

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments

JANUARY 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

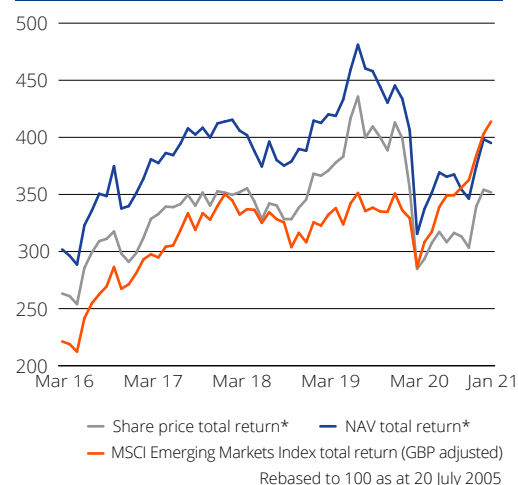
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

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	(0.6%)	16.0%	(11.8%)	0.1%	251.9%
Net Asset Value ("NAV")	(0.8%)	14.1%	(8.9%)	(4.6%)	295.0%
MSCI Emerging Markets Index (GBP adjusted)	2.7%	14.1%	23.1%	18.1%	313.8%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Jan 21	Jan 20	Jan 19	Jan 18	Jan 17
Share Price	(11.8%)	8.4%	4.7%	17.8%	21.7%
Net Asset Value	(8.9%)	4.6%	0.2%	17.9%	27.9%
MSCI Emerging Markets Index (GBP adjusted)	23.1%	3.2%	(7.1%)	24.6%	41.9%

*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)	221.73p
Share Price	193.50p
Discount to diluted NAV	(12.7%)
NAV Total return since launch*	295.0%
Annual average compound return*	9.2%
Historic Dividend paid per share (last 12 months)	7.70p
Historic Dividend Yield (last 12 months)	4.0%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	222,208,374

⁺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	£538.6m
Bank Debt	£(45.9)m
Shareholders' Funds	£492.7m
Gearing (based on AIC definition)	6.1%

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

INVESTMENT MANAGEMENT FEE

0.65% of net assets plus Company Secretarial Fee.

PERFORMANCE FEE

15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year.

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 decreased marginally by 0.8% in January, underperforming the MSCI Emerging Markets Total Return Index which increased by 2.7% in Sterling terms over

the same month.

January again marked a month of mixed performance with the beginning of January seeing a strong start as the potential for a roll out of a global Covid-19 vaccine became more of a reality. The inauguration of Joe Biden, the 46th President of the US, along with the Democrats securing two Senate seats in the state of Georgia giving the Democrats control of the Senate, the House of Representatives, and the White House for the first time since 2009, also fuelled the optimism that there would be further stimulus which came in the form of the USD 1.9 trillion "American Rescue Plan". However, concerns over a delayed exit from Covid-19 and new variants emerging dampened some of the euphoria resulting in the S&P Index being down for the month by 1.1%.

The UK exit from Europe on 31 December 2020 ended up being overshadowed by greater concerns of how the country's economy would recover from yet another lockdown as January's Flash Composite PMI Index fell sharply from 50.4 to 40.6. Focus is now crucially on the vaccine rollout and how the government will tackle the reopening of the economy. Over the month of January, the FTSE 100 Index was down marginally by 0.8%.

Within the emerging markets, performance was mixed. The Hong Kong Hang Seng Index was up 3.9%, alongside the Chinese Shanghai Composite Index which was up 0.3%, helped by domestic economic data remaining firm and boosted by continued strong performance from internet and e-commerce stocks. Elsewhere in Asia, the Thai Set Index was up 1.2% but other Asian markets lagged, with the Philippines PSEi Index down 7.4% due to slow vaccine procurement and stimulus bills only materialising at the end of the month. The Malaysian Bursa Index was also down 3.7%, along with the Indian Sensex Index which was down 3.1%. Within Latin America, performance was also mixed as the Chilean

IPSA Index was up 2.7% helped by the market's high exposure to copper whilst the Brazilian Bovespa was down 3.3%. Concerns lingered around President Bolsonaro's response to the increasing rise of Covid-19 cases and a possible extension of emergency aid which could impact the country's fiscal accounts.

Sterling depreciated against the Chinese Renminbi and the Thai Baht by 0.8% and 0.1% respectively, whilst appreciated against all other currencies, up 5.6% against the Brazilian Real, up 3.5% against the Chilean Peso and up 2.0% against the Mexican Peso.

PORTFOLIO

There were two changes to the top twenty holdings over the month of January with Conpet S.A., a specialised Romanian petroleum transport services company, re-entering the top twenty and KunLun Energy appearing for the first time. KunLun is a Chinese gas company with midstream and downstream assets, as well as some non-core upstream assets.

Performance in the portfolio for January was mixed with Kinx and Conpet both posting strong share price performances up 18.4% and 16.8%, respectively, driven by strong market sentiment. India Grid Trust was up 13.3% on the back of solid 3Q21 results which saw EBITDA up 25% driven by the onboarding of new assets and a quarterly increase in DPS. The poorer performers for January were Electrobras, down 22.2% on the news of the departure of the well regarded CEO and the market pricing a lower probability of privatization prior the CEO's departure. China Gas was down 11.1% due to the potential impact of higher LNG prices during January.

Purchases and sales during the month were £7.7m and £21.3m, respectively.

DEBT

UEM's bank debt reduced from £46.1m to £45.9m in January, all drawn in US Dollars.

OTHER

UEM's share price decreased by 0.6% over the period, marginally narrowing the discount to 12.7%. During January UEM bought back 200,000 shares at an average price of 200.88p.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

PORTFOLIO SUMMARY

TOP TWENTY HOLDINGS		% of total investments
1	International Container Terminal Services Inc.	6.5%
2	Alupar Investimento S.A.	3.4%
3	India Grid Trust	3.4%
4	Ocean Wilsons Holdings Limited	3.3%
5	Rumo S.A.	3.0%
6	My E.G. Services Bhd	2.9%
7	China Everbright Greentech Limited	2.8%
8	Engie Energia Chile S.A.	2.6%
9	Corporacion Financiera Colombiana S.A.	2.6%
10	KINX Inc	2.5%
11	Gujarat State Petronet Limited	2.5%
12	Bolsa de Valores de Colombia	2.1%
13	Conpet SA	2.0%
14	China Gas Holdings Limited	2.0%
15	Simpar SA	2.0%
16	Citic Telecom International Holdings Limited	1.9%
17	Power Grid Corporation of India Limited	1.9%
18	KunLun Energy Company Limited	1.8%
19	Centrais Eléctricas Brasileiras S.A. (Elektrobras)	1.8%
20	Ecorodovias Infraestrutura e Logistica S.A.	1.7%
Total Top Twenty		52.7%

SECTOR SPLIT OF INVESTMENTS

Electricity	20.2%
Ports and Logistics	15.4%
Data Services and Infrastructure	13.6%
Gas	10.9%
Telecoms and Satellites	8.6%
Other	8.2%
Road and Rail	8.0%
Renewables	5.4%
Infrastructure Investment Funds	5.4%
Airports	2.9%
Water and Waste	1.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	19.6%
China including Hong Kong	17.2%
India	12.2%
Other Asia	8.9%
South Korea	6.9%
The Philippines	6.5%
Middle East/Africa	6.2%
Other Europe	5.7%
Colombia	5.4%
Chile	3.5%
Romania	3.4%
Malaysia	3.4%
Mexico	1.1%

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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).

