

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments



Overall rating out of 2,748 Global Emerging Markets Equity funds as of 30 June 2023.

JUNE 2023

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.

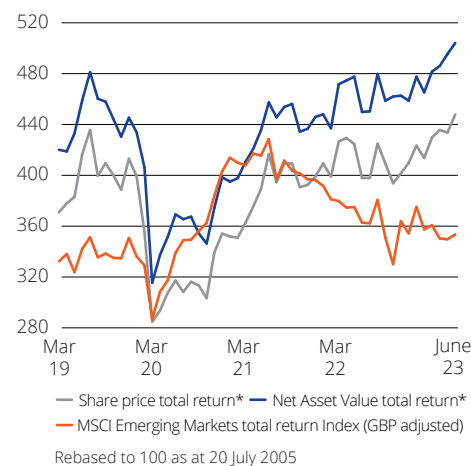
INVESTMENT APPROACH

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 2005
Year End	31 March
AGM	September 2023
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2026

PERFORMANCE



PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	5 years	Inception
Share Price	3.3%	4.2%	12.5%	41.2%	36.5%	347.8%
Net Asset Value ("NAV") per share	1.7%	4.7%	12.1%	36.5%	34.6%	404.1%
MSCI Emerging Markets Index (GBP adjusted) ("MSCI")	1.1%	(2.0%)	(2.6%)	4.3%	8.7%	253.5%

ROLLING 12 MONTH PERFORMANCE (Total return*)

	June 23	June 22	June 21	June 20	June 19
Share Price	12.5%	(4.5%)	31.4%	(23.9%)	27.0%
Net Asset Value ("NAV") per share	12.1%	(1.6%)	23.8%	(19.6%)	22.6%
MSCI Emerging Markets Index (GBP adjusted) ("MSCI")	(2.6%)	(15.3%)	26.4%	(0.9%)	5.3%

FUND DETAILS

ORDINARY SHARES

NAV per share at launch +	98.36p
NAV per share (cum income)	260.52p
Share price	224.00p
Discount to NAV	(14.0%)
NAV per share total return since launch *	404.1%
Annual average compound return *	9.4%
Historic dividend paid per share (last 12 months)	8.45p
Historic dividend yield (last 12 months)	3.8%
Ongoing charges figure	1.4%
Shares in issue	201,120,467
Ticker	UEM.L

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£545.3m
Bank Debt	£(21.4)m
Shareholders' Funds	£523.9m
Gearing/(net cash)	3.1%

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

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

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.

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+ 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

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).

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PERFORMANCE

UEM's NAV total return increased by 1.7% in June, ahead of the MSCI Emerging Markets total return Index ("MSCI") which was up by 1.1% in Sterling terms. For the first six months of the calendar year, UEM's NAV total return was 9.9%, significantly

outperforming the MSCI which declined by 0.2% in Sterling terms over the same period.

Equity markets were mostly positive in June. The Federal Reserve didn't raise interest rates at its June meeting, although indicated that it was likely that additional increases in the benchmark interest rate would be appropriate in the coming months. The European Central Bank did raise interest rates by 25bps to 4.0% in June and the Bank of England surprised markets with its 50bps rise to a benchmark rate of 5.0%.

The S&P 500 Index was up 6.5% over the month, while in Europe the Eurostoxx rose by 4.3%.

China continues to experience a cooling of export demand and consumer confidence remains fragile, particularly driven by concerns about the real estate market. There was a modest 10bps cut in the People's Bank of China benchmark rate during June and with a potential risk of deflation and high youth unemployment, further stimuli to drive domestic consumption will probably be required. The Shanghai Composite Index was slightly down in June, declining by 0.1% although the Hang Seng Index did recover some of May's losses, rising by 3.7% in the month.

Brazil's stock market continues to rally strongly with the Bovespa Index increasing 9.0% over the month as investors continued to respond positively to the growing likelihood of an interest rate cut from the current 13.75% level at the Central Bank's next meeting in August. Elsewhere in Latam, the Mexico Bolsa advanced by 1.5% while the Chilean IPSA Index rose by 5.8%.

Inflation in India declined sharply in May falling to 4.25%, only 25bps above the Reserve Bank of India's target rate of 4.0%, although the monsoon season adds a level of unpredictability to the inflationary outlook. Interest rates look set to be held at the current 6.5% level for the rest of this year with economists currently expecting a modest rate cut in early 2024. The Indian SENSEX index rose by 3.3% in June. The State Bank of Vietnam cut interest rates by a further 50bps in June, taking reductions this year to 150bps, in the face of lower export demand for manufactured goods and weak sentiment towards the real estate sector. Vietnam Ho Chi Minh Index gained 4.2% for the month.

In the currency markets, Sterling and the Euro strengthened in response to interest rate rises. The US Dollar weakened with the DXY Index falling by 1.4% in the month and the US Dollar down 2.5% against Sterling. EM currencies were mixed against Sterling, with the Brazilian Real gaining 3.5% and the Mexican Peso up 0.9%. The Chinese Renminbi was noticeably weaker, declining by 4.7%, the Indian Rupee declined by 1.7% and the Vietnamese Dong declined by 2.9% against Sterling.

PORTFOLIO

There were three changes to the top thirty holdings, with Transport Trade Services ("TTS"), Engie Brasil Energia and Bolsa de Valores de Colombia ("BVC") replacing OMA, Grupo Traxion and Shanghai International Airport, primarily due to relative performance.

TTS is a Romanian operator of port and freight forwarding services principally between the Black Sea port of Constanta and river ports on the Danube. Engie Brasil Energia is a Brazilian renewable energy generator which also owns electricity and gas transmission assets. BVC operates the Colombian Stock Exchange.

Nine stocks in the top thirty gained more than 5.0% in local currency terms in June. The strongest performers in June were TTS, Omega Energia and Centrais Electricas Brasileiras which rose by 18.1%, 13.6% and 13.0% respectively. KINX and Power Grid of India both gained 9.9% for the month. Engie Energia Chile rose by 8.9%, Engie Energia Brasil by 8.6% and Rumo's share price appreciated by 6.8%.

During the month, China Datang Renewables share price declined by 7.4%, Vamos was down by 6.3% and Gujarat State Petronet decreased by 5.3%.

Purchases for the portfolio totalled £2.8m and realisations totalled £8.6m for the month of June.

DEBT

UEM's bank debt decreased from £33.9m to £21.3m and was drawn as USD 10.0m, GBP 7.5m and EUR 7.0m.

OTHER

UEM's share price ended June at 224.00p, up 2.3%. The discount to NAV narrowed to 14.0% from 15.2%. UEM bought back 458,889 shares at an average price of 223.36p in June.

UEM's fourth quarterly interim dividend of 2.15p per ordinary share in respect of the year ended 31 March 2023 was paid on 23 June 2023 to shareholders on the register on 2 June 2023.

On 27 June 2023, the ICM investment team presented to a number of private investors on the Investor Meet Company platform, you can watch the presentation on UEM's website via this link - <https://www.uemtrust.co.uk/investor-relations/analyst-research>.

Charles Jillings ICM Investment Management Limited and ICM Limited

SECTOR SPLIT OF INVESTMENTS

Electricity	20.1%
Ports and Logistics	18.0%
Renewables	13.0%
Data Services and Digital Infrastructure	11.9%
Gas	7.3%
Water and Waste	6.7%
Telecommunications	6.2%
Airports	5.2%
Road and Rail	4.1%
Infrastructure Investment Funds	3.9%
Other	3.6%

TOP THIRTY HOLDINGS		% of total investments
1	Petalite Limited	5.3%
2	Alupar Investimento S.A.	4.5%
3	International Container Terminal Services, Inc.	4.4%
4	Orizon Valorizacao de Resiuos S.A.	3.7%
5	Gujarat State Petronet Limited	3.3%
6	India Grid Trust	2.9%
7	Power Grid Corporation of India Limited	2.6%
8	FPT Corporation	2.5%
9	Engie Energia Chile S.A.	2.5%
10	Santos Brasil Participacoes S.A.	2.5%
11	Rumo S.A.	2.4%
12	Umeme Limited	2.4%
13	Centrais Eletricas Brasileiras S.A. (Eletrobras)	2.2%
14	VinaCapital Vietnam Opportunity Fund Ltd	2.2%
15	Citic Telecom International Holdings Limited	2.1%
16	Aguas Andinas S.A.	2.1%
17	InPost S.A.	2.0%
18	Korean Internet Neutral Exchange Inc. (KINX)	2.0%
19	China Datang Corporation Renewable Power Co., Limited	1.8%
20	KunLun Energy Company Limited	1.7%
21	CGN Capital Partners Infra Fund 3	1.7%
22	China Gas Holdings Limited	1.7%
23	Omega Energia S.A.	1.6%
24	Vamos Locacao De Caminhos, Maquinas E Equipamentos S.A.	1.5%
25	TTS (Transport Trade Services) S.A.	1.5%
26	Conversant Solutions Pte Limited	1.4%
27	Powergrid Infrastructure Investment Trust	1.4%
28	Engie Brasil Energia S.A.	1.4%
29	Telelink Business Services	1.3%
30	Bolsa de Valores de Colombia	1.3%
Total Top Thirty		69.9%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	24.9%
China incl. HK	13.7%
India	11.2%
Vietnam	7.0%
UK	6.5%
Other Europe	6.1%
Middle East/Africa	5.7%
Chile	4.6%
The Philippines	4.4%
Other Asia	3.9%
Mexico	3.5%
South Korea	3.1%
Poland	2.9%
Colombia	2.5%