

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments

JUNE 2021

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

OBJECTIVE

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

INVESTMENT APPROACH

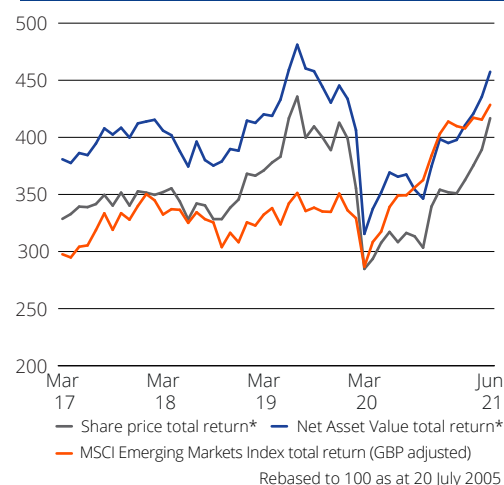
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

KEY DATES

Launch Date⁺	20 July 05
Year End	31 March
AGM	21 September 2021
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2021

⁺Utilico Emerging Markets Limited – UEM's predecessor

PERFORMANCE



PERFORMANCE (Total return*)	1 month	3 months	1 year	3 years	Inception
Share Price	7.1%	14.9%	31.4%	27.0%	316.8%
Net Asset Value	5.0%	11.4%	23.9%	22.1%	357.4%
MSCI Emerging Markets Index (GBP adjusted)	3.1%	5.0%	26.4%	31.8%	328.5%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Jun 21	Jun 20	Jun 19	Jun 18	Jun 17
Share Price	31.4%	(23.9%)	27.0%	(3.2%)	18.6%
Net Asset Value	23.9%	(19.6%)	22.6%	(2.6%)	19.0%
MSCI Emerging Markets Index (GBP adjusted)	26.4%	(0.9%)	5.3%	6.5%	26.4%

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

FUND DETAILS

ORDINARY SHARES

NAV at launch ⁺	98.36p
NAV (cum income)	252.32p
Share Price	225.00p
Discount to diluted NAV	(10.8%)
NAV Total return since launch*	357.4%
Annual average compound return*	10.0%
Historic Dividend paid per share (last 12 months)	7.78p
Historic Dividend Yield (last 12 months)	3.5%
Ongoing charges figure	1.4%
Shares in issue	220,363,814
Ticker	UEM.L

⁺Utilico Emerging Markets Limited – UEM's predecessor

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

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£605.7m
Bank Debt	£(49.7)m
Shareholders' Funds	£556.0m
Gearing (based on AIC definition)	5.5%

GEARING AIC - standardised gearing calculation as recommended by the AIC is based on net assets

INVESTMENT MANAGEMENT FEE (PER ANNUM)

1.0% of NAV up to and including £500m;
 0.9% of NAV exceeding £500m up to and including £750m;
 0.85% of NAV exceeding £750m up to and including £1,000m; and
 0.75% of NAV exceeding £1,000m

INVESTMENT MANAGERS

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

www.icm.limited





PERFORMANCE

UEM's NAV total return increased 5.0% during June, ahead of the MSCI Emerging Markets Total Return Index which was up 3.1% in Sterling terms over the month.

Global stock market performance was mixed in June, with the US, European and Latin American markets generally firmer, but weakness in many Asian markets, with new Covid-19 surges triggering tighter lockdown restrictions across the region. Covid vaccination rates in Asia are generally much lower than those in Europe and North America.

Inflation in the US jumped to 5.0% in June, which the Federal Reserve said was "largely reflecting transitory factors", although FOMC Committee members did raise their US inflation projections for 2021 from 2.4% to 3.4% and expectations on the timing of a rate increase has been brought forward to 2023 from 2024. The US Dollar firmed in response, strengthening 2.6% against Sterling.

Brazil, as expected, raised its benchmark SELIC interest rate in June reaching 4.25% but policymakers indicated that larger increases may be warranted in the coming months to curb inflation which hit a five year high of 8.4% in June. The Brazilian Real strengthened by 6.8% against Sterling and the Bovespa Index gained 0.5% in the month.

PORTFOLIO

There were three changes to the constituents of the top thirty holdings in the portfolio during June, with Link Net, Telecom Egypt and Telelink Business Services replacing Electrobras, CESC and Starpharma.

Link Net is a fixed line broadband and cable television operator in Indonesia and the share price gained 5.1% on speculation of a change in ownership. Telecom Egypt's share price advanced by 19.4% after its associate Vodafone Egypt announced a substantial special dividend. Telelink re-entered the top thirty after UEM increased its stake. UEM reduced its holdings in Electrobras and CESC during the month.

Share prices which performed particularly strongly in June included ICT, which

continued to advance after its strong Q1 21 results, being up by 11.9% during the month. Gujarat State Petronet's share price advanced by 20.5% following the release of strong results for the year to 31 March 2021. Naver's share price gained 16.5% and Simpar's share price rose by 11.4% during June.

The Chinese gas sector was weak with China Gas' share price down by 19.7% and Kunlun Energy down by 19.0% following a gas pipeline explosion in Hubei Province at China Gas which killed 25 people.

Purchases during the month for the portfolio amounted to £25.5m and realisations totalled £35.1m.

DEBT

UEM's bank debt rose modestly in June, primarily due to exchange rate movements to £49.7m and drawn as USD 35.5m and EUR 28.0m.

OTHER

UEM's share price ended June at 225.00p, up 6.1% during the month. The discount narrowed to 10.8%.

During the month UEM bought back 0.4m shares at an average price of 221.41p.

UEM's fourth quarterly interim dividend of 2.00p per ordinary share in respect of the year ending 31 March 2021, was paid on 23 June 2021 to shareholders on the register on 4 June 2021.

Charles Jillings ICM Investment Management Limited and ICM Limited

SECTOR SPLIT OF INVESTMENTS	
Ports and Logistics	20.2%
Electricity	15.2%
Data Services and Digital Infrastructure	14.7%
Gas	10.1%
Telecoms and Satellites	8.6%
Other	7.8%
Road and Rail	6.4%
Infrastructure Investment Funds	5.9%
Renewables	5.2%
Airports	3.9%
Water and Waste	2.0%

PORTFOLIO SUMMARY

TOP THIRTY HOLDINGS	% of total investments
1 International Container Terminal Services Inc.	5.9%
2 Ocean Wilsons Holdings Limited	3.9%
3 Gujarat State Petronet Limited	3.6%
4 Alupar Investimento S.A.	3.1%
5 Simpar S.A.	3.0%
6 India Grid Trust	3.0%
7 Rumo S.A.	2.6%
8 My E.G. Services Bhd	2.3%
9 China Everbright Greentech Limited	2.2%
10 Corporacion Financiera Colombiana S.A.	2.1%
11 Power Grid Corporation of India Limited	2.1%
12 Ecorodovias Infraestrutura e Logistica S.A.	2.0%
13 Naver Corporation Limited	1.9%
14 FPT Corporation	1.7%
15 KINX Inc	1.7%
16 Telelink Business Services	1.7%
17 Citic Telecom International Holdings Limited	1.7%
18 VinaCapital Vietnam	1.7%
19 Hidrovias do Brasil S.A.	1.7%
20 KunLun Energy Company Limited	1.7%
21 Société Nationale des Télécommunications du Senegal (Sonatel)	1.7%
22 CGN Capital Partners Infra Fund 3	1.6%
23 Bolsa de Valores de Colombia	1.6%
24 China Gas Holdings Limited	1.5%
25 Engie Energia Chile S.A.	1.5%
26 Link Net	1.4%
27 KT Corporation	1.4%
28 China Tian Lun Gas Holdings Limited	1.3%
29 Conpet SA	1.3%
30 Telecom Egypt	1.3%
Total Top Thirty	64.2%

GEOGRAPHICAL SPLIT OF INVESTMENTS	
Brazil	19.3%
China including Hong Kong	16.1%
India	13.8%
Other Asia	10.8%
Other Europe	7.5%
South Korea	6.3%
The Philippines	5.9%
Middle East/Africa	5.8%
Colombia	4.1%
Romania	3.1%
Mexico	2.7%
Malaysia	2.3%
Chile	2.3%

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

UK Contact: Telephone: 01372 271 486

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).

