

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments

MARCH 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

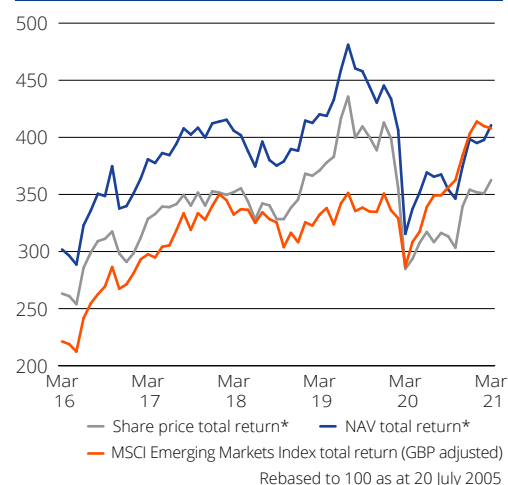
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

KEY DATES

Launch Date⁺	20 July 05
Year End	31 March
AGM	September
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	3.3%	2.4%	27.3%	3.0%	262.6%
Net Asset Value ("NAV")	3.2%	3.1%	30.2%	1.2%	310.6%
MSCI Emerging Markets Index (GBP adjusted)	(0.5%)	1.2%	42.3%	22.7%	307.9%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
Share Price	27.3%	(23.2%)	5.4%	7.1%	24.9%
Net Asset Value	30.2%	(24.9%)	3.5%	6.6%	26.2%
MSCI Emerging Markets Index (GBP adjusted)	42.3%	(13.7%)	0.0%	11.7%	34.5%

*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

Ticker: UEM.L

NAV at launch ⁺	98.36p
NAV (cum income)	228.54p
Share Price	197.50p
Discount to diluted NAV	(13.6%)
NAV Total return since launch*	310.6%
Annual average compound return*	9.4%
Historic Dividend paid per share (last 12 months)	7.70p
Historic Dividend Yield (last 12 months)	3.9%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	221,273,374

⁺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	£556.1m
Bank Debt	£(50.4)m
Shareholders' Funds	£505.7m
Gearing (based on AIC definition)	10.3%

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

INVESTMENT MANAGEMENT FEE

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 3.2% during March outperforming the MSCI Emerging Markets Total Return Index which was down 0.5% in Sterling terms over the month.

The success of the US vaccination programme and the passing of the USD 1.9 trillion stimulus bill buoyed the US and other developed market indices in March. Inflation concerns remain, although the Fed's focus remains on giving the US economy support to get people back into work as quickly as possible and ignoring transitory inflationary signals. There was a rotation away from growth towards value sectors and capital flows continued to be repatriated to the US from emerging and especially frontier markets. The inflationary signals saw the US Dollar strengthen.

The spread of more transmissible Covid-19 variants caused concern in many regions, including Latin America, South Asia and Eastern Europe, although this did not necessarily correlate with stock market performance. Whilst the weakness of China's markets dragged down the global EM indices, many markets were strongly positive for the month. Brazil's BOVESPA and Mexico's Bolsa IPC Index both advanced by 6.0%.

Tensions between China and the US continue to grow under the Biden administration and there was a resurgence in tensions between Russia and Ukraine. Brazil raised interest rates by 75bps and Turkey by 200bps. The latter decision resulted in Erdogan's swift removal of the Central Bank Governor, to which markets reacted negatively. The blockage of the Suez Canal disrupted shipping for several days.

Sterling declined by 1.3% against the US Dollar during the month but gained 1.9% against the Euro. The Brazilian Real was little changed against Sterling in March..

PORTFOLIO

From this month, UEM is disclosing its top thirty positions (previously twenty), representing two-thirds of the portfolio's value. 23 of the 30 holdings saw a gain in share price during the month.

Significant price movements during the month included Santos, which rose by 18.0% on an increase in port volumes and expectations of an imminent contract price increase with a major shipping line. Also in

Brazil, stronger forward guidance from Rumo helped propel its share price to a 11.8% gain for the month. In China, Kunlun Energy's share price increased by 14.6% after good results and confirmation of a significant special dividend following divestment of its midstream assets to PipeChina.

Purchases during the month for the portfolio amounted to £18.1m and realisations totalled £8.0m.

DEBT

UEM increased its bank debt in March from £40.4m to £50.4m, drawn as USD 69.5m. The £50m bank facility was extended until March 2024 and novated to The Bank of Nova Scotia, London Branch.

OTHER

UEM's share price ended March at 197.50p, up 2.3%. 345,000 shares were bought back during March at an average price of 196.76p.

UEM's third quarterly interim dividend of 1.925p per ordinary share in respect of the year ending 31 March 2021, was paid on 24 March 2021 to shareholders on the register on 5 March 2021.

On 25 March, UEM announced changes to the investment management fee arrangements. The performance fee has been discontinued from 1 April 2021 and the management fee was amended from 0.65% to a tiered structure shown overleaf. UEM's performance fee for the year ended 31 March 2021 amounted to £5.1m.

Charles Jillings ICM Investment Management Limited and ICM Limited

SECTOR SPLIT OF INVESTMENTS

Electricity	19.2%
Ports and Logistics	16.3%
Data Services and Infrastructure	13.6%
Gas	11.5%
Telecoms and Satellites	9.3%
Other	7.9%
Road and Rail	6.1%
Renewables	5.1%
Infrastructure Investment Funds	5.0%
Airports	3.9%
Water and Waste	2.1%

PORTFOLIO SUMMARY

TOP THIRTY HOLDINGS	% of total investments
1 International Container Terminal Services Inc.	6.0%
2 India Grid Trust	3.4%
3 Ocean Wilsons Holdings Limited	3.2%
4 Gujarat State Petronet Limited	3.2%
5 Alupar Investimento S.A.	3.0%
6 My E.G. Services Bhd	2.7%
7 Rumo S.A.	2.7%
8 China Everbright Greentech Limited	2.5%
9 Corporacion Financiera Colombiana S.A.	2.3%
10 Engie Energia Chile S.A.	2.3%
11 China Gas Holdings Limited	2.1%
12 Power Grid Corporation of India Limited	2.0%
13 KunLun Energy Company Limited	2.0%
14 KINX Inc	2.0%
15 Citic Telecom International Holdings Limited	1.9%
16 Simpar SA	1.9%
17 Bolsa de Valores de Colombia	1.9%
18 Naver Corporation Limited	1.8%
19 Centrais Elétricas Brasileiras S.A. (Eletrobras)	1.8%
20 Conpet SA	1.8%
21 Starpharma Holdings Limited	1.7%
22 Société Nationale des Télécommunications du Senegal (Sonatel)	1.7%
23 Santos Brasil Participações S.A.	1.7%
24 Telelink Business Services	1.6%
25 VinaCapital Vietnam	1.6%
26 CGN Capital Partners	1.5%
27 Ecorodovias Infraestrutura e Logistica S.A.	1.5%
28 Torrent Power Limited	1.4%
29 FPT Corporation	1.4%
30 KT Corporation	1.4%
Total Top Thirty	66.0%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	18.0%
China including Hong Kong	17.8%
India	13.5%
Other Asia	9.4%
South Korea	6.5%
The Philippines	6.1%
Other Europe	6.0%
Middle East/Africa	5.6%
Colombia	4.8%
Chile	3.3%
Romania	3.2%
Malaysia	3.2%
Mexico	2.6%

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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).

