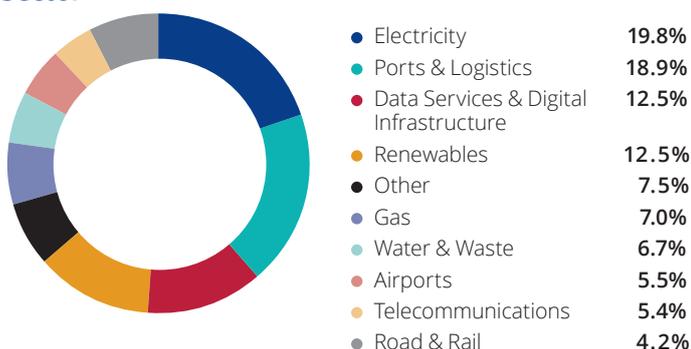


Total top 30 | 71.2%

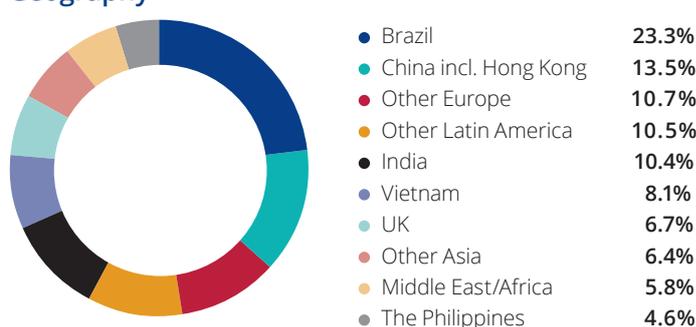
| | | % | | | % | | | % |
|----|---|---|----|--|---|----|--|---|
| 1 | Petalite Limited |  5.5 | 11 | VinaCapital Vietnam Opportunity Fund |  2.4 | 21 | KunLun Energy Company |  1.7 |
| 2 | International Container Terminal Services, Inc. |  4.6 | 12 | InPost S.A. |  2.2 | 22 | Vamos Locacao |  1.6 |
| 3 | Alupar Investimento S.A. |  4.3 | 13 | Citic Telecom International Holdings |  2.2 | 23 | Omega Energia S.A. |  1.6 |
| 4 | Orizon Valorizacao de Resiuos S.A. |  3.6 | 14 | Korean Internet Neutral Exchange (KINX) |  2.2 | 24 | China Gas Holdings |  1.5 |
| 5 | Gujarat State Petronet Ltd |  3.3 | 15 | Umeme |  2.2 | 25 | China Datang Corporation Renewable Power Co. |  1.4 |
| 6 | FPT Corporation |  3.3 | 16 | Aguas Andinas S.A. |  2.1 | 26 | Telelink Business Services |  1.4 |
| 7 | India Grid Trust |  2.9 | 17 | Santos Brasil Participacoes |  2.1 | 27 | Powergrid Infrastructure Investment Trust |  1.4 |
| 8 | Engie Energia Chile S.A. |  2.7 | 18 | Centrais Eletricas Brasileiras S.A. (Eletrobras) |  2.0 | 28 | Grupo Traxion |  1.4 |
| 9 | Power Grid Corporation of India Limited |  2.6 | 19 | TTS (Transport Trade Services) S.A. |  1.9 | 29 | Pertamina Geothermal Energy |  1.4 |
| 10 | Rumo S.A. |  2.5 | 20 | CGN Capital Partners Infra Fund 3 |  1.8 | 30 | Ocean Wilsons Holdings |  1.4 |

Investment allocation as at 31 August 2023

Sector



Geography



Lower volatility to EM with consistently low beta² and an active share of over 98%³

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UEM News



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¹ Portfolio percentage.

² Five-year adjusted beta for UEM shares versus the MSCI EM Index (GBP) as at 31 August 2023 is 0.82.

³ Active share is a measure of the difference between UEM's holdings and the MSCI EM Index – the higher the percentage, the lower the overlap in composite companies.

Market and portfolio performance



PERFORMANCE

UEM's NAV total return decreased by 4.0% in August, this decline was smaller than that of the MSCI EM total return Index ("MSCI") which was down by 4.7% in Sterling terms. Year to date, UEM's NAV total

return has increased by 8.7% and significantly outperforming the MSCI, which was down by 0.1% in Sterling terms over the same period.

After strong performance in June and July, equity markets were mostly weaker in August, reacting to mixed economic statistics that add uncertainty to the market outlook. In the US, consumer and government spending remains strong, but the housing market has stalled, and the number of job vacancies continue to decline. Following July's rate increase, analysts expect one final rate rise this year from the Federal Reserve, but probably not at September's meeting. The Bank of England raised rates by 25bps during the month, following the European Central Bank's similar rate rise at the end of July. The S&P 500 declined by 1.8%, the FTSE 100 declined by 3.4% and the Eurostoxx Index was down by 3.9%.

In China, market confidence remains low and international investors continue to reduce their exposure to the country. Weakness in the housing market, concerns over real estate developers' debt and slowing factory activity all weighed on stocks. China has cut interest rates and reduced deposit requirements for real estate in an attempt to stimulate the housing market. China's consumer price index in August was back in positive territory, albeit up just 0.1% following the deflationary decline of 0.3% in July. The Hang Seng Index declined by 8.5% in August and the Shanghai Composite fell by 5.2%.

Many other emerging markets were weaker in August, with industrial commodity prices declining on the weak Chinese outlook. Latin American markets followed the lead of US markets, with Brazil's Bovespa Index decreasing by 5.1%, Chile's IPSA Index down by 6.0% and Mexico's Bolsa Index down by 3.3%. In Asia, most markets also declined with India's SENSEX Index down by 2.5% and the PSEi Index in the Philippines decreased by 6.3%. There was however a 0.1% gain in Vietnam's Ho Chi Minh Index and the Jakarta Stock Exchange increased by 0.3%.

In the currency markets, the US Dollar strengthened against most currencies whilst Sterling had a mixed performance. Sterling

declined 1.5% against the US Dollar but was flat against the Euro. The Brazilian Real fell by 2.4% against Sterling and the Chinese Renminbi was down by 0.5% but in contrast, the Indian Rupee was stronger by 0.9% and Mexican Peso advanced by 0.8%.

PORTFOLIO

There were two changes to the top thirty holdings. Telelink Business Services re-entered the top thirty and a fairly new holding, Pertamina Geothermal Energy, replaced Conversant and Bolsa de Valores de Colombia on relative performance.

Pertamina Geothermal Energy, which listed on the Indonesian Stock Exchange in February is an Indonesian electricity generator using geothermal steam. Pertamina's share price surged 62.7% during August as the market reacted positively to its second quarter results.

Only four of the top thirty companies saw their stock prices rise in August. Pertamina Geothermal led the risers with its gain of 62.7%. FPT Corporation had another strong month, with its share price rising by 13.8%, Korean Internet Neutral Exchange's share price gained 6.2% on solid Q2 results and TTS Transport Trade Services' share price continued to rise, gaining 4.5% in August.

Twenty-three companies reported declines in stock prices in August and five of these declined by more than 10%, namely China Datang Renewable Power, which declined by 23.0%, Grupo Traxion, down by 13.4% and Brazilian companies, Omega Energia, Electrobras and Santos Port which declined by 13.7%, 11.1% and 10.7% respectively.

Realisations of £12.2m significantly outweighed purchases of £4.6m during August.



DEBT

UEM repaid USD 10.0m on its debt facility during the month. Bank debt therefore decreased from £21.2m to £13.5m and was drawn as GBP 7.5m and EUR 7.0m.

OTHER

UEM's share price ended August at 220.00p, down 4.3% in the month. The discount to NAV narrowed to 13.9% from 14.4%. UEM bought back 1.3m shares at an average price of 220.65p in the month.

A first quarterly interim dividend of 2.15p per ordinary share in respect of the year ending 31 March 2024, was declared in August which will be paid on 22 September 2023 to shareholders on the register on 1 September 2023.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

Important Notes

The information presented on this document is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to deal in UEM. Investments in UEM are subject to investment risks and the value of investments and the income derived from them may fall as well as rise and investors may not get back the principal amount invested. Past performance is not indicative of future performance. Investors should read the prospectus along with the supplement(s) and seek relevant professional advice before making any investment decision. The information presented has been obtained from sources believed to be reliable, but no representation or warranty is given or may be implied that they are accurate or complete. The Investment Managers reserve the right to make any amendments to the information at any time, without notice. Issued by ICM Investment Management Limited (registered in England: 08421482), which is authorised and regulated by the Financial Conduct Authority (FRN: 630094).