


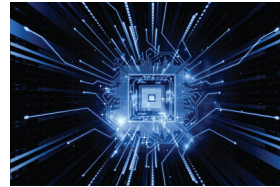




2024

REPORT AND ACCOUNTS

TRENDS DRIVING UIL'S INVESTMENT OPPORTUNITIES

 <p>SOMERS LIMITED</p> <p>Changes in markets and regulation opening up business opportunities</p>	 <p>ZETA RESOURCES</p> <p>Technology changes impacting commodity demands</p>	 <p>UTILICO Emerging Markets Trust plc</p> <p>Focused on infrastructure and utilities in emerging markets, where structural growth drivers are accelerated by global infrastructure megatrends</p>	 <p>ALLECTUS CAPITAL</p> <p>Disruptive technologies and business models</p>
---	--	---	---

UIL's objective is to maximise shareholder returns by identifying and investing in compelling long term investments worldwide, where the underlying value is not fully recognised.

IN THE YEAR TO 30 JUNE 2024

REVENUE EARNINGS
PER ORDINARY SHARE

10.15p

(2023: 6.68p)

DIVIDENDS PER
ORDINARY SHARE

8.00p

(2023: 8.00p)

NET ASSET VALUE
("NAV") TOTAL RETURN
PER ORDINARY SHARE*

-15.3%

(2023: -20.6%)

SHARE PRICE
TOTAL RETURN PER
ORDINARY SHARE*

-24.8%

(2023: -18.5%)

* See Alternative Performance Measures on pages 104 to 106

CONTENTS

PERFORMANCE

- 3 Group Performance Summary
- 4 Chairman's Statement
- 8 Performance Since Inception (14 August 2003)

STRATEGIC REPORT AND INVESTMENTS

- 10 Investment Managers' Report
- 14 Top Ten Companies as at 30 June 2024
- 15 Geographical Investment Exposure
- 16 Macro Trends Affecting Our Portfolio
- 18 Our Investment Approach
- 20 ESG Spotlight
- 21 Ten Largest Holdings
- 27 Capital Structure
- 29 ZDP Shares
- 31 Strategic Report
- 41 Investment Managers and Team

GOVERNANCE

- 44 Directors
- 45 Directors' Report
- 50 Corporate Governance Statement
- 55 Directors' Remuneration Report
- 58 Audit & Risk Committee Report
- 61 Statement of Directors' Responsibilities

AUDIT

- 62 Independent Auditor's Report

FINANCIAL STATEMENTS

- 66 Accounts
- 72 Notes to the Accounts

ADDITIONAL INFORMATION

- 101 Notice of Annual General Meeting
- 103 Company Information
- 104 Alternative Performance Measures
- 107 Historical Performance

The business of UIL Limited ("UIL" or the "Company") consists of investing the pooled funds of its shareholders in accordance with its investment objective and policy, generating a return for shareholders and spreading the investment risk. UIL has borrowings and gearing is also provided by zero dividend preference ("ZDP") shares, issued by its wholly owned subsidiary UIL Finance Limited ("UIL Finance"). The joint portfolio managers of UIL are ICM Investment Management Limited ("ICMIM") and ICM Limited ("ICM"), together referred to as the "Investment Managers".



FINANCIAL CALENDAR

Year End

30 June

Annual General Meeting ("AGM")

14 November 2024

Half Year

31 December

Dividends Payable

September, December, March and June

GROUP PERFORMANCE SUMMARY

	30 June 2024	30 June 2023	% change 2024/23
NAV total return per ordinary share ¹ (for the year) (%)	(15.3)	(20.6)	n/a
Share price total return per ordinary share ¹ (for the year) (%)	(24.8)	(18.5)	n/a
Annual compound NAV total return ¹ (since inception ²) (%)	6.5	7.8	n/a
NAV per ordinary share (pence)	164.04	199.87	(17.9)
Ordinary share price (pence)	103.50	145.00	(28.6)
Discount ¹ (%)	36.9	27.5	n/a
Returns and dividends (pence)			
Revenue return per ordinary share	10.15	6.68	51.9
Capital return per ordinary share	(39.99)	(59.70)	33.0
Total return per ordinary share	(29.84)	(53.02)	43.7
Dividends per ordinary share	8.00 ³	8.00	0.0
FTSE All-Share total return Index	9,729	8,611	13.0
Equity holders' funds (£m)			
Gross assets ¹	240.2	304.9	(21.2)
Loans	2.9	42.7	(93.2)
ZDP shares	99.8	94.6	5.5
Equity holders' funds	137.5	167.6	(18.0)
Revenue account (£m)			
Income	12.2	10.2	19.6
Costs (management and other expenses)	1.5	1.7	(11.8)
Finance costs	2.2	2.9	(24.1)
Net income	8.5	5.6	51.8
Financial ratios of the Group (%)			
Ongoing charges figure ¹	2.8	2.8	n/a
Gearing ¹	73.6	83.5	n/a

1 See Alternative Performance Measures on pages 104 to 106

2 All performance data relating to periods prior to 20 June 2007 are in respect of Utilico Investment Trust plc, UIL's predecessor

3 The third and fourth quarterly dividends of 2.00p each have not been included as a liability in the accounts

CHAIRMAN'S STATEMENT



STUART BRIDGES
Chairman

It has been another challenging year for UIL with its focus on smaller, value stocks. Investment performance has been disappointing with UIL's NAV total return down 15.3% for the year to 30 June 2024. UIL's annual compound NAV total return since inception in 2003 is 6.5% per annum.

Over the twelve months to 30 June 2024 inflation has reduced significantly in most countries and markets have moved higher as investors have gained confidence in the economic outlook and the reduction in interest rates for most markets. However, the Australian market fell 4.8% over the year which, given UIL's 47.6% weighting to Australia and New Zealand, has been a headwind.

A small positive is the reduction in UIL's net debt to £101.2m from £139.9m as at 30 June 2023, which has seen UIL's gearing decline. As at 30 June 2024 UIL's gearing stood at 73.6% (30 June 2023: 83.5%).

Since inception in August 2003, UIL has distributed £99.7m in dividends, invested £36.9m in ordinary share buybacks and made net gains of £184.0m for a total return of 276.3% (adjusted for the exercise of warrants and convertibles).

The Board is disappointed to see the ordinary shares discount to NAV widen to 36.9% at the end of the year

(30 June 2023: 27.5%). This is partially explained by the focus of applying cash resources to the repayment of the outstanding bank loans and planning for the 2024 ZDP shares redemption. Consequently, no buybacks were undertaken in the year ended 30 June 2024.

Since the year ended 30 June 2024, the Company has bought back a modest amount of ZDP shares and ordinary shares.

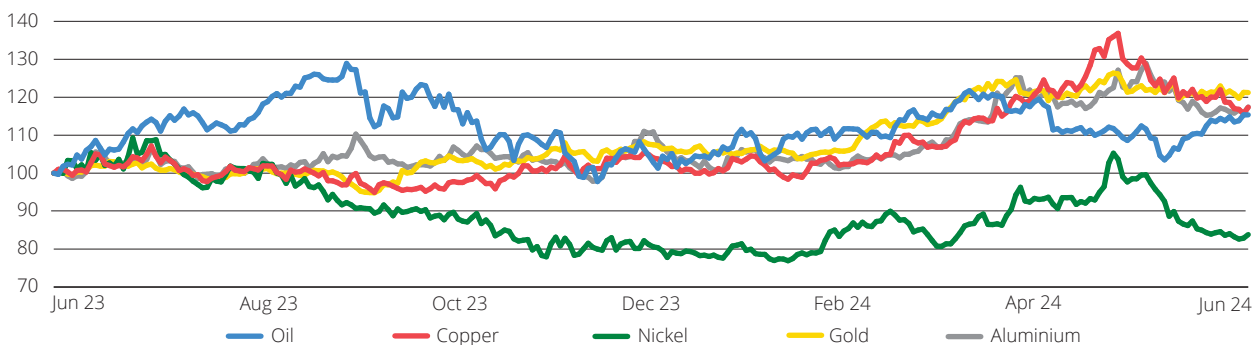
UIL's 2024, 2026 and 2028 ZDP shares are trading at significantly higher gross redemption yields compared to those as at 30 June 2023, being 12.4%, 10.9% and 10.7% respectively. As at 30 June 2024, UIL's average blended rate of funding costs had decreased from 5.7% to 5.2%, mainly as a result of the lower bank borrowings.

Total revenue income for the year to 30 June 2024 was £12.2m, an increase of 19.6% from £10.2m in the prior year, a good outcome given the reduced level of investments. Revenue finance costs decreased significantly in the year to 30 June 2024 to £2.2m, down 24.1% from the prior year at £2.9m. This resulted in revenue return earnings per share ("EPS") of 10.15p, representing an increase of 51.9% from 30 June 2023 of 6.68p.

The Board declared unchanged third and fourth quarterly dividends of 2.00p per ordinary share which maintains the total for the year at 8.00p, and a yield on the closing ordinary share price of 7.7%. It is UIL's current intention to maintain the annual dividend at 8.00p, payable quarterly, in the absence of unforeseen circumstances.

COMMODITIES MOVEMENTS

from 30 June 2023 to 30 June 2024

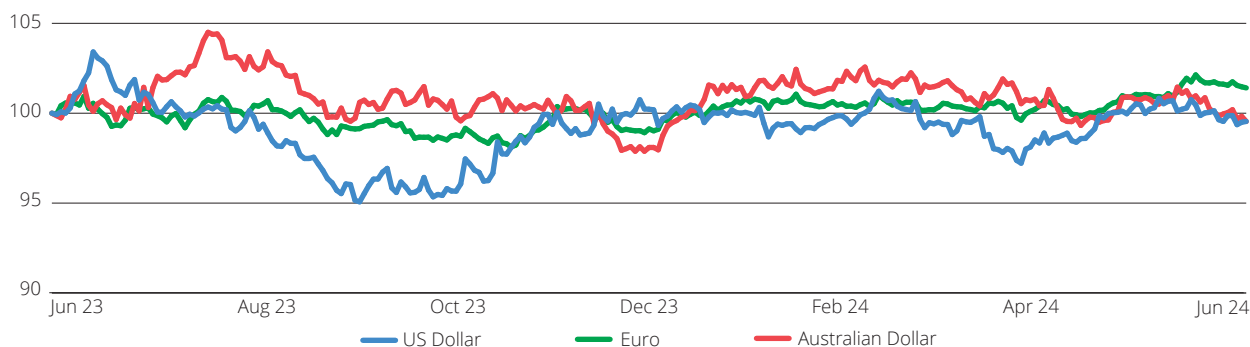


Rebased to 100 as at 30 June 2023

Source: Bloomberg

CURRENCY MOVEMENTS vs STERLING

from 30 June 2023 to 30 June 2024



Rebased to 100 as at 30 June 2023

Source: Bloomberg

The revenue reserves carried forward increased to £15.2m as at 30 June 2024 from £11.7m as at 30 June 2023, representing revenue reserves per share of 18.15p (30 June 2023: 14.00p).

The capital return loss for the year ended 30 June 2024 was £33.5m.

GROUP DEBT REDUCTION

There have been significant realisations in UIL's platform companies Somers Limited ("Somers") and Zeta Resources Limited ("Zeta") helping UIL to repay its Bank of Nova Scotia debt facility in full. In addition, Somers paid dividends to its shareholders, of which UIL received £9.5m, while Zeta offered to buy back shares on the market from all its shareholders and UIL received £4.7m from its tendered shares.

Within UIL's portfolio there were realisations of £52.4m, of which sales of Utilico Emerging Markets Trust plc ("UEM") (£19.8m), Permanent Investment Limited (holder of 16.7% of Littlepay Mobility Limited ("Littlepay")) (£4.7m), Somers (£4.3m) and West Hamilton Holdings Limited's ("West Hamilton") capital distribution of £8.4m were the largest.

ZDP REDEMPTION

The redemption of the 2024 ZDP shares will take place on 31 October 2024.

GLOBAL EVENTS

Several themes continue to dominate global events: heightened geopolitical tensions, elections, China's emerging dominance, the outlook for inflation and interest rates, climate change, technology and Artificial Intelligence ("AI"). Most of these are well understood, but thinking evolves and opportunities emerge.

The emergence of a strong China focused on moving up the value chain is being achieved by encouraging innovation and technology, and seeking resilience for their economy and equality for their citizens. The Chinese government has actively supported businesses which achieve its aims resulting in China dominating a number of world class research and industrial manufacturing processes from solar to electric vehicles ("EV"). China has shifted from being the world's supplier of high volume lower technology products (shoes to tennis rackets) to lower volume higher technology products (solar, wind and EV's) investing to meet not only its own but the world's demands.

The challenge for most economies is the inability to respond at scale. That has led to rising protectionism such as Canada's imposition of 100% tariffs on EVs and Chile's imposition of steel tariffs. China wants to build its middle class wealth while many of the world's countries want to protect their middle class.

We fully expect the ongoing friction between the USA and China to continue to deepen and it is now difficult to see how this reverses direction. Given the USA

CHAIRMAN'S STATEMENT (continued)

and China are the two largest economies globally this must pose significant risks at some point in the future, especially for technology businesses on each side of the Pacific Ocean.

The wars in Ukraine and Gaza have both gone on longer than expected and today there continues to be no clear way forward. Over time a solution will emerge, but the risk of a wrong decision leading to escalation remains high.

Inflation has moved markedly lower for most economies over the year in the face of high interest rates and central banks are now starting to cut rates. This will no doubt be beneficial to markets as risk assets are priced higher.

Despite the high interest rate environment labour markets have remained remarkably strong. We believe that a number of factors are driving this such as nearshoring, green investments and the emerging digital economy which enable companies such as Airbnb and others to utilise underused economic assets to generate returns.

An ever increasing factor for investors is climate change. It has clearly had devastating impacts on a number of communities from wildfires in Canada to floods in Germany. We are seeing whole ecosystems being impacted by prolonged droughts and record temperatures. As investors we need to prepare for these outcomes to continue across our portfolios.

There is a very perceptible shift to embrace AI by most businesses and as with most technological developments, those without legacy businesses benefit the most, but eventually all businesses will need to adapt or risk failure. This has been our experience in the fintech sector. UIL has a number of investments with significant exposure to AI, blockchain and quantum computing.

BOARD

As noted in the half yearly financial report, Peter Burrows stepped down as Chairman of the Board on 31 March 2024 and I was appointed Chairman. Peter Burrows has been an excellent Chairman since his appointment in 2015 and his chairmanship during this challenging time was exemplary. We thank him warmly for his contribution.

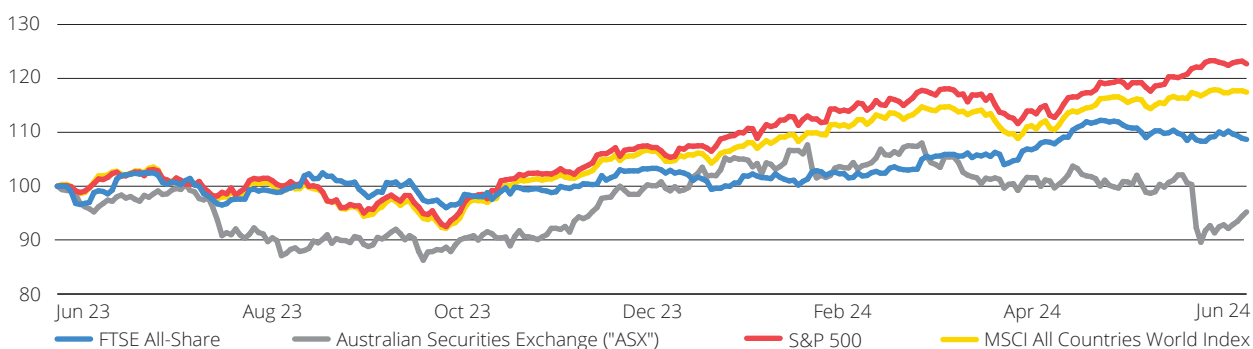
Peter Durhager joined the Board at the end of March and has agreed to chair the Audit & Risk Committee. Peter brings significant operational experience to UIL which will be invaluable to the Board.

FUTURE OF THE COMPANY

While we have a number of potentially exciting investments within the portfolio, such as the merged Waverton Investment Management Group ("Waverton") and London & Capital Group ("London & Capital"), and Diraq Pty Ltd ("Diraq"), our quantum computing investment, we recognise that recent poor investment performance has resulted in UIL not having

INDICES MOVEMENTS

from 30 June 2023 to 30 June 2024



Rebased to 100 as at 30 June 2023

Source: Bloomberg

the scale to build up a sufficiently diversified portfolio. In addition, the liquidity of the ordinary shares on the market, given the significant major shareholder ownership, is problematic while our general investment mandate does not provide the focused offering which the investor base in the UK now prefers.

Given this, the logical conclusion is to work towards taking the Company private and cancelling its stock exchange listings following the redemption of the 2028 ZDP shares.

The Investment Managers and majority shareholder both recognise this and have combined to put forward proposals, which the Board supports, to manage UIL over the next four years with a view to realising sufficient investments to enable the redemption of the ZDP shares and provide an opportunity for the UIL minority shareholders to exit.

To facilitate this, it is the intention to simplify the platform structures. This is likely to result in merging the Somers and Zeta investment vehicles into UIL, thereby consolidating the investments of Somers and Zeta with those of UIL. Such proposals will increase UIL's asset base, although the external minority interests in UIL will decrease as a percentage of the shares in issue, owing to the UIL majority shareholder's current shareholding in Somers and Zeta. It is proposed that these consolidations will be implemented at NAV to NAV.

As referred to above, it is UIL's current intention, in the absence of unforeseen circumstances, to maintain the annual dividend at 8.00p, payable quarterly.

Furthermore, it is UIL's aim to provide each year, through a cost effective mechanism, the opportunity for minority shareholders to exit a significant proportion of their shares at a discount to NAV of approximately 20%. Starting in the second half of 2025, this will provide liquidity for minority shareholders before the 2028 privatisation and, in addition, UIL plans to continue to buy back ordinary shares and ZDP shares in the market. It is hoped that these steps will lead to improved liquidity in UIL's shares, provide improved choice for ordinary shareholders to exit, whilst maintaining an income yield to 2028, for those shareholders who prefer regular income. It also provides improved asset cover for the outstanding ZDP shareholders.

As a first step, UIL and General Provincial Life Pension Fund Limited who together hold 95.0% of the outstanding share capital in Zeta, have formally notified Zeta on 12 July 2024 that they are considering acquiring the shares in Zeta that they do not currently own, by compulsory acquisition in accordance with s103 of the Companies Act 1981 of Bermuda. It is contemplated that such offer would be at or near Zeta's NAV at the time the offer is made.

OUTLOOK

The outlook for worldwide economies increasingly rests with global leadership, both political and central bankers. The polarising of views to the left and right of the political spectrum is driving fractures through nations as leaders seek to navigate through escalating challenges. The rising pressure to meet social expectations and the impact of climate change, natural disasters and conflict will be difficult to navigate. Clearly the US election is a pivotal moment as are the decisions by the US central bank. We remain focused on reducing risk and helping investee companies through these challenges to emerge stronger.

Stuart Bridges

Chairman

8 October 2024

PERFORMANCE SINCE INCEPTION (14 AUGUST 2003)

ANNUAL COMPOUND
NAV TOTAL RETURN*

6.5%

NAV TOTAL RETURN
PER ORDINARY SHARE*

276.3%

ANNUAL COMPOUND
SHARE PRICE TOTAL
RETURN*

6.2%

SHARE PRICE TOTAL
RETURN PER ORDINARY
SHARE*

251.4%

REVENUE EARNINGS
PER ORDINARY SHARE

141.29p

DIVIDENDS PER
ORDINARY SHARE

114.83p

DIVIDENDS PAID
OUT

£99.7m

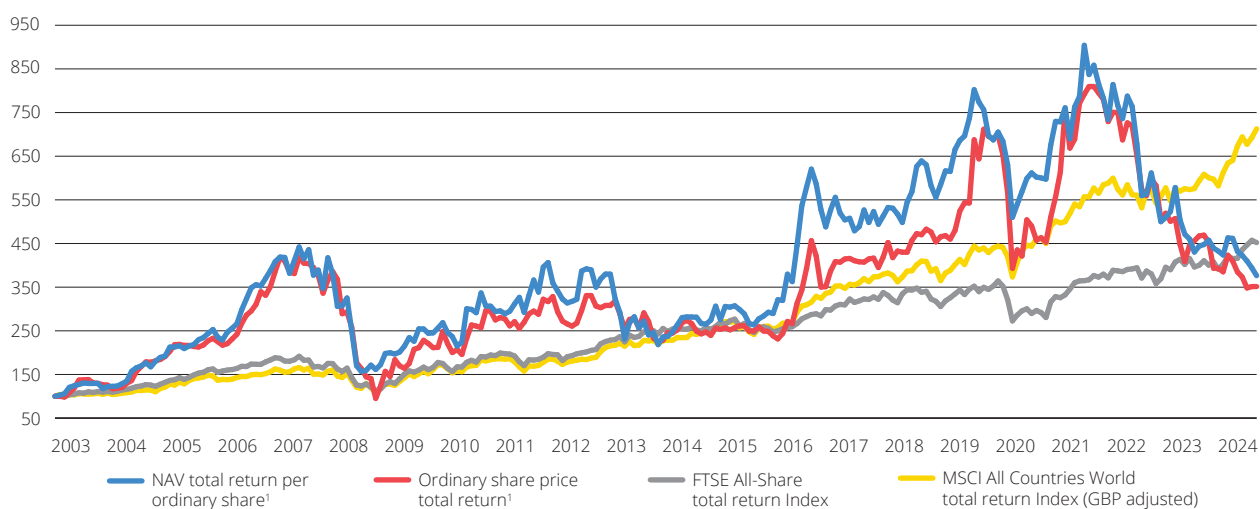
REVENUE RESERVES
PER ORDINARY SHARE
CARRIED FORWARD*

18.15p

* See Alternative Performance Measures on pages 104 to 106

HISTORIC TOTAL RETURN PERFORMANCE (pence)

since inception to 30 June 2024



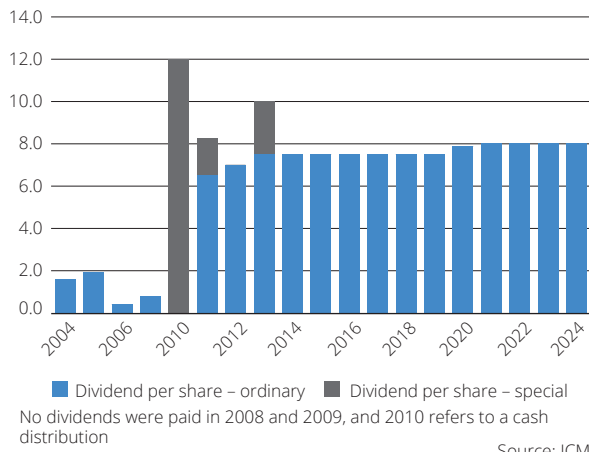
Rebased to 100 as at 14 August 2003

¹ Adjusted for the exercise of warrants and convertibles

Source: ICM and Bloomberg

DIVIDENDS PER ORDINARY SHARE (pence)

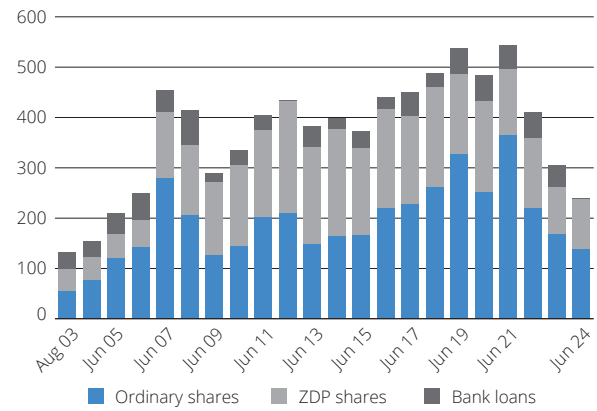
from 30 June 2004 to 30 June 2024



Source: ICM

ALLOCATION OF GROSS ASSETS (£m)

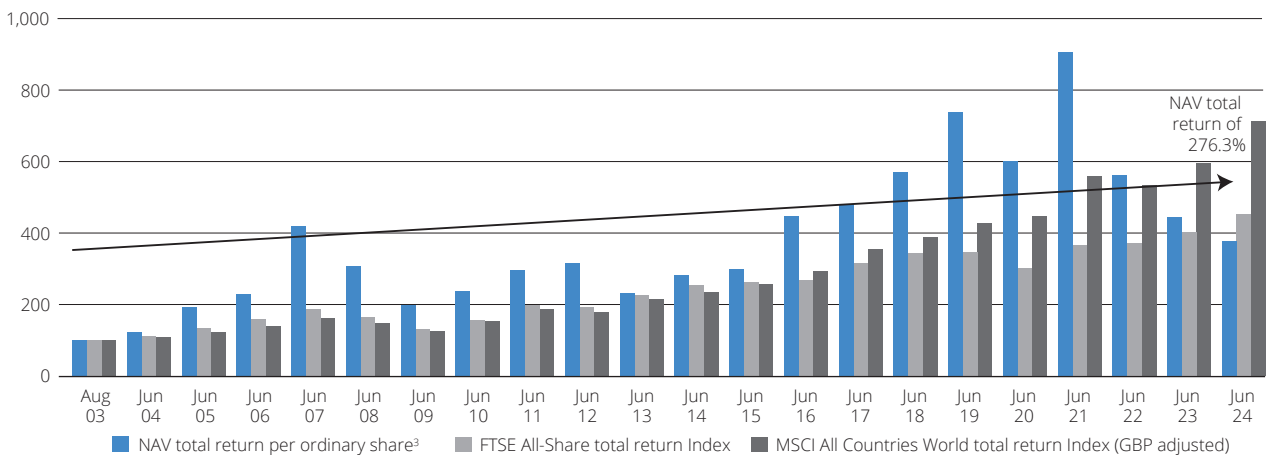
from 14 August 2003 to 30 June 2024



Source: ICM

CUMULATIVE TOTAL RETURN COMPARATIVE PERFORMANCE (pence)

from 14 August 2003 to 30 June 2024 (Rebased to 100 as at 14 August 2003²)



² Inception of Utilico Investment Trust PLC

³ Adjusted for the exercise of warrants and convertibles

Source: ICM and Bloomberg

INVESTMENT MANAGERS' REPORT



CHARLES JILLINGS
Investment Manager

The need to repay UIL's bank debt of £37.5m during the year to 30 June 2024 created continued pressure on substantial portfolio realisations in difficult markets. Consequently, this has been a difficult year for the Company to navigate.

UIL's loss for the year to 30 June 2024 was £25.0m resulting in NAV per share of 164.04p,

a decline of 17.9%. This has dragged UIL's annual compound NAV total return since inception in 2003 down to 6.5% per annum, a disappointing outcome. Total net debt reduced by £38.8m to £101.2m and gearing reduced by 9.9% to 73.6%, which was positive.

PORTFOLIO

There was significant activity over the year including realisations within the top ten holdings, which enabled them to fund capital distributions, dividends and buybacks. The investment portfolio reduced from £308.3m to £238.8m, with the reduction comprising £28.2m from losses on investments and £41.3m being net proceeds of portfolio sales.

It should be noted that UEM and Zeta's share price discounts to NAV widened and now represent a £13.3m reduction to the underlying valuations.

Somers' valuation was largely unchanged in the year to 30 June 2024, being up by 0.4%. However, Somers distributed material dividends to its shareholders and adding these back, Somers' total return was 8.9% for the year. Within Somers' portfolio a significant transaction completed on 28 June 2024, when Waverton merged its business with London & Capital creating a £19.3bn wealth and asset management business. This is a transformative transaction for Waverton and we remain excited about its prospects. The combined business has the scale, capability and momentum to significantly outperform the market. As part of the merger, Somers reduced its investment in Waverton by two thirds and now owns an 18.0% interest in the enlarged wealth and asset management group. The cash released from the transaction allowed Somers to repay its debt and distribute dividends to its shareholders and UIL received £9.2m. In addition, UIL sold 302,000 of its

Somers shares at fair value to a fellow shareholder, Union Mutual Pension Fund Limited ("UMPF"). During the year, Waverton gained in value for a total return of 9.9%.

Within the Somers portfolio, Resimac Group Limited ("Resimac") largely stood still with its share price declining by 2.3% which was more than offset by dividend distributions of 8.5%. It should be noted that UIL holds a direct investment in Resimac, which continues to be in UIL's top ten investments, in addition to Somers' investment in Resimac.

Zeta's NAV per share decreased by 22.8% over the year and its share price declined by 18.0%. This is mainly due to the collapse in nickel prices, the consequent valuation decline of Panoramic Resources Limited which entered administration, and the share price decline of 61.9% at Alliance Nickel Limited. Together these two investments contributed losses of AUD 48.9m in the year to Zeta.

Hudbay Minerals gained £2.5m in the year and Zeta took the opportunity to profitably exit its holding realising £23.3m. Zeta used the funds to buy back shares from shareholders and UIL successfully tendered 8.2% of its holding realising £4.7m for UIL.

UEM's NAV total return over the twelve months was up 7.6%. However, UEM's share price discount widened over the year from 14.0% to 18.6% reducing the total returns to UIL to 2.5%. UIL reduced its shareholding in UEM selling nearly half of its holding, realising £19.8m given the need for UIL to repay its bank loan.

The valuation of Allectus Quantum Holdings Limited ("Allectus Quantum") was flat over the year. Its sole investment is Diraq, a next generation quantum computing company. Diraq continues to meet its milestones including raising external funding in these challenging markets. Globally there is significant interest in quantum computing from the technology industry, investors and governments. Diraq is seen as an industry leader and its valuation remains modest relative to its market position, competitors and the amount of patents and intellectual property owned.

Allectus Capital Limited's ("Allectus Capital") valuation reduced by 40.9% due to write downs which mirrored sharp declines in peer group multiple valuations.

West Hamilton, a listed Bermuda property developer, completed the sale of its major asset in Bermuda. It used the proceeds to reduce its debt and to fund a

significant distribution to its shareholders of which UIL's share was £8.4m.

The Market Limited continues to underwhelm and its share price decline of 48.3% during the year to 30 June 2024 was reflective. However, it has a strong Australian digital footprint and good brand positioning in Gumtree, Carsguide and Autotrader, with over AUD 2.0bn in annual transactions on its platforms, but unlocking of this ecommerce platform value will be challenging.

UIL sold Permanent Investments Limited, which held 16.7% in Littlepay, to Somers. It should be noted that UIL on a look through basis holds 19.8% of Littlepay as at 30 June 2024.

Carebook Technologies Inc ("Carebook") and WT Financial Group Limited ("WT Financial") entered into the top ten holdings due to the sale of Littlepay and reduced valuation of Arria NLG Limited.

As we have highlighted before, within the Somers' portfolio is an investment in AK Jensen Group Limited ("AKJ") which comprises a platform for both traditional hedge funds and hedge funds trading digital assets. In addition, AKJ has issued tokens, a crypto currency, which have been sold to investors and hedge fund managers in the crypto platform. Valuing the token is difficult as few metrics allow comparability and the industry has not settled on a methodology we can readily adopt. While investors and hedge fund managers on the AKJ platform are buying AKJ tokens at EUR 0.37 the volume held by Somers would likely see a discount driven by lower liquidity opportunities and reduced fee discount benefits held by these hedge fund managers. Somers holds 75.0m AKJ tokens directly and holds further AKJ Tokens indirectly through its investments in AKJ group companies who in turn hold AKJ Tokens in treasury. Somers values these tokens at EUR 0.185 per token. Each EUR 0.05 represents £5.7m swing in valuation for Somers and £2.3m for UIL. Further details on AKJ can be found on their website and note 29 to the accounts.

FOREIGN EXCHANGE

As at 30 June 2024 UIL held no forward FX derivative positions. Last year we noted that UIL was expected to be less vulnerable to volatility in the FX markets for the coming year. This has turned out to be correct. In the year ended 30 June 2024, forward contract FX and currency losses amounted to £0.1m (30 June 2023: £3.6m).

COMMODITIES

Commodities were stronger during the year to 30 June 2024, with one exception, nickel was down 16.2%. Oil, copper and gold were all up by 15.4%, 17.4% and 21.2% respectively.

PORTFOLIO ACTIVITY

During the year to 30 June 2024, UIL invested £11.1m and realised £52.4m. The realisations include UEM, £19.8m, West Hamilton capital distribution of £8.4m and Zeta's buy back of £4.7m.

PLATFORM INVESTMENTS

UIL currently has three platform investments, Somers, Zeta and Allectus Capital in its top ten holdings. These investments account for 66.8% of the total portfolio as at 30 June 2024 (30 June 2023: 58.6%). During the year to 30 June 2024, net withdrawals from these platforms, including dividends, amounted to £16.7m (30 June 2023: £36.0m). We have excluded UEM as a platform given the reduction in shareholding following the sale of 49.1% of UIL's holding in UEM.

DIRECT INVESTMENTS

UIL has seven direct investments in its top ten holdings, UEM, Resimac, Allectus Quantum, West Hamilton, The Market Limited, Carebook and WT Financial.

GEOGRAPHIC AND SECTOR REVIEW

The geographical and sector split as set out on page 12 reflects movements as a result of the above, the halving of the investment in UEM and 20.2% loss of value at Zeta, and the realisation of two thirds of Waverton sees Australia and New Zealand rise. Financial Services was up, and Infrastructure nearly halved due to the partial divestment of UEM.

LEVEL 3 INVESTMENTS

UIL's investment in level 3 companies amounted to 61.3% (30 June 2023: 56.0%) of the total portfolio. The total value reduced from £172.7m as at 30 June 2023 to £146.3m as at 30 June 2024, mainly as a result of West Hamilton's capital distribution, Somers' dividend and a further mark down in the Allectus Capital portfolio. The level 3 investments are revalued twice a year, but where there is a material event that impacts a level 3 investment, it is revalued at the time, thereby keeping the valuations current.

INVESTMENT MANAGERS' REPORT (continued)

IN THE YEAR TO 30 JUNE 2024

AUSTRALIA & NEW ZEALAND
REMAINS UIL'S LARGEST
EXPOSURE AT

47.6%
(2023: 40.1%)

UK REMAINS UIL'S SECOND
LARGEST COUNTRY EXPOSURE AT

10.9%
(2023: 19.2%)

AFRICA IS NOW UIL'S THIRD
LARGEST EXPOSURE AT

10.4%
(2023: 6.9%)

EUROPE IS NOW UIL'S FOURTH
LARGEST EXPOSURE AT

8.7%
(2023: 5.4%)

See page 15 for the full geographic exposure

BERMUDA IS NOW UIL'S FIFTH
LARGEST COUNTRY EXPOSURE AT

8.2%
(2023: 9.5%)

ASIA IS NOW UIL'S SIXTH
LARGEST EXPOSURE AT

6.4%
(2023: 6.0%)

SECTOR SPLIT OF INVESTMENTS



Financial Services

47.9%
(2023: 40.6%)



Technology

22.9%
(2023: 23.6%)



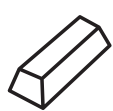
Resources

12.4%
(2023: 14.4%)



Infrastructure
Investments

7.7%
(2023: 11.6%)



Gold Mining

5.1%
(2023: 3.4%)



Other

4.0%
(2023: 6.4%)

IN THE YEAR TO 30 JUNE 2024

INVESTED*

£11.1m
(2023: £120.6m)

REALISED*

£52.4m
(2023: £188.4m)

TOTAL REVENUE INCOME

£12.2m
(2023: £10.2m)

LEVEL 1 & 2
INVESTMENTS*

£92.5m
(2023: £135.7m)

LEVEL 3
INVESTMENTS*

£146.3m
(2023: £172.7m)

LEVEL 3
% OF TOTAL PORTFOLIO

61.3%
(2023: 56.0%)

* See note 10 to the accounts

Source: ICM

GEARING

Notwithstanding the significant pull back in portfolio valuations during the year, this was more than offset by the reduction in bank debt. As a result, gearing decreased to 73.6% as at 30 June 2024 from 83.5% as at 30 June 2023 and this remains well inside UIL's target gearing of under 100.0%. At an absolute level UIL's net debt decreased over the year from £139.9m to £101.2m as at 30 June 2024. UIL's debt has almost halved over the last two years.

The blended costs of borrowing as at 30 June 2024 decreased from 5.7% in the previous year to 5.2% as a result of the lower loan debt.

ZDP SHARES

On a consolidated basis the ZDP shares increased by 5.5% from £94.6m to £99.8m, reflecting the compounding capital return. The 2024 ZDP shares are due for redemption on 31 October 2024 and UIL is taking steps to fund the redemption. The liability of £40.8m as at 30 June 2024 has been moved to current liabilities in the Group balance sheet.

UIL continues to hold 2.3m 2026 ZDP shares and 0.6m 2028 ZDP shares as at 30 June 2024.

BANK AND OTHER DEBT

Bank and other loans decreased to £2.9m as at 30 June 2024 (30 June 2023: £42.7m). The Bank of Nova Scotia's £37.5m committed senior secured multi-currency revolving facility was repaid in the year to 30 June 2024 and today UIL has no bank facility.

As at 30 June 2024, UMPF had loaned £2.9m to UIL. This loan was repaid in August 2024.

REVENUE RETURNS

Revenue income for the year to 30 June 2024 increased to £12.2m from £10.2m, an increase of 19.6%.

Management and administration fees and other expenses were down 11.8% at £1.5m (30 June 2023: £1.7m). Finance costs were significantly lower, down by 24.1% at £2.2m for the year to 30 June 2024 from £2.9m in the prior year, mainly as a result of the repayment of loans.

Revenue profit increased by 51.8% to £8.5m (30 June 2023: £5.6m) and EPS increased by 51.9% to 10.15p (30 June 2023: 6.68p).

CAPITAL RETURNS

Capital total income reported a loss of £28.3m (30 June 2023: loss of £44.0m) which was driven mainly by the £28.2m loss on investments, representing losses of 9.1% on the opening portfolio.

Finance costs reduced by 14.8% to £5.2m (30 June 2023: £6.1m) largely reflecting the lower number of ZDP shares in issue following the redemption of the 2022 ZDP shares in October 2022.

The resultant capital return loss for the year to 30 June 2024 was £33.5m (30 June 2023: loss of £50.0m) and EPS loss was 39.99p per ordinary share (30 June 2023: loss of 59.70p).

EXPENSE RATIO

The ongoing charges figure, including and excluding performance fees, was unchanged at 2.8% for the year ended 30 June 2024 (30 June 2023: 2.8%). No performance fee was earned at the UIL level or the platform companies.











All expenses are borne by the ordinary shareholders.

Charles Jillings

ICM Investment Management Limited and ICM Limited

8 October 2024

TOP TEN COMPANIES AS AT 30 JUNE 2024

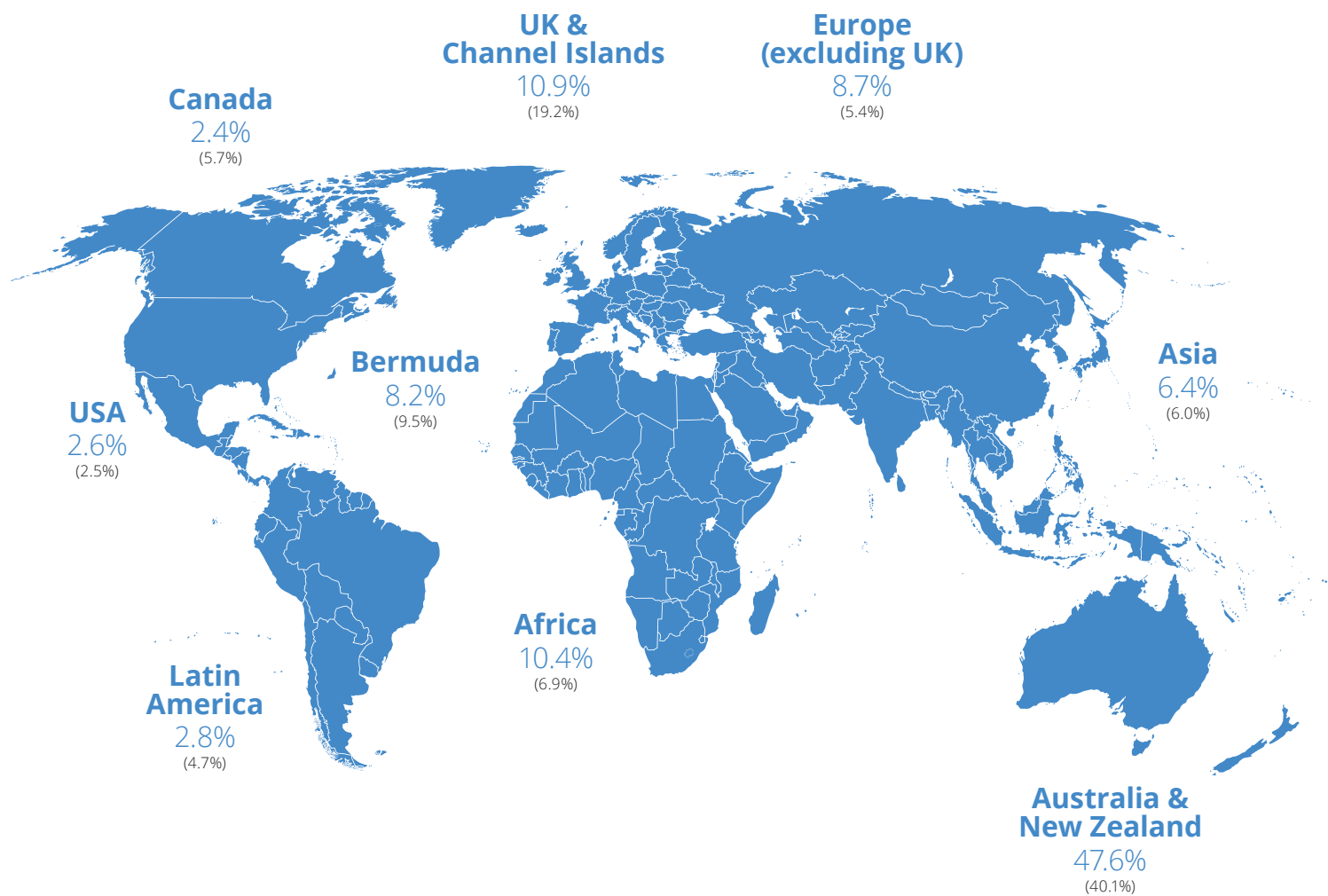
<p>1  SOMERS LIMITED</p> <hr/> <p>44.2%</p> <hr/> <p>Somers Limited</p> <hr/> <p>Financial Services</p> <hr/> <p>A financial services investment platform, which primarily invests in the wealth management and asset financing sectors.</p> <hr/> <p>105,481 Fair value £'000s</p>	<p>2  ZETA RESOURCES</p> <hr/> <p>17.5%</p> <hr/> <p>Zeta Resources Limited</p> <hr/> <p>Resources</p> <hr/> <p>A resources-focused investment platform, which invests in a range of resource entities and base metals exploration and production companies.</p> <hr/> <p>41,796 Fair value £'000s</p>	<p>3  UTILICO Emerging Markets Trust plc</p> <hr/> <p>8.6%</p> <hr/> <p>Utilico Emerging Markets Trust plc</p> <hr/> <p>Investment Fund</p> <hr/> <p>A UK listed fund uniquely focused on global infrastructure megatrends in emerging markets.</p> <hr/> <p>20,494 Fair value £'000s</p>	<p>4  resimac</p> <hr/> <p>6.9%*</p> <hr/> <p>Resimac Group Limited</p> <hr/> <p>Financial Services</p> <hr/> <p>A lender for residential mortgages and asset finance in Australia and New Zealand.</p> <hr/> <p>16,426 Fair value £'000s</p>	<p>5  Allectus Quantum Holdings Ltd</p> <hr/> <p>6.1%</p> <hr/> <p>Allectus Quantum Holdings Limited</p> <hr/> <p>Technology</p> <hr/> <p>An investment holding company for Australia based quantum computing startup Dirac.</p> <hr/> <p>14,681 Fair value £'000s</p>
<p>6  ALLECTUS CAPITAL</p> <hr/> <p>5.1%</p> <hr/> <p>Allectus Capital Limited</p> <hr/> <p>Technology</p> <hr/> <p>An investment platform with a growth-stage portfolio of technology companies.</p> <hr/> <p>12,157 Fair value £'000s</p>	<p>7  WEST HAMILTON Holdings Limited</p> <hr/> <p>2.8%</p> <hr/> <p>West Hamilton Holdings Limited</p> <hr/> <p>Investment Fund</p> <hr/> <p>A Bermuda property holding and management company.</p> <hr/> <p>6,718 Fair value £'000s</p>	<p>8  THE MARKET</p> <hr/> <p>2.5%</p> <hr/> <p>The Market Limited</p> <hr/> <p>Financial Services</p> <hr/> <p>A multi-platform and financial news business operating in Australia and Canada, and the owner of a number of online classified listings businesses.</p> <hr/> <p>5,992 Fair value £'000s</p>	<p>9  Carebook</p> <hr/> <p>1.7%</p> <hr/> <p>Carebook Technologies Inc</p> <hr/> <p>Technology</p> <hr/> <p>A digital health company providing employee health and wellness solutions to employers globally as well as pharmacy management solutions to pharmacies.</p> <hr/> <p>4,001 Fair value £'000s</p>	<p>10  WT FINANCIAL GROUP</p> <hr/> <p>1.0%</p> <hr/> <p>WT Financial Group Limited</p> <hr/> <p>Financial Services</p> <hr/> <p>A financial services company that provides wealth management, retirement planning and personal risk insurance advice services.</p> <hr/> <p>2,525 Fair value £'000s</p>

Note: % relates to % of total investments

*25.1% on a look-through basis

GEOGRAPHICAL INVESTMENT EXPOSURE

(% of total investments on a look-through basis)



Figures in brackets as at 30 June 2023

Source: ICM

MACRO TRENDS AFFECTING OUR PORTFOLIO

GEOPOLITICS AND GLOBAL TRADE



- Global geopolitical tensions and rising populism/nationalism is leading to rising protectionism by countries resulting in export restrictions (tariffs) and companies reassessing their supply chains.
- The increasingly multi-polar world and reshaping of the competitive trade environment are presenting new trading dynamics - there has been an increasing in “shoring” (onshoring, nearshoring and friendshoring) and the need to diversify supply chains.
- Increasing importance of emerging market economies in the share of world trade is changing the economics of how global trade has traditionally been executed.

RESOURCES AND ENERGY GROWTH AND TRANSITION



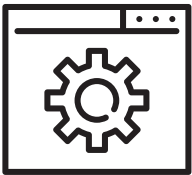
- Growing demand for energy resources as global economic growth continues, requiring ongoing investment in energy infrastructure.
- Geopolitical tensions continue to highlight the need for countries to ensure energy independence and cutting reliance on imported energy sources.
- Increasing focus on renewable energy resources, as lower or net zero emission targets to combat climate change require decarbonisation of the energy matrix.
- Drive to reach net zero targets increasing long term demand for several commodities including nickel, copper, lithium and graphite.
- Heightened multi-polar world driving demand for safe haven assets such as gold.

GROWTH OF EMERGING MARKETS



- Emerging markets economies continue to be driven by underlying structural growth drivers of:
 - Positive demographics – typically a young, growing and increasingly better educated working class age population
 - Increasing urbanisation – driving need for investment into infrastructure to support urban growth
 - Rise of the middle class – growing discretionary income increasing demand for goods and services leading to better quality of life
 - Strong gross domestic product growth – importance of emerging markets’ share of global trade continues to increase.
- Structural growth drivers pushing demand for supporting investment in infrastructure assets such a transportation, utilities and telecommunications.

DIGITALISATION



- Developments in AI algorithms and processing capacity driving new opportunities to optimise resources, drive efficiencies, reduce risk and accelerate innovation across a broad range of industries.
- 5G mobile and full-fibre broadband rollout presents opportunities for businesses and benefits to consumers driven by enhanced connected applications in sectors including e-commerce, e-government, online education, telemedicine, automotive, logistics, communications and media.
- Increased use of internet connected sensors (internet of things), cloud storage and AI data processing driving further automation in manufacturing, healthcare, security, smart cities and transportation.

FINTECH



- Innovative solutions in financial technology disintermediating the traditional financial sector business models with lower cost, lower risk, more secure, more convenient solutions for payments, lending, leasing, tax collection, social security payments, insurance, savings, pensions and investments.
- Changing demographics and improved financial sophistication of individuals are altering demand for financial services products, providing a fertile ground for innovative products and services e.g. Buy Now Pay Later and e-commerce.
- Growing emphasis on individual responsibility for personal savings and investments as government and company schemes come under increasing demographic driven pressures.

OUR INVESTMENT APPROACH

ICM is a long term investor and typically operates focused portfolios with narrow investment remits. ICM has several dedicated research teams who have deep knowledge and understanding in their specific sectors, which improves the ability to source and make compelling investments. ICM has approximately USD 1.6bn of assets directly under management and is responsible indirectly for a further USD 9.4bn of assets in subsidiary investments.

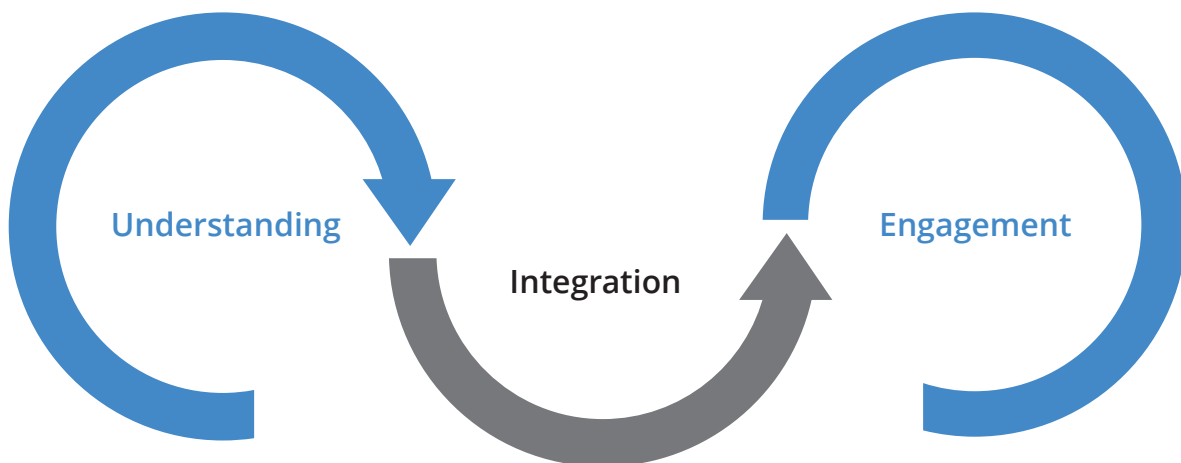
ICM looks to exploit market and pricing opportunities and concentrates on absolute performance. The investments are not market index driven and the

investment portfolio comprises a series of bottom-up decisions. ICM typically does not participate in either an IPO or an auction unless there is compelling value.

UIL seeks to leverage ICM's investment abilities to both identify and make investments across a range of industries. New investments usually offer an attractive valuation with strong risk/return expectations at the time of investment.

When reviewing investment opportunities, as part of the investment process ICM will look to understand the material ESG factors.

ICM incorporates ESG factors into the investment process in three key ways:



In-depth analysis of the key issues that face potential and current holdings, as well as a **deep understanding** of the industry in which they operate.

Incorporate the output of the 'Understanding' component into the full company analysis to ensure a **clear and complete picture** of the investment opportunity is obtained.

Engage with investee companies on the key issues on a regular basis, both virtually and on location, where possible, to **discuss and identify** any gaps in their ESG policies to further develop and improve their ESG disclosure and implementation.

ICM works to create value by harnessing our experience and expertise to generate and grow strong relationships with our stakeholders

We are focused on creating sustainable long term value for our shareholders and supporting the broader community through our:

Values



ICM's origins date back to 1988 and our organisation has evolved with offices now spanning the globe. We are focused on our values of:

- Independence and Integrity
- Excellence
- Creativity and Innovation
- Accountability

Team



We are proud of our diverse and inclusive environment for our teams to work in, which reflects the diversity of our communities.

Investment Practices



Our deep and extensive research and understanding of the companies, sectors and markets we invest in moderates our risk and creates value for our investors. Our status as a signatory to the United Nations-supported Principles of Responsible Investment emphasises our commitment to integrating ESG factors into our investment decision making process.

Financial



Strong balance sheet and disciplined capital allocation to drive sustainable growth and shareholder value.

Platforms



Technology, digital and analytics enable our investment platforms to deliver growth for our shareholders.

Communities



ICM supports the ICM Foundation, which has identified sustainable, effective and focused education where the biggest impact can be made on individuals and in communities. Over the past decade ICM and its stakeholders have contributed over USD 17.6m to not-for-profit and community organisations.

ESG SPOTLIGHT

The Board believes that it is in the shareholders' interests to consider ESG factors when selecting and retaining investments and has therefore asked the Investment Managers to take these into account when investing. Where companies in the portfolio are assessed as having a relatively low ESG score or where an individual risk has been identified, ICM's approach is to engage, where possible, with the companies directly with the objective of seeing improvements over time. Details of how ESG forms part of the integrated research analysis, decision-making and ongoing monitoring are set out on pages 38 and 39. Set out below is an example of the approach taken with one of UIL's investments.



A leading alternative lender for residential mortgages and asset finance in Australia, with a broad suite of competitive, award-winning products that cater to diverse customer types and needs.

ESG ANALYSIS:

In November 2023 Resimac released its updated ESG framework, centering its environmental and social approach on three of the 17 Sustainable Development Goals ("SDGs"). In alignment with the strategic direction set by the Resimac board and management, Resimac now focuses on the following SDGs:

Climate Action

Resimac has teamed up with Plant Trees Australia, an online platform that Carbon Positive Australia runs, which helps fund community tree-planting projects. Resimac has allowed its customers to select a community tree planting project to support as part of the loan settlement process. Under their previous decade-long partnership with Carbon Conscience, they have funded the planting of over 46,000 trees, resulting in the removal of nearly 5.0m kilograms of carbon dioxide over the trees' lifetime.

Good Health and Well-Being

Resimac supports a number of community initiatives run by several charities. One of these charities is Food Ladder, a not-for-profit and global pioneer in the use of environmentally sustainable technologies aiming to create food and economic security for remote communities. Since Resimac began supporting Food Ladder, it has funded three hydroponic greenhouses. This has helped develop the local communities of Brisbane, Sydney and Adelaide in which they have been provided.

Quality Education

Through Resimac's commitment to supporting education, it has initiated a partnership with the GO Foundation, which provides scholarships to Aboriginal and Torres Strait Islander students from primary and tertiary levels. This year, Resimac contributed USD 10,000 to the GO Foundation's annual fundraiser, The Big Lunch. All funds raised have been dedicated to positively impacting the educational journeys of scholars.

Crucially, further to a strong environmental and social position, Resimac has a strong governance framework. This framework is supported by appropriate policies that are reviewed and tested annually. This ensures all regulatory obligations are adhered to in line with, and beyond, its Australian Financial Services and Australian Credit Licence requirements.

ICM ESG CONCLUSION:

Resimac's updated ESG Framework, aligned with a globally recognised framework, provides a clear and targeted strategy. The framework is supported by a number of appropriate policies, annual training and key performance measures that assist Resimac with supporting and furthering its ESG commitment.

TEN LARGEST HOLDINGS



THE VALUE OF THE TEN LARGEST HOLDINGS REPRESENTS

96.4%

(2023: 94.2%) OF THE GROUP'S TOTAL INVESTMENTS

THE VALUE OF FIXED INCOME SECURITIES REPRESENTS

1.1%

(2023: 0.5%) OF THE GROUP'S PORTFOLIO

THE TOTAL NUMBER OF COMPANIES INCLUDED IN THE PORTFOLIO IS

25

(2023: 29 COMPANIES)

TEN LARGEST HOLDINGS (continued)

1 SOMERS LIMITED

VALUATION

↑ 0.4%

Sector	Financial Services
Fair Value £'000s	105,481
% of total investments	44.2%

Somers is a financial services investment holding company, whose shares are listed on the Mezzanine Market of the Bermuda Stock Exchange ("BSX"). Somers is managed by ICM.

As at 31 March 2024, Somers' three largest investments, which made up 86.7% of its portfolio, were a 54.6% holding in Resimac, a leading non-bank Australian financial institution, with AUD 14.0bn assets under management ("AUM"), a 60.9% holding in Waverton, a UK wealth manager with over £15.4bn funds under management and administration ("FUMA"), and a 39.8% holding in ICM Mobility, a UK holding company focused on the mobility sector for private and public transport.

Somers shareholders' equity was £299.4m as at 31 March 2024 (31 March 2023: £281.7m) and Somers' NAV per share of £12.26 was up 6.2% year on year. Somers' gearing ratio was 26.2% (31 March 2023: 30.5%). The NAV increase followed valuation increases in the majority of Somers' investments during the first half of the year. Waverton continued to experience strong growth in its FUMA and Resimac's share price increased by 14.2% in the six months to 31 March 2024. There were also valuation increases for the AKJ Token which offset a reduction in the value of ICM Mobility. Somers paid a dividend of USD 1.22 per share to shareholder in June 2024 reducing Somers' fair value to £262.3m as at 30 June 2024.

In June 2024, Somers' largest holding, Waverton, completed its merger with London & Capital. Somers received cash on completion and an 18% economic interest in the combined group's holding company. Somers used the proceeds of this transaction to reduce its bank and other debt including the repayment of its loan notes.

2 ZETA RESOURCES

SHARE PRICE

↓ 18.0%

Sector	Resources
Fair Value £'000s	41,796
% of total investments	17.5%

Zeta is a resource-focused investment company, which is listed on the ASX. Zeta is managed by ICM.

In the year ended 30 June 2024, Zeta realised a gain on initial investment of 162% in Hudbay Minerals (through its initial investment in Copper Mountain Mining), exiting its position at an average share price of CAD 7.06. Zeta deployed AUD 21.2m in support of new and existing investments during the year and completed its deleveraging effort, ending the year with net cash of AUD 18.7m (USD 12.1m).

Over the year to 30 June 2024, gold, aluminium, copper, and oil were up 21.2%, 17.4%, 17.4% and 15.4% respectively, whilst nickel was down 16.2%. As a leveraged commodity investment company, the value of Zeta's net assets typically rises more when commodity prices rise, while falling more when commodity prices fall as the impact on mining companies is magnified. Zeta has a relatively concentrated portfolio, having built up cornerstone shareholdings in aluminium, gold, and nickel. Koumbia Bauxite Investments Limited, Zeta's largest holding, holds certain economic rights to an advancing bauxite development, which made material progress toward reaching first production and is positioned well to generate positive returns in the near term. However, nickel, Zeta's third largest exposure, faced significant headwinds, contributing to a fall in Zeta's NAV per share of 22.8% during the year to 30 June 2024. Zeta's share price closed the year at a discount of 20.5% (30 June 2023: 22.0%) to NAV per share.

3



SHARE PRICE

↓ 0.9%

Sector	Investment Fund
Fair Value £'000s	20,494
% of total investments	8.6%

UEM is a closed-end investment trust, whose ordinary shares are listed in the closed-ended investment funds category of the Official List of the Financial Conduct Authority and are traded on the Main Market of the London Stock Exchange. UEM is managed by ICMIM and ICM.

UEM predominately invests in infrastructure and utilities assets in emerging markets which are benefitting from structural growth drivers accelerated by global infrastructure megatrends. In the twelve months to 30 June 2024, UEM's NAV total return was up by 7.6%, underperforming the MSCI Emerging Markets total return Index (GBP adjusted) which increased by 13.2% during the same period due to the Index's higher exposure to tech stocks.

Further, despite the strong operational performance of many UEM investee companies who delivered strong revenue and EBITDA growth, alongside margin expansion and resilient cashflow, this was not fully reflected in the investee companies' share price performances as the global macro backdrop of "higher for longer" US interest rates put pressure on some emerging markets. In particular this was witnessed in Brazil, where UEM had 23.6% of its assets as at 30 June 2024. Although in local currency terms, the Brazilian Bovespa reported a positive return, the weakness of the Brazilian Real, not helped by unnecessary local political noise and concerns over the country's fiscal accounts added additional pressure.

In the year to 30 June 2024, UEM's share price decreased by 0.9%, and disappointingly the discount to NAV remained stubbornly wide increasing to 18.6% from 14.0% as at 30 June 2023. Dividends per share increased to 8.60p from 8.45p.

UIL's shareholding in UEM decreased by 49.1% during the year under review.

4



SHARE PRICE

↓ 2.3%

Sector	Financial Services
Fair Value £'000s	16,426
% of total investments	6.9%

Resimac is an ASX listed residential mortgage lender and multichannel distribution business specialising in prime and specialist mortgage lending.

Resimac is considered one of Australia's and New Zealand's premier nonbank lenders. It operates in targeted market segments and asset classes in Australia and New Zealand. Its primary activities are as a mortgage manager and in originating, servicing and securitising mortgage assets. As at 30 June 2024, Resimac reported total home loan AUM of AUD 12.9bn, a decrease year on year of 1.9%. Net interest income for the year ended 30 June 2024 was AUD 159.6m, a 21.8% decrease from 2023 reflecting a higher cost of funds and the intense competition in the mortgage market. Resimac generated normalised net profit after tax for the year of AUD 43.1m. Total loan settlements during the year was AUD 5.1bn of which the asset finance division reported settlements of AUD 0.8bn. During the year, Resimac issued AUD 3.8bn of Australian and New Zealand Prime and Specialist RMBS.

The stabilisation of the home loans portfolio in the second half of the year and the significant growth of the asset finance business with settlements up 60%, suggests improved performance in the coming year.

TEN LARGEST HOLDINGS (continued)

5 **Allectus** Quantum Holdings Ltd

VALUATION

↑0.1%

Sector	Technology
Fair Value £'000s	14,681
% of total investments	6.1%

Allectus Quantum is an unlisted investment holding company with an investment in Sydney-based quantum computing start-up Diraq.

Diraq is building a quantum computing platform that leverages the advanced manufacturing capabilities of the semiconductor industry. Diraq was spun out of the University of New South Wales in May 2022 and is led by Professor Andrew Dzurak who has over two decades of experience in the quantum computing field, having invented Diraq's approach to quantum computing in 2004. Diraq has established foundational IP in quantum computing hardware and is now focused on producing the technology at scale as it works toward the long term goal of providing commercial applications of quantum computing.

For the year to 30 June 2024, Diraq successfully completed a fundraising round of USD 22.0m from leading deeptech investors. It also showed its quantum computing device designs can be manufactured on standard semiconductor processes and produce world record results. As an extension of this, Diraq announced its partnership with GlobalFoundries, a leading semiconductor foundry, which will manufacture Diraq's designs over the coming months. This is critical for Diraq, whose key advantage over competitors is the manufacturability of its devices. Diraq has hired over 15 new employees and is focused on building its presence in the US over the next year.

The valuation of Allectus Quantum has increased due to a rise in the fair value of Diraq.

6 **ALLECTUSCAPITAL**

VALUATION

↓40.9%

Sector	Technology
Fair Value £'000s	12,157
% of total investments	5.1%

Allectus Capital is an unlisted investment company with a focused portfolio of technology businesses and is managed by ICM.

Allectus Capital invests in early and growth-stage companies developing potentially disruptive technologies. Its key verticals comprise fintech, AI, digital health and deep tech. Allectus Capital maintains a selective approach to high conviction opportunities in technology companies, which leverage its global relationships and synergies with other portfolio companies in the ICM group.

Allectus Capital made several new investments during the year to 30 June 2024, which included Atelier (Australian cloud manufacturing software platform), Effi Technology (Australian AI mortgage platform) and Mist Financial (Australian education payments platform). Allectus Capital also re-invested in existing portfolio company LifeQ (US based wearables health tech company). Three investments were also significantly impaired, reflecting the challenging market for technology globally and difficulties faced by non cashflow positive companies in this environment.

Throughout 2024, there was a continued slowdown in financing rounds and increased pricing pressure. In response, Allectus Capital is focusing on finding deep value companies in sectors where valuations are significantly below previous years comparables.

7



VALUATION

↑ 2.7%

Sector	Investment Fund
Fair Value £'000s	6,718
% of total investments	2.8%

West Hamilton is a BSX listed investment and management company with property assets in Bermuda.

West Hamilton sold its properties at 69 and 71 Pitts Bay Road in November 2023. The net proceeds from this sale were used to reduce West Hamilton's bank debt by USD 3.1m and a dividend of USD 6.75 per share was paid to shareholders in November 2023. Following the sale, West Hamilton now has one remaining property asset, The Belvedere Residences, a mixed use building located at 71A Pitts Bay Road housing nine executive condominiums, a penthouse office suite and a gymnasium. The Belvedere Residences is fully occupied with all commercial space let, seven apartments let on leases and two apartments sold.

For the year ended 30 September 2023, West Hamilton reported solid results with revenue of USD 3.0m (September 2022: USD 3.0m) and net operating income for the year of USD 1.2m (September 2022: USD 1.1m). Total assets as at 30 September 2023 were USD 44.1m (September 2022: USD 42.3m).

8



SHARE PRICE

↓ 48.3%

Sector	Financial Services
Fair Value £'000s	5,992
% of total investments	2.5%

The Market Limited operates online listing marketplaces and discussion forums for consumers in Australia and Canada. In November 2023, The Market Herald changed its name to The Market Limited and operates mainly in classified advertising and capital markets.

Following its acquisition of The Gumtree Group in October 2022, The Market Limited has struggled to grow the business materially, buffeted both by a longer than expected, at higher cost IT migration as well as a global reduction in advertising spend and decline of comparable online marketplaces. The business recorded revenue of AUD 91m for FY24, with a c.2m EBITDA loss for the period reflecting higher than expected IT costs, as well as decreasing investment into the product during the period as the business viewed the core IT systems migration was a gating item to any new development.

Management are hopeful that with the major transitional work done, that the platforms can turn the corner and return to growth on profit, in particular by adding payments/checkout as well as expanding through verticals such as cars, pets and real estate that exist on the platform today. The business has signed several partnerships in these verticals with 2025 being a pivotal year for the execution of new revenue initiatives. The Gumtree Group, including the car related websites Carsguide and Autotrader remain the best prospects for this growth.

TEN LARGEST HOLDINGS (continued)

9 Carebook

SHARE PRICE

↓21.4%

Sector	Technology
Fair Value £'000s	4,001
% of total investments	1.7%

Carebook Technologies is a digital health company providing employee health and wellness solutions to employers globally as well as pharmacy management solutions to pharmacies.

For the three months to 31 March 2024 revenues increased as well as adjusted EBITDA compared to a loss in the previous year, a significant improvement as a result of revenue growth, driven by increases in the pharmacy vertical and licence revenue from CoreHealth division. Annual recurring revenue was CAD 11.8m as at 31 March 2024, an increase of 10.0% year on year. This increase was primarily due to new enterprise customers and organic growth with existing customers. Of the CAD 11.8m of ARR, 62.0% originated from clients outside of Canada.

Carebook is exploring five strategies to position its growth, these include engaging in more prospecting and outbound sales activity targeting large and medium sized employers; product partnering; offering standard product suites to employers to accelerate their decisions and shorten the current sales cycle; improve user experience; and leverage data use to support sales and product development.

10 WT | FINANCIAL GROUP

SHARE PRICE

↓3.8%

Sector	Financial Services
Fair Value £'000s	2,525
% of total investments	1.0%

WT Financial is an Australian financial adviser network and its adviser networks manage over AUD 23.0bn in assets and handle more than AUD 430.0m in annual personal insurance premiums.

In its latest report for the year to 30 June 2024, the group's consolidated EBITDA decreased by 3.1% to AUD 6.3m, compared to AUD 6.5m in the previous corresponding period. The statutory income tax expense was AUD 935k, in the prior year it was AUD 735k, resulting in a consolidated profit after tax of AUD 3.9m (prior year: AUD 4.1m). Operating cash flow rose by 89.7% to AUD 5.5m (prior year: AUD 2.9m), with a cash balance of AUD 8.0m as at 30 June 2024.

In December 2023, WT Financial acquired 100% of Millennium3 Financial Services Pty Ltd ("M3") from Insignia Financial Limited for AUD 2.0m in cash. The M3 network, one of Australia's oldest financial advice networks with around 75 practices nationwide, added approximately AUD 5.0bn in funds under advice and over AUD 150.0m in-force risk insurance premiums to the group.

CAPITAL STRUCTURE

UIL has a geared balance sheet structure, with the ordinary shares leveraged by the ZDP shares and borrowings.

ORDINARY SHARES

The number of ordinary shares in issue, and the voting rights, as at 30 June 2024 was 83,842,918 shares. The ordinary shares are entitled to all the revenue profits of the Company available for distribution and resolved to be distributed by the Directors by way of a dividend. The Directors consider the payment of dividends on a quarterly basis.

On a winding up, holders of ordinary shares will be entitled, after payment of all debts and the satisfaction of all liabilities of the Company, to the winding up revenue profits of the Company and thereafter, after paying to UIL Finance for its ZDP shareholders their accrued capital entitlement, to all the remaining assets of the Company.

ZDP SHARES

The ZDP shares are issued by UIL Finance, a wholly owned subsidiary of UIL. The ZDP shares carry no entitlement to income and the whole of any return will take the form of capital.

2024 ZDP SHARES

30,000,000 2024 ZDP shares were in issue as at 30 June 2024. The 2024 ZDP shares rank for payment in priority to the ordinary shares (save for any undistributed revenue profit on winding up) and the 2026 and 2028 ZDP shares but rank behind the Company's borrowings for capital repayment of 138.35p per 2024 ZDP share on 31 October 2024. The capital repayment is equivalent to a redemption yield of 4.75% per annum based on the initial capital entitlement of 100.00p.

2026 ZDP SHARES

25,000,000 2026 ZDP shares were in issue as at 30 June 2024, of which 2,309,620 were held by UIL. The 2026 ZDP shares rank for payment in priority to the ordinary shares (save for any undistributed revenue profit on winding up) and the 2028 ZDP shares but rank behind the Company's borrowings, and the 2024 ZDP

shares for capital repayment of 151.50p per 2026 ZDP share on 31 October 2026. The capital repayment is equivalent to a redemption yield of 5.00% per annum based on the initial capital entitlement of 100.00p.

2028 ZDP SHARES

25,000,000 2028 ZDP shares were in issue as at 30 June 2024, of which 583,735 were held by UIL. The 2028 ZDP shares rank for payment in priority to the ordinary shares (save for any undistributed revenue profit on winding up) but rank behind the Company's borrowings and the 2024 and 2026 ZDP shares for capital repayment of 152.29p per 2028 ZDP share on 31 October 2028. The capital repayment is equivalent to a redemption yield of 5.75% per annum based on the initial capital entitlement of 100.00p.

BORROWINGS

As at 30 June 2024, UIL had borrowings of £2.9m, a loan from UMPF, which was repaid in August 2024.

SENSITIVITY OF RETURNS AND RISK PROFILES

Ordinary shares rank behind the ZDP shares (save for any undistributed revenue profit on a winding up) and the Company's borrowings such that they represent a geared instrument. For every £100 of gross assets of the Company as at 30 June 2024, the ordinary shares could be said to be interested in £57.26 of those assets after deducting the prior claims as above. This makes the ordinary shares more sensitive to movements in gross assets. Based on these amounts, a 1.0% movement in gross assets would change the NAV attributable to ordinary shares by 1.7%.

The interest cost of UIL's borrowings, combined with the annual accruals in respect of ZDP shares, represents a blended rate of 5.2% as at 30 June 2024.

Based on their final entitlement of 138.35p per share, the final entitlement of the 2024 ZDP shares was covered 5.49 times by gross assets as at 30 June 2024. Should the gross assets fall by 81.8% over the remaining life of the 2024 ZDP shares, then the 2024

CAPITAL STRUCTURE (continued)

ZDP shares would not receive their final entitlement in full. Should gross assets fall by 98.8%, the 2024 ZDP shares would receive no payment at the end of their life.

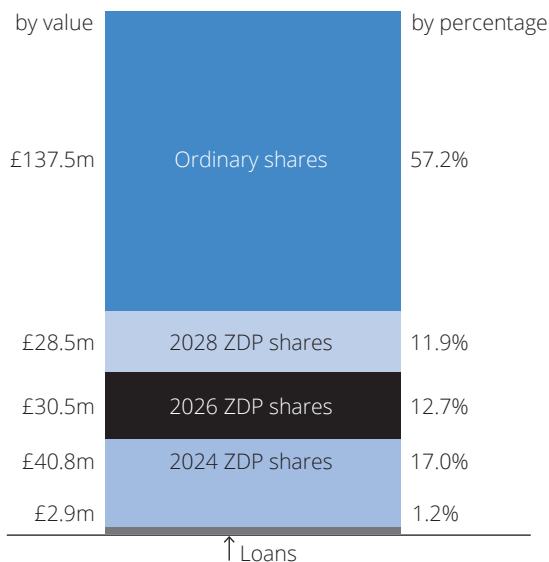
Based on their final entitlement of 151.50p per share, the final entitlement of the 2026 ZDP shares was covered 2.96 times by gross assets as at 30 June 2024. Should the gross assets fall by 66.2% over the remaining life of the 2026 ZDP shares, then the 2026 ZDP shares would not receive their final entitlement in full. Should gross assets fall by 81.8%, equivalent

to an annual fall of 51.8%, the 2026 ZDP shares would receive no payment at the end of their life.

Based on their final entitlement of 152.29p per share, the final entitlement of the 2028 ZDP shares was covered 2.02 times by gross assets as at 30 June 2024. Should the gross assets fall by 50.6% over the remaining life of the 2028 ZDP shares, then the 2028 ZDP shares would not receive their final entitlement in full. Should gross assets fall by 66.2%, equivalent to an annual fall of 22.1%, the 2028 ZDP shares would receive no payment at the end of their life.

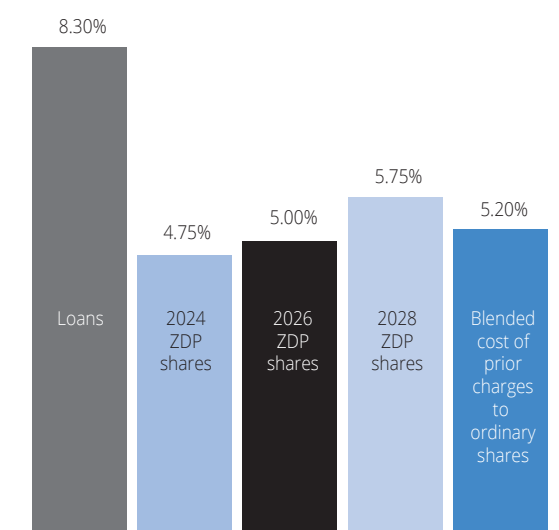
SPLIT OF GROSS ASSETS

as at 30 June 2024



CONSOLIDATED FUNDING COST STRUCTURE

as at 30 June 2024



ZDP SHARES

ZDP SHARES¹ (pence)

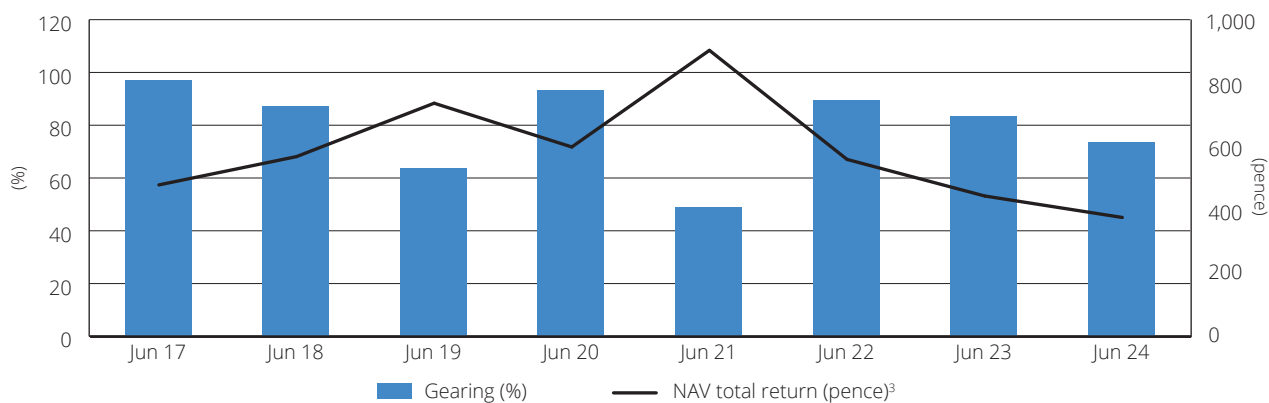
	30 June 2024	30 June 2023	% change 2024/23
2024 ZDP shares			
Capital entitlement ² per ZDP share	136.15	130.04	4.7
ZDP share price	133.00	123.50	7.7
2026 ZDP shares			
Capital entitlement ² per ZDP share	135.15	128.75	5.0
ZDP share price	119.00	114.50	3.9
2028 ZDP shares			
Capital entitlement ² per ZDP share	119.49	113.02	5.7
ZDP share price	98.00	96.50	1.6

¹ Issued by UIL Finance, a wholly owned subsidiary of UIL

² See pages 27 and 28

GEARING/NAV TOTAL RETURN

from 30 June 2017 to 30 June 2024



³ Rebased to 100 as at 14 August 2003

Source: ICM

TOTAL ZDP SHARES
ISSUED SINCE INCEPTION

£379.5m

TOTAL ZDP SHARES
REDEEMED SINCE INCEPTION

£466.4m

ZDP SHARES (continued)

TOTAL BORROWINGS

	Jun 2017 £'000s	Jun 2018 £'000s	Jun 2019 £'000s	Jun 2020 £'000s	Jun 2021 £'000s	Jun 2022 £'000s	Jun 2023 £'000s	Jun 2024 £'000s
2014 ZDP								
2016 ZDP								
2018 ZDP	72,622	50,858						
2020 ZDP	48,704	51,940	55,387	59,087				
2022 ZDP	52,452	55,873	59,499	63,407	48,052	51,166		
2024 ZDP		29,408	31,582	33,250	34,996	36,833	38,765	40,778
2026 ZDP		11,275	13,474	24,791	25,299	27,589	29,005	30,513
2028 ZDP					23,726	25,225	26,819	28,505
Total	173,778	199,354	159,942	180,535	132,073	140,813	94,589	99,796
Bank and other debt ⁴	47,846	28,495	50,971	54,402	45,437	54,907	45,329	1,365
Total debt	221,624	227,849	210,913	234,937	177,510	195,720	139,918	101,161
Blended interest rate %	6.2	6.1	5.5	5.2	4.5	4.7	5.7	5.2

⁴ includes net bank overdrafts

Source: ICM

ZDP SHARES – TIMES COVERED BY UIL'S GROSS ASSETS⁵

	Jun 2017	Jun 2018	Jun 2019	Jun 2020	Jun 2021	Jun 2022	Jun 2023	Jun 2024
2014 ZDP								
2016 ZDP								
2018 ZDP	3.51	6.50						
2020 ZDP	2.38	3.71	4.92	4.23				
2022 ZDP	1.72	2.44	2.97	2.58	5.41	3.83		
2024 ZDP		1.84	2.42	2.11	3.83	2.80	3.57	5.49
2026 ZDP		1.63	2.08	1.81	3.03	2.23	2.49	2.96
2028 ZDP					2.50	1.85	1.90	2.02

⁵ Gross assets divided by the aggregate redemption liabilities of the ZDP shares and any bank debt or other borrowings ranking in priority to the ZDP shares.

Source: ICM

TOTAL ZDP, BANK AND
OTHER DEBT AS AT
30 JUNE 2024

£101.2m

GEARING AS AT
30 JUNE 2024

73.6%*

TOTAL NET DEBT
DECREASE DURING THE
YEAR

£38.8m

AVERAGE COST OF
DEBT FUNDING

5.2%

* See Alternative Performance Measures on pages 104 to 106

STRATEGIC REPORT

PRINCIPAL ACTIVITY

UIL carries on business as an investment company and its principal activity is portfolio investment.

INVESTMENT OBJECTIVE

UIL's investment objective is to maximise shareholder returns by identifying and investing in investments worldwide where the underlying value is not fully recognised.

STRATEGY AND BUSINESS MODEL

UIL invests in accordance with the objective set out above. The Board is collectively responsible to shareholders for the long-term success of the Company. Since the Company has no employees, it outsources its activities to third party service providers, including the appointment of external investment managers to deliver investment performance. The Board oversees and monitors the activities of the service providers with the Board setting investment policy and risk guidelines, together with investment limits.

ICMIM, an English incorporated company authorised and regulated by the Financial Conduct Authority ("FCA") as an alternative investment fund manager ("AIFM") pursuant to the AIFM Regulations, is the Company's AIFM and joint portfolio manager alongside ICM. The investment team responsible for the management of the portfolio is headed by Duncan Saville and Charles Jillings.

ICMIM and ICM, operating under guidelines determined by the Board, have direct responsibility for the decisions relating to the day to day running of the Company and are accountable to the Board for the investment, financial and operating performance of the Company. Other service providers include JP Morgan Chase Bank N.A. – London Branch which provides administration services, JPMorgan Chase Bank N.A. – Jersey which provides custodial services, J.P. Morgan Europe Limited ("JP MEL") which acts as the Company's Depository under the AIFM Regulations and Computershare Investor Services which acts as registrar. ICM has also been appointed Company Secretary.

INVESTMENT POLICY

UIL's investment policy is to identify and invest in opportunities where the underlying value is not fully recognised. This perceived undervaluation may

arise from factors such as technological change, market motivation, prospective financial engineering opportunities, competition, underperforming management or shareholder apathy.

UIL aims to maximise value for shareholders through a relatively concentrated portfolio of investments including separate closed-end investment companies ("Platforms") which have been or will be established to focus on investments in dedicated market sectors.

UIL has the flexibility to invest in shares, bonds, convertibles, and other types of securities, including non-investment grade bonds and to invest in unlisted securities. UIL may also invest in other investment companies or vehicles, including any managed by the Investment Managers, where such investment would be complementary to UIL's investment objective and policy.

UIL may also use derivative instruments such as American Depositary Receipts, promissory notes, foreign currency hedges, interest rate hedges, contracts for difference, financial futures, call and put options and warrants and similar instruments for investment purposes and efficient portfolio management, including protecting UIL's portfolio and balance sheet from major corrections and reducing, transferring, or eliminating investment risks in its investments. These investments will be long term in nature.

UIL has the flexibility to invest in markets worldwide although investments in the utilities and infrastructure sectors are principally made in the developed markets of Australasia, Western Europe, and North America, as UIL's exposure to the emerging markets infrastructure and utility sectors is primarily through its holding in UEM. UIL has the flexibility to invest directly in these sectors in emerging markets with the prior agreement of UEM.

UIL believes it is appropriate to support investee companies with their capital requirements whilst at the same time maintaining an active and constructive shareholder approach through encouraging a review of the capital structure and business efficiencies. The Investment Managers' team maintains regular contact with investee companies and UIL may often be among the largest shareholders. There are no limits on the proportion of an investee company that UIL may hold and UIL may take legal or management control of a company from time to time.

STRATEGIC REPORT (continued)

There will be no material change to the investment policy (including the investment limits and the borrowing limits) without the prior approval of shareholders. Any such change would also require the approval of the ZDP shareholders.

INVESTMENT LIMITS

The Board has prescribed the following limits on the investment policy, all of which are at the time of investment unless otherwise stated.

There are no fixed limits on the allocation of investments between sectors and markets, however the following investment limits apply:

- investments in unlisted companies will, in aggregate, not exceed 25% of gross assets at the time that any new unlisted investment is made. This restriction does not apply to loans to listed Platforms;
- no single investment will exceed 30% of gross assets at the time such investment is made, save that this limit shall not prevent the exercise of warrants, options or similar convertible instruments acquired prior to the relevant investment reaching the 30% limit. This restriction does not apply to investments in any Platform; and
- no single investment in a Platform will exceed 50% of gross assets at the time such investment is made, save that this limit shall not prevent the exercise of warrants, options or similar convertible instruments acquired prior to the relevant investment reaching the 50% limit and provided that no single investment held by such Platform will exceed 30% of the gross assets at the time such investment is made on a look-through basis.

Where UIL directly or indirectly owns 100% of the issued ordinary share capital of any company that holds an underlying investment portfolio, the investment limits set out above will be applied to, and take into account, the underlying investee companies on a look-through basis and will not be applied to, or take into account, any such intermediate holding company.

None of the above restrictions will require the realisation of any of UIL's assets where any restriction is breached as a result of an event outside of the control of the Investment Managers which occurs after the investment is made, but no further relevant assets may be acquired,

or loans made by UIL until the relevant restriction can again be complied with.

BORROWING LIMITS

Under UIL's Bye-laws, the Group is permitted to borrow (excluding the gearing provided through the Group's capital structure) an aggregate amount equal to 100% of its gross assets. Borrowings may be drawn down in any currency appropriate for the portfolio.

However, the Board has set a current limit on gearing (being total borrowings excluding ZDP shares measured against gross assets) not exceeding 33.3% at the time of draw down. Borrowings may be drawn down in Sterling, US Dollars, or any currency for which there are corresponding assets within the portfolio (at the time of draw down, the value drawn must not exceed the value of the relevant assets in the portfolio).

As at 30 June 2024 the Company's borrowings comprised a loan from UMPF of £2.85m which was repaid in August 2024. UIL repaid all amounts outstanding under its committed senior secured multi-currency facility with the Bank of Nova Scotia at its maturity in March 2024.

DIVIDEND POLICY

The Board's objective is to maintain or increase the total annual dividend. Dividends are expected to be paid quarterly each year in December, March, June and September. In determining dividend payments, the Board will take account of factors such as income forecasts, retained revenue reserves, the Company's dividend payment record and Bermuda law. The Board also has the flexibility to pay dividends from capital reserves.

RESULTS AND DIVIDENDS

Details of the Company's performance are set out in the Investment Managers' Report. The results for the year ended 30 June 2024 are set out in the attached accounts. The dividends in respect of the year, which total 8.00p, have been declared by way of four interim dividends.

KEY PERFORMANCE INDICATORS

Delivery of shareholder value is achieved through the increase in capital value of the Company's shares and by its income return. The Board reviews performance by

reference to a number of Key Performance Indicators (“KPIs”) that include the following:

- NAV total return relative to the FTSE All-Share Index
- Share price
- Share price discount to NAV
- Revenue earnings
- Dividends per share
- Ongoing charges figure

While some elements of performance against KPIs are beyond management control, they provide measures of the Group’s absolute and relative performance and are therefore monitored by the Board on a regular basis. These KPIs fall within the definition of Alternative Performance Measures under guidance issued by the European Securities and Markets Authority and additional information explaining how these are calculated is set out on pages 104 to 106.

30 June	2024	2023
NAV total return (%)	(15.3)	(20.6)
FTSE All-Share total return Index (%)	13.0	7.9
Share price (pence)	103.50	145.00
Discount to NAV (%)	36.9	27.5
Percentage of issued shares bought back during the year (based on opening share capital) (%)	0.0	0.0
Revenue earnings per share (pence)	10.15	6.68
Dividends per share (pence)	8.00	8.00
Ongoing charges figure – excluding performance fees (%)	2.8	2.8

The ten year record on page 107 shows historic data for the Company.

Discount to NAV: The Board monitors the premium/discount at which the Company’s shares trade in relation to the assets. During the year the Company’s shares traded at a discount relative to NAV in a range of 25.4% to 44.0% and an average discount of 36.7%. The Board and the Investment Managers closely monitor both movements in the Company’s share price and significant dealings in the shares. On 26 July 2019, UIL announced that the Board intends to focus on reducing the discount of the ordinary shares, targeting a discount to NAV of approximately 20% over the medium term. In order to

avoid substantial overhangs or shortages of shares in the market the Board asks shareholders to approve resolutions which allow for the buyback of shares and their issuance which can assist in the management of the discount. However, in light of UIL’s focus on the repaying of its bank facility during the year, no ordinary shares were bought back during the year ended 30 June 2024.

Earnings and dividends per share: As referred to in “Dividend Policy” above, the Board’s objective is to maintain or increase the total annual dividend. The Board and the Investment Managers attach great importance to maintaining dividends per share since dividends form a key component of the total return to shareholders.

The Board declared four quarterly dividends of 2.00p per share in respect of the year ended 30 June 2024. The fourth quarterly dividend will be paid on 8 November 2024 to shareholders on the register as at 27 September 2024. The total dividend for the year was 8.00p per share (2023: 8.00p per share).

Ongoing charges: These are calculated in accordance with the industry measure of costs as a percentage of NAV. The expenses of the Company are reviewed at every Board meeting, with the aim of managing costs incurred and their impact on performance. The ongoing charges figure appears high when compared to other investment companies as the expenses are expressed as a percentage of average net assets (after the deduction of the ZDP shares) and comprises all operational, recurring costs that are payable by the Company or incurred within underlying investee funds. This ratio is sensitive to the size of the Company as well as the level of costs.

OVERVIEW OF THE INVESTMENT VALUATION PROCESS

In preparing UIL’s half-yearly and annual financial accounts, the most important accounting judgements and estimates relate to the carrying value of the unlisted investments which are stated at fair value. As at 30 June 2024, 61.3% of UIL’s investment portfolio consisted of level 3 investments that were valued using inputs that were not based on observable market data. Given the importance of this area to the integrity of the financial reporting, the Board and the Investment Managers carefully review the valuation policies and processes and the individual valuation methodologies at each reporting date. However, the valuation of unlisted securities

STRATEGIC REPORT (continued)

is inherently subjective, as it is made on the basis of assumptions which may not prove to be accurate. As detailed in note 29 to the accounts, small changes to inputs may result in material changes to the carrying value of the investments.

VALUATION PROCESS

UIL's valuation policy is the responsibility of the Board, with additional oversight and annual review from the Audit & Risk Committee. The policy is reviewed at least annually.

The valuation of the unlisted investments is the responsibility of the Board, with valuation support and analysis provided by the Investment Managers' valuation team. The investment portfolio is valued at fair value and this is achieved by valuing each investment using an appropriate valuation technique and applying a consistent valuation approach for all investments.

The concept of fair value is key to the valuation process and is defined as "the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date" (International Private Equity and Venture Capital ("IPEV") guidelines, December 2022).

Maximum use is made of market-based information and the valuation methodologies used are those generally used by market participants. Valuations are compliant with IFRS fair value guidelines and guidelines issued by the IPEV valuation board, which set out recommended practice for fair valuing of unlisted investments within the IFRS framework. The valuation of unlisted investments requires the exercise of judgment, and every effort is made to ensure that this judgment is applied objectively and is not used to overstate or understate the valuation result.

The Board reviews the unlisted valuations at each meeting and in conjunction with UIL's external financial reporting process. The Board receives a detailed report from the Investment Managers' valuation team recommending a proposed valuation for each of UIL's investments. The report includes details of all material valuations, explanations for movements and confirmation of the valuation process adopted. Representatives of the Investment Managers are in attendance at these meetings to answer any questions the Board may have on the valuation process and the choice of valuation techniques and inputs. The Board

reviews and challenges the assumptions behind the unlisted asset valuations.

VALUATION METHODOLOGIES

The valuation of unlisted investments is normally determined by using one of the following valuation methodologies and, depending on the investment and relevance of the approach, any or all of these valuation methods could be used.

Earnings Multiples

This valuation methodology is used where the investment is profitable and where a set of comparable listed companies with similar characteristics to its holding can be determined. As these investments are not traded on an active market, the valuations are then adjusted by a liquidity discount with the discount varying depending on the nature of the underlying investment entity and its sector and whether restrictions exist on UIL's ability to sell the asset in an orderly fashion. In certain instances, UIL may use a revenue multiple approach if this is deemed more appropriate.

It is UIL's policy to use reported earnings adjusted for non-recurring items, which are typically sourced from the investee companies' management accounts or audited financial reports. In certain cases, current or projected maintainable earnings provide a more reliable indicator of the company's performance and in these instances an estimate of maintainable earnings is used in the valuation calculation.

Multiples are derived from comparable listed companies in the same business sector. Adjustments are made for relative performance versus the comparables and other company specific factors including size, product offering and growth rates.

Discounted Cash Flow

This methodology may be used for valuing investments with long term stable cash flows and uses maintainable earnings discounted at appropriate rates to reflect the value of the business. Generally, the latest historical accounts are used unless reliable forecast results for the current year are available. Earnings are adjusted where appropriate for exceptional or non-recurring items.

Net Assets

This valuation technique derives the value of an investment by reference to the value of its net assets.

This is used for investments whose value derives mainly from the underlying fair value of their assets rather than their earnings, such as unlisted fund investments, property holding companies and other investment businesses. In addition, this valuation approach may also be used for investments that are not making an adequate return on assets and for which a greater value can be realised by liquidating the business and selling its assets.

For unlisted investment companies and limited partnerships, the fair value estimate is based on a summation of the estimated fair value of the underlying investments attributable to the investor. This fund NAV approach may be used where there is evidence that the valuation is derived using fair value principles and the most recent available fund NAV may be adjusted to take account of changes or events to UIL's reporting date.

Recent Investments

For an initial or recent transaction, UIL may value its investment using the recent transaction price for a limited period following the transaction, where the transaction price continues to be representative of fair value.

Imminent Investment Realisation

Where realisation of an investment or a flotation of an investment is imminent and the pricing of the relevant transaction has been substantially agreed, a discount to the expected realisation proceeds or flotation value valuation technique is used. Judgement is applied as to the likely eventual exit proceeds and certainty of completion. This technique is only utilised where a sale

or flotation process is materially complete, and the remaining risks are estimated to be small.

Note 29 to the accounts sets out more details on UIL's unlisted investments and the valuation methodologies adopted.

PRINCIPAL RISKS AND RISK MITIGATION

During the year ended 30 June 2024, ICMIM was the Company's AIFM and had sole responsibility for risk management subject to the overall policies, supervision, review and control of the Board.

As required by the Association of Investment Companies ("AIC") Code of Corporate Governance, the Board has undertaken a robust assessment of the principal risks facing the Company. It seeks to mitigate these risks through regular review by the Audit & Risk Committee of the Company's risk register which identifies the risks facing the Company and the likelihood and potential impact of each risk, together with the controls established for mitigation.

During the year the Audit & Risk Committee also discussed and monitored a number of emerging risks that could potentially impact the Company, the principal ones being geopolitical risk and climate change risk. The Audit & Risk Committee has determined that they are not currently sufficiently material to be categorised as separate key risks and are considered within investment risk and market risk below.

The principal risks and uncertainties currently faced by the Company and the controls and actions to mitigate those risks, are described below. There have been no significant changes to the principal risks during the year.

KEY RISK FACTORS

INVESTMENT RISK:

The risk that the investment strategy does not achieve long-term positive total returns for the Company's shareholders. Insufficient consideration of ESG factors could lead to poor performance and/or a reduction in demand for the Company's shares.

The Board monitors the performance of the Company and has established guidelines to ensure that the approved investment policy is pursued by the Investment Managers. The Board regularly reviews strategy in relation to a range of issues including the balance between quoted and unquoted stocks, the allocation of assets between geographic regions and sectors and gearing.

The investment process employed by the Investment Managers combines assessment of economic and market conditions in the relevant countries with stock selection. Fundamental analysis forms the basis of the Company's stock selection process, with an emphasis on an investment's balance sheet, cash flows and dividends, as well as market conditions. In addition, ESG factors are also considered when selecting and retaining investments and political risks associated with investing in specific countries are also assessed. Overall, the investment process aims to achieve absolute returns through an active fund management approach and the Board monitors the implementation and results of the investment process with the Investment Managers.

STRATEGIC REPORT (continued)

MARKET RISK:	Adverse market movements in the prices of equity and fixed interest securities, interest rates and foreign currency exchange rates and adverse liquidity could lead to a fall in NAV.	<p>The Company's portfolio is exposed to equity market risk, interest rate risk, foreign currency risk and liquidity risk. Adverse market conditions may result from factors such as economic conditions, political change, geopolitical confrontations, climate change, natural disasters and health epidemics. At each Board meeting the Board reviews the composition of the portfolio, asset allocation, stock selection, unquoted investments and levels of gearing and has set investment restrictions and guidelines which are monitored and reported on by the Investment Managers.</p> <p>The Company's results are reported in Sterling, although the majority of its assets are priced in foreign currencies and therefore any rise or fall in Sterling will lead, respectively, to a fall or rise in the Company's reported NAV. Such factors are out of the control of the Board and the Investment Managers and may give rise to distortions in the reported returns to shareholders. It can be difficult and expensive to hedge some currencies.</p>
KEY STAFF RISK:	Loss by the Investment Managers of key staff could affect investment returns.	<p>The quality of the investment management team is a crucial factor in delivering good performance. There are training and development programs in place for employees and the remuneration packages have been developed in order to retain key staff. Any material changes to the management team are considered by the Board at its next meeting; the Board discusses succession planning with the Investment Managers at regular intervals.</p>
DISCOUNT RISK:	The Company's shares may trade at a discount to their NAV and a widening discount may undermine investor confidence in the Company.	<p>The Board monitors the price of the Company's shares in relation to their NAV and is focused on reducing the discount at which they trade. The Board may agree to buy back shares if there is a significant overhang of stock in the market; it targets a discount to NAV of approximately 20% over the medium term.</p>
OPERATIONAL RISK:	Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to successfully pursue its investment policy.	<p>The Company's main service providers are listed on page 103. The Audit & Risk Committee monitors the performance and controls (including business continuity procedures) of the key service providers at regular intervals.</p> <p>Most of UIL's investments are held in custody for the Company by JPMorgan Chase Bank N.A., Jersey. JPMEI, the Company's depositary services provider, also monitors the movement of cash and assets across the Company's accounts. The Audit & Risk Committee reviews the JP Morgan SOC1 reports, which are reported on by Independent Service Auditors, in relation to its administration, custodial and information technology services.</p> <p>The Board reviews the overall performance of the Investment Managers and all the other service providers on a regular basis. The risk of cyber-crime is high, as it is with most organisations, but the Board regularly seeks assurances from the Investment Managers and other key service providers on the preventative steps that they are taking to reduce this risk.</p>
GEARING RISK:	Whilst the use of borrowings should enhance total return where the return on the Company's underlying securities is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is falling.	<p>The ordinary shares rank behind borrowings and ZDP shares, making them a geared instrument.</p> <p>The gearing level is high due to the capital structure of the balance sheet. As at 30 June 2024, gearing on net assets, including borrowings and ZDP shares, was 73.6% (30 June 2023: 83.5%). The Board reviews the level of gearing at each Board meeting.</p>

REGULATORY RISK:

Failure to comply with applicable legal and regulatory requirements could lead to suspension of the Company's Stock Exchange listings, financial penalties, a qualified audit report or the Company being subject to tax on capital gains.

The Investment Managers and the Company's professional advisers monitor developments in relevant laws and regulations and provide regular reports to the Board in respect of the Company's compliance.

VIABILITY STATEMENT

The Board makes an assessment of the longer-term prospects of the Company beyond the timeframe envisaged under the going concern basis of accounting, having regard to the Company's current position and the principal risks it faces. The Company is a long-term investment vehicle and the Board believes that it is appropriate to assess the Company's viability over a long-term horizon. For the purposes of assessing the Company's prospects in accordance with provision 31 of the UK Corporate Governance Code, the Board considers that assessing the Company's prospects over a period of five years is appropriate given the nature of the Company and its investment objective and appropriately reflects the long-term strategy of the Company.

In its assessment of the viability of the Company, the Board has considered the Company's prospects and outlook, each of the Company's principal risks and uncertainties detailed above, as well as the impact of a significant fall in world equity and foreign exchange markets on the value of the Company's investment portfolio and the Company's ability to repay the £120.3m ultimate liability in respect of the 2024, 2026 and 2028 ZDP shares and its borrowings. The Board is also satisfied that it operates an effective risk management process and has concluded a robust assessment of the principal risks facing the Company. The Board has also considered the Company's income and expenditure projections and the fact that the Company's operating expenses comprise a very small percentage of net assets while a material proportion of the Company's investments comprise listed securities which could likely be sold to meet funding requirements, if necessary. The Board continues to consider the key risks set out in this Strategic Report, the controls and actions to mitigate these risks and the prospects for the

Company's portfolio holdings and has concluded that they are unlikely to affect the going concern status or viability of the Company.

As part of this assessment the Board considered a number of stress tests, including short term reverse stress testing, and scenarios which considered the impact of severe stock market and currency volatility on shareholders' funds over a five-year period. Initially, the Company's projections were adjusted to reflect a material reduction in the value of its investments in line with that experienced during the emergence of the Covid-19 pandemic in the first quarter of 2020. The first stress test considered a fall in the market of 40% in the first year with recovery of 10% per annum thereafter. A second test considered a fall in the markets of 20% and adverse sterling movement, the Company's reporting currency, of 10% in the first year with a further fall in markets of 20% in the second year and no movement thereafter. The results demonstrated the impact on the Company's NAV, its expenses, and its ability to meet its liabilities over that period. As a result of this analysis, the Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years.

PROMOTING THE SUCCESS OF THE COMPANY

Although the Company is domiciled in Bermuda, the Board has considered the guidance set out in the AIC Code of Corporate Governance in relation to Section 172 of the UK Companies Act 2006. This requires the Directors to have a duty to promote the success of the Company for the benefit of its members as a whole and includes having regard (amongst other matters) to fostering relationships with the Company's stakeholders and maintaining a reputation for high standards of business conduct.

STRATEGIC REPORT (continued)

As an externally managed investment company, UIL has no employees, customers, operations or premises. Therefore, the Company's key stakeholders (other than its shareholders) are considered to be its service providers, including lenders. The need to promote business relationships with the service providers and maintain a reputation for high standards of business conduct is central to the Directors' decision making. The Directors believe that fostering constructive and collaborative relationships with the Company's service providers will assist in their promotion of the success of the Company for the benefit of all shareholders and their performance is monitored by the Board and its committees. The principal service provider is the Investment Managers, who are responsible for managing the Company's assets in order to achieve its stated investment objective, and the Board maintains a good working relationship with them. Whilst strong long term investment performance is essential, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Investment Managers must have regard to ethical and environmental issues that impact society. Accordingly, ESG considerations are an important part of the Investment Managers' investment process as explained more fully below.

The Board seeks to engage with the Investment Managers and its other service providers in a collaborative and collegiate manner, whilst also ensuring that appropriate and regular challenge is brought, and evaluation conducted. The aim of this approach is to enhance service levels and strengthen relationships with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.

The Directors aim to act fairly as between the Company's shareholders and the approach to shareholder relations is summarised in the Corporate Governance Statement on pages 50 to 54. The Chairman is available to meet with shareholders as appropriate and the Investment Managers meet regularly with shareholders and their respective representatives, reporting back on views to the Board. Shareholders may also communicate with the Company at any time by writing to the Board at the Company's registered office or contacting the Company's broker. These communication opportunities help inform the Board when considering how best to promote the

success of the Company for the benefit of all shareholders over the long term.

In addition to ensuring that the Company's stated investment objective was being pursued, the Directors confirm that they have considered promoting the success of the Company when making decisions, including in relation to:

- the six month extension of the Company's senior secured multicurrency revolving facility with Bank of Nova Scotia, to March 2024;
- the realisation of investments in advance of the maturity date of the Company's senior secured multicurrency revolving facility in March 2024;
- the recommendation that shareholders vote in favour of the Company's dividend policy at the forthcoming AGM; and
- the recommendation that shareholders vote in favour of the renewal of the buyback and allotment authorities as set out in the notice of AGM.

RESPONSIBLE INVESTMENT POLICY

The Board believes that it is in the shareholders' interests to consider ESG factors when selecting and retaining investments, and has asked the Investment Managers to take these into account when investing. The concept of responsible investing has always been a core component of the investment process and the Investment Managers employ a disciplined investment process that seeks to both uncover opportunities and evaluate potential risks, while striving for the best possible return outcomes. When reviewing any investment opportunity, the Investment Managers look to understand the relevant ESG issues in conjunction with the financial, macro and political drivers as part of their investment process, populating an internally built ESG framework due to lack of appropriate coverage from external providers. Relevant and material ESG opportunities and risks can meaningfully affect investment performance, therefore the consideration of ESG issues forms part of the integrated research analysis, decision-making and ongoing monitoring.

The Investment Managers believe that "G" is the core foundation on which all else is built, as strong governance within a company ensures that minority shareholder interests are aligned with other shareholders, management and stakeholders. The Investment Managers' "G" assessment therefore includes questions

covering shareholders' rights, transparency and related parties, as well as audit and accounting, board composition and effectiveness, executive oversight and compensation. Each area is assessed and weighted, and the Investment Managers then apply an aggregated weighting towards "G" in line with the strong empirical evidence linking robust corporate governance and performance. The questions and expectations that the Investment Managers have of companies stays consistent. This is regardless of the size of company, sector or geographical location.

The "E" and "S" are also focal points for the Investment Managers, as assessing key environmental and social risks are essential to a long-term sustainable business model. The Investment Managers identify the most material "E" and "S" risks that are believed to affect each sector. Once identified, many investees are then assessed against each risk. The results from this analysis feed into an "E" and "S" score for each company reflecting, for each material risk, whether suitable/sustainable strategies are in place. Where this is data is not disclosed, the Investment Managers will engage with the investee to ensure that the correct data is captured. To manage individual ESG risks the Investment Managers will capture or ask the investee if not disclosed, how the company is managing the risk.

ESG considerations provide a way to identify and review the long-term drivers of an investment that are not found within the financial accounts, thereby enabling the Investment Managers to fully question a company's investment potential from a few perspectives. An example of the ESG approach taken with one of UIL's investments is set out on page 20.

Where possible, the Investment Managers aim to visit companies to access an in-person opportunity to ask management teams what they perceive to be the key operational, social, and environmental issues, as well as a chance to see assets operating first-hand. ESG disclosures are not always easy to understand given they may not be openly reported or consistently disclosed. The Investment Managers believe that engaging with companies directly is the best first step. Where necessary, the Investment Managers will question and challenge an investee company's management team directly to ensure a full understanding of any challenges and opportunities.

Given the Investment Managers are long term investors, engagement with management teams is and will remain paramount to the investment approach. On behalf of UIL

as shareholder, the Investment Managers work actively with investee companies to incorporate stronger ESG principles and vote in a considered manner (including against resolutions) to drive positive change. Voting proposals are reviewed carefully with final execution taking into consideration the analysis and engagement completed. As referred to previously, the Investment Managers believe that governance factors are fundamental to an investment.

ICM is a signatory to the United Nations-supported Principles of Responsible Investment, which is an international network of investors working together to implement its six aspirational principles. The Investment Managers believe that good stewardship is essential and these principles align with their philosophy to protect and increase the value of UIL's investments.

MODERN SLAVERY ACT

Due to the nature of the Company's business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

GENDER DIVERSITY

The Board consists of three male directors and one female director. The Company has no employees and therefore there is nothing further to report in respect of gender representation within the Company. The Company's policy on diversity is detailed in the Corporate Governance Statement on page 53.

GREENHOUSE GAS EMISSIONS AND STREAMLINED ENERGY AND CARBON REPORTING ("SECR")

All the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from its operations. In addition, the Company considers itself to be a low energy user under the SECR regulations and therefore is not required to disclose energy and carbon information.

STRATEGIC REPORT (continued)

BRIBERY ACT

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Investment Managers also adopt a zero tolerance approach and have policies and procedures in place to prevent bribery.

CRIMINAL FINANCE ACT

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

SOCIAL, HUMAN RIGHTS AND COMMUNITY MATTERS

As an externally-managed investment company, the Company does not have any employees or maintain any premises. It therefore has no material, direct impact on the environment or any particular community and the Company itself has no environmental, human rights, social or community policies. The Board, however, notes the Investment Managers' policy statement in respect of responsible investing, as outlined on pages 38 and 39.

OUTLOOK

The Board's main focus is on the achievement of the Company's objective of delivering a long-term total return and the future of the Company is dependent upon the success of its investment strategy. The outlook for the Company is discussed in the Chairman's Statement and the main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Investment Managers' Report.

This Strategic Report was approved by the Board of Directors on 8 October 2024.

By order of the Board

ICM Limited

Company Secretary

8 October 2024

INVESTMENT MANAGERS AND TEAM

ICMIM, a company authorised and regulated by the FCA, was the Company's AIFM during the year ended 30 June 2024 with sole responsibility for risk management, subject to the overall policies, supervision, review and control of the Board and is joint portfolio manager of the Company, alongside ICM.

The Investment Managers are focused on finding investments at valuations that do not reflect their true long term value. Their investment approach is to have a deep understanding of the business fundamentals of each investment and its environment versus its intrinsic value. The Investment Managers are long term investors.

ICM manages over

£1.3bn

in funds directly and is responsible indirectly for a further £7.4bn of assets in subsidiary investments. ICM has over 80 staff based in offices in Bermuda, Cape Town, Dublin, London, Seoul, Singapore, Sydney, Vancouver and Wellington.

UIL has a broad investment mandate. To better execute the mandate UIL has set up a number of platforms to focus the investment process and decisions. The Investment Managers have mirrored these platforms in establishing investment teams dedicated to each.

The investment teams are led by Duncan Saville and Charles Jillings.



DUNCAN SAVILLE

Duncan Saville, a director of ICM, is a chartered accountant with experience in corporate finance and asset management. He was formerly a non-executive director of Special Utilities Investment Trust PLC and Utilico Investment Trust plc and is an experienced non-executive director having been a director of multiple companies in the financial services, utility, mining and technology sectors. He is currently a non-executive director of ASX listed Resimac Group Limited and a director of H.R.L. Morrison & Co Group GP Limited.



CHARLES JILLINGS

Charles Jillings, a director of ICM and chief executive of ICMIM, is responsible for the day-to-day running of UIL and the investment portfolio. He qualified as a chartered accountant and has extensive experience in corporate finance and asset management. He is an experienced director having previously been a non-executive director of Special Utilities Investment Trust PLC, Utilico Emerging Markets Limited and other companies in the financial services, water and waste sectors. He is currently a director of Somers Limited and the newly merged company L&C Waverton.

INVESTMENT MANAGERS AND TEAM (continued)

Core teams assisting them at a senior level are:

UTILITIES & INFRASTRUCTURE



Jacqueline Broers, deputy portfolio manager of UEM, has been involved in the running of UIL and UEM since September 2010. Mrs Broers is focused on the infrastructure and utilities sectors worldwide with particular emphasis on emerging markets. Prior to joining the investment team, Mrs Broers worked in the corporate finance team at Lehman Brothers and Nomura. Mrs Broers is a qualified chartered accountant.



Mark Lebbell has been involved in the running of UIL and UEM since their inception and before that was involved with Utilico Investment Trust plc and The Special Utilities Investment Trust PLC since 2000. Mr Lebbell is focused on the communications sector worldwide with particular emphasis on emerging markets. Mr Lebbell is an associate member of the Institute of Engineering and Technology.

FIXED INCOME



Gavin Blessing joined ICM in 2012. He has over twenty-five years of experience, mostly in the corporate fixed income markets, both investment grade and high yield. He worked as a credit research analyst and portfolio manager at Goldman Sachs Asset Management in London for 10 years. Prior to joining ICM he was head of bond credit research at Canaccord Genuity in Dublin. Mr Blessing is a qualified chartered accountant and CFA Charterholder.

RESOURCES



Tristan Kingcott joined ICM in 2018 and is based in Vancouver, Canada. He is the portfolio manager for Zeta Resources Limited and responsible for ICM's Canadian office. He is focused on the resources sector worldwide, and on the technology and financial services sectors in North America. He has over fourteen years' experience in financial and commercial analysis. He holds a Bachelor of Commerce degree in finance from the University of Alberta, Canada, is a CFA Charterholder and a Member of the CFA Society in Vancouver.

TECHNOLOGY



Jason Cheong is the Managing Director of ICM AU Pty Ltd and holds various technology portfolio directorships. He has fourteen years' experience in private markets investing across venture capital and private equity in Australia and the United Kingdom. Prior to joining ICM, he was a private equity investor at Brookfield Asset Management and a mergers and acquisitions lawyer at Baker & McKenzie, LLP. Mr Cheong is a qualified solicitor, admitted to practice in Australia.



Matthew Gould is responsible for ICM's quantum endeavour. He has experience across a range of emerging technologies including Artificial Intelligence, Virtual Reality, and Fintech. Prior to joining ICM, he was CEO of Arria NLG Limited, an AI software company. Mr Gould was with Hewlett Packard ("HP") where he led the Emerging Technologies practice, before transferring as the Chief Strategy Officer for HP's Professional Services division. He is a registered financial advisor and member of the Institute of Directors, New Zealand.

ICM MOBILITY



Dugald Morrison is responsible for Australasia and leads the team responsible for the ICM Mobility Group. He is an experienced investment analyst, having worked in stockbroking, investment banking and investment management firms in New Zealand, the United Kingdom and the United States since 1987. Mr Morrison is a member of the New Zealand Institute of Directors.

FINANCIAL SERVICES



Alasdair Younie is Chief Executive Officer and a director of ICM. Mr Younie is responsible for the day to day running of the Somers Group, and he has significant experience in financial markets and corporate finance. He worked for six years within the corporate finance department of Arbuthnot Securities Limited in London. He is a director of Allectus Capital Limited, Somers Limited and West Hamilton Holdings Limited. Mr Younie is a member of the Institute of Chartered Accountants in England and Wales.

CORPORATE FINANCE



Sandra Pope is Chief Operating Officer and a director of ICMIM. She has over thirty years' experience in corporate finance, having previously worked in corporate finance at Deloitte Haskins & Sells, Hill Samuel Bank and Close Brothers for ten years and has worked for the ICM Group since 1999. Mrs Pope is a qualified chartered accountant and is a director of a number of private companies.

COMPANY SECRETARY, ICM LIMITED



Alastair Moreton joined ICM in 2017 to provide company secretarial services to the Company and to UEM. He is a chartered accountant and has over thirty years' experience in corporate finance with Samuel Montagu, HSBC, Arbuthnot Securities and, prior to joining ICM, Stockdale Securities, where he was responsible for the company's closed-end fund corporate clients.

DIRECTORS



STUART BRIDGES* (CHAIRMAN)

Stuart Bridges was appointed a Director in October 2019 and Chairman in March 2024. He is chief financial officer of Inigo Limited, a nonlife insurance group operating out of Lloyds of London. He is a chartered accountant and his previous roles included chief financial officer of Control Risks Group, Nex Group plc (formerly ICAP plc) and Hiscox plc. Prior to Hiscox, he held various senior positions in a number of financial services companies in the United Kingdom and United States including Henderson Global Investors.



PETER DURHAGER*

Peter Durhager was appointed a Director and Chairman of the Audit & Risk Committee in March 2024. Mr Durhager has over twenty five years of experience in financial, telecommunications and energy sectors. He is currently an executive director of the Allan & Gill Gray Foundation and a non-executive director of Harrington Re. He was formerly the President of RenaissanceRe Services Ltd and EVP & Chief Administrative Officer of RenaissanceRe Holdings Ltd. He was also formerly the Chairman of Ascendant Group Limited, America's Cup Bermuda, Somers Limited and the Bermuda Community Foundation.



ALISON HILL*

Alison Hill, FCMA, CGMA, was appointed a Director in November 2015 and is an executive director and chief executive officer of The Argus Group in Bermuda, which provides insurance, retirement and financial services. Ms Hill has over twenty five years' experience in global corporations in the financial services sector. Ms Hill is a trustee and a member of committees of a number of non-corporate organisations in Bermuda. Ms Hill is a Fellow of the Chartered Institute of Management Accountants and a Chartered Global Management Accountant.



DAVID SHILLSON

David Shillson, LL.M (Hons), who was appointed a Director in November 2015, is an experienced corporate and commercial lawyer and a senior partner of Dentons Kensington Swan, the New Zealand member of Dentons, the global law firm. He has acted for a variety of clients, particularly in acquisitions and investment structuring, advising on transactional and governance matters across the utilities, transport, energy, technology and finance sectors. Mr Shillson is a member of the New Zealand Law Society and the New Zealand Institute of Directors.

* Independent Director and member of the Audit & Risk Committee and Management Engagement Committee

DIRECTORS' REPORT

The Directors present the Annual Report and Accounts of the Company for the year ended 30 June 2024.

STATUS OF THE COMPANY

UIL is a Bermuda exempted closed-end investment company with registration number 39480. The Company's ordinary shares are admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange and have a secondary listing on the Bermuda Stock Exchange. UIL Finance's ZDP shares are listed in the Non-equity shares and non-voting equity shares category of the Official List of the Financial Conduct Authority and are traded on the Main Market of the London Stock Exchange. UIL is a member of the AIC in the UK.

The Company's subsidiary undertaking, UIL Finance, carries on business as an investment company.

THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE ("AIFMD")

The Company is a non-EU Alternative Investment Fund ("AIF") for the purposes of the AIFMD. The Company has appointed ICMIM, an English incorporated company which is regulated by the FCA, as its AIFM, with sole responsibility for risk management and ICM and ICMIM jointly to provide portfolio management services.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information, is available on the Company's website at www.uil.limited.

UIL has also appointed JPMEL as its depository services provider. JPMEL's responsibilities include general oversight over the issue and cancellation of the Company's shares, the calculation of the NAV, cash monitoring and asset verification and record keeping. JPMEL receives a fee of 2.2bps on UIL's NAV for its services, subject to a minimum fee of £25,000 per annum, payable monthly in arrears.

FUND MANAGEMENT ARRANGEMENTS

The aggregate fees payable by the Company to ICMIM and ICM under the Investment Management Agreement ("IMA") are 0.5% per annum of gross assets after deducting current liabilities (excluding borrowings incurred for investment purposes), payable quarterly in arrears, with such fees to be apportioned between ICMIM and ICM as agreed by them. The Investment Managers may also become entitled to a performance-related fee. The IMA may be terminated on one year's notice in writing and further details of the management and performance fees are disclosed in note 4 to the accounts.

Under the IMA, ICM has been appointed as Company Secretary.

The Board continually reviews the policies and performance of the Investment Managers. The Board's philosophy and the Investment Managers' approach are that the portfolio should consist of shares thought attractive irrespective of their inclusion or weighting in any index. Over the long term, the Board expects the combination of the Company's and Investment Managers' approach to generate a positive return for shareholders. The Board continues to believe that the appointment of ICMIM and ICM on the terms agreed is in the interests of shareholders as a whole.

ADMINISTRATION

The provision of accounting and administration services has been outsourced to JPMorgan Chase Bank N.A. – London Branch (the "Administrator"). The Administrator provides financial and general administrative services to the Company for an annual fee based on the Company's month end NAV (5 bps on the first £100m NAV, 3bps on the next £150m NAV, 2bps on the next £250m NAV and 1.5bps on the next £500m NAV). The Administrator and any of its delegates are also entitled to reimbursement of certain expenses incurred by it in connection with its duties. In addition, ICMIM has appointed Waverton to provide certain support services (including middle office, market dealing and information technology support services). Waverton is entitled to receive an annual fee of 3bps of the Company's gross assets and the Company reimburses ICMIM for its costs and expenses incurred in relation to this agreement.

DIRECTORS' REPORT (continued)

Annually, the Management Engagement Committee considers the ongoing administrative requirements of the Company and assesses the services provided.

SAFE CUSTODY OF ASSETS

During the year ended 30 June 2024, most of UIL's investments were held in custody for the Company by JPMorgan Chase Bank N.A., Jersey (the "Custodian"). Operational matters with the Custodian are carried out on the Company's behalf by ICMIM and the Administrator in accordance with the IMA and the Administration Agreement. The Custodian is paid a variable fee dependent on the number of trades transacted and the location of the securities held.

FINANCIAL INSTRUMENTS

The Company's financial instruments comprise its investment portfolio, cash balances, bank borrowings and debtors and creditors which arise directly from its operations such as sales and purchases awaiting settlement, and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 29 to the accounts.

DIVIDENDS

Dividends of 2.00p per share were paid on 21 December 2023, 23 May 2024 and 31 July 2024. A dividend of 2.00p per share was declared on 16 September 2024 for payment on 8 November 2024 to shareholders on the register as at 27 September 2024. In aggregate, the four interim dividends in respect of the year amount to 8.00p per ordinary share.

ISA AND NMPI

The ordinary shares and the ZDP shares remain qualifying investments under the Individual Savings Account ("ISA") regulations and it is the intention of the Board to continue to satisfy these regulations. Furthermore, the Company currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments and intends to continue to do so for the foreseeable future.

GOING CONCERN

The Board has reviewed the going concern basis of accounting for the Company. A material proportion of the Company's investments comprise listed securities. 16.5% of the total portfolio as at 30 June 2024 is in level 1 investments which, in most circumstances, could likely be sold to meet funding requirements, if necessary. The Board has performed a detailed assessment of the Company's operational risk and resources including its ability to meet its liabilities as they fall due, by conducting stress tests and scenarios which considered the impact of severe stock market and currency volatility. This is set out in note 28 to the accounts. In light of this work and there being no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least the next twelve months from the date of approval of these financial statements. Accordingly, the Board considers it appropriate to continue to adopt the going concern basis in preparing the accounts.

DIRECTORS

UIL has a Board of four non-executive Directors who oversee and monitor the activities of the Investment Managers and other service providers and ensure that the Company's investment policy is adhered to. The Board is supported by an Audit & Risk Committee and a Management Engagement Committee, which deal with specific aspects of the Company's affairs. The Corporate Governance Statement, which is set out on pages 50 to 54, forms part of this Directors' Report.

The Directors have a range of business, financial and asset management skills as well as experience relevant to the direction and control of the Company. Brief biographical details of the members of the Board are shown on page 44. All the Directors are independent other than Mr Shillson, who is a partner of Dentons Kensington Swan, a New Zealand law firm which has acted for members of the UIL and ICM groups.

UIL's Bye-laws require that a Director be subject to election at the first AGM after appointment and shall retire and be subject to re-election at least every three years thereafter. However, in accordance with the AIC

Code of Corporate Governance, all the directors are subject to annual re-election. Consequently, at the forthcoming AGM, Mr Durhager will stand for election and Mr Bridges, Ms Hill and Mr Shilson will stand for re-election.

The nature of an investment company and the relationship between the Board and the Investment Managers are such that it is considered unnecessary to identify a senior independent director. Any of the Directors is available to shareholders if they have concerns which have not been resolved through the normal channels of contact with the Chairman or the Investment Managers, or for which such channels are inappropriate.

The duty to Promote the Success of the Company section on pages 37 and 38 forms part of this Directors' Report.

DIRECTORS' INDEMNITY AND INSURANCE

As permitted by the Company's Bye-laws, the Directors have the benefit of an indemnity under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities incurred as a result of carrying out his/her role as a Director of the Company. The indemnity was in place during the year and as at the date of this report. UIL also maintains Directors' and Officers' liability insurance which provides appropriate cover for any legal action brought against the Directors.

DIRECTORS' INTERESTS

The Directors' interests in the ordinary share capital of the Company are disclosed in the Directors' Remuneration Report.

No Director was a party to, or had any interests in, any contract or arrangement with the Company at any time during the year or at the year end. There are no agreements between the Company and its Directors concerning compensation for loss of office.

A Director must avoid a situation where he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. The Directors have declared any potential conflicts of interest to the Company which are reviewed regularly by the Board. The Directors have undertaken to advise the Company Secretary and/or Chairman as soon

as they become aware of any potential conflicts of interest.

SHARE CAPITAL

As at 30 June 2024 the issued ordinary share capital of the Company and the total voting rights were 83,842,918 ordinary shares. As at the date of this report the issued share capital and total voting rights were 83,755,585 ordinary shares. There are no restrictions on the transfer of securities in the Company and there are no special rights attached to any of the shares.

SHARE ISSUES AND REPURCHASES

UIL has the authority to purchase shares in the market and to issue new shares for cash. During the year ended 30 June 2024 no ordinary shares were purchased by the Company. The current authority to repurchase shares was granted to Directors on 9 November 2023 and expires at the conclusion of the next AGM. The Directors are proposing that their authority to buy back up to 14.99% of the Company's shares and to issue new shares up to 10% of the Company's issued ordinary share capital be renewed at the forthcoming AGM.

SUBSTANTIAL SHARE INTERESTS

As at the date of this report, the Company had received notification from Mr Duncan Saville that he had an interest in 63,498,387 ordinary shares (75.8% of UIL's issued share capital) which included the holding of General Provincial Life Pension Fund Limited (54,861,466 ordinary shares (65.5%)).

THE COMMON REPORTING STANDARD

Tax legislation under The OECD (Organisation for Economic Co-operation and Development) Common Reporting Standard for Automatic Exchange of Financial Account Information (the "Common Reporting Standard") was introduced on 1 January 2016. The legislation requires UIL, as an investment company, to provide personal information on shareholders to the Company's local tax authority in Bermuda. The Bermuda tax authority may in turn exchange the information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements

DIRECTORS' REPORT (continued)

to exchange financial account information. The Company's registrars have been engaged to collate such information and file reports on behalf of the Company.

All new shareholders, excluding those whose shares are held as depositary interests, who are entered on the share register will be sent a certification form for the purposes of collecting this information.

AUDIT INFORMATION AND AUDITOR

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

LISTING RULE 6.6.1R

The ordinary shares of UIL are admitted to the Specialist Fund Segment and therefore the Listing Rules do not technically apply to it. However it has agreed to comply voluntarily with certain key provisions of the Listing Rules, including Listing Rule 6.6, and confirms that there are no instances where the Company is required to make disclosures in respect of Listing Rule 6.6.1R (information to be included in annual report and accounts).

ANNUAL GENERAL MEETING

The following information to be discussed at the forthcoming AGM is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your shares in the Company, you should pass this document, together with any other accompanying documents including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The business of the AGM consists of 11 resolutions. Resolutions 1 to 10 (inclusive) will be proposed

as ordinary resolutions and resolution 11 will be proposed as a special resolution.

Ordinary Resolution 1 – Annual Report and Financial Statements

This resolution seeks shareholder approval to receive the Directors' Report, the Independent Auditor's Report and the Financial Statements for the year ended 30 June 2024.

Ordinary Resolution 2 – Approval of the Directors' Remuneration Report

This resolution is an advisory vote on the Directors' Remuneration Report.

Ordinary Resolution 3 – Approval of the Company's dividend policy

This resolution seeks shareholder approval of the Company's dividend policy to pay four interim dividends per year. Under the Company's Bye-laws, the Board is authorised to approve the payment of interim dividends without the need for the prior approval of the Company's shareholders.

Having regard to corporate governance best practice relating to the payment of interim dividends without the approval of a final dividend by a company's shareholders, the Board has decided to seek express approval from shareholders of its dividend policy to pay four interim dividends per year. If this resolution is not passed, it is the intention of the Board to refrain from authorising any further interim dividends until such time as the Company's dividend policy is approved by its shareholders.

Ordinary Resolutions 4 to 7 (inclusive) – Election and re-election of Directors

The biographies of the Directors are set out on page 44 and are incorporated into this report by reference.

Resolution 4 relates to the election of Mr Peter Durhager who was appointed on 31 March 2024. Mr Durhager has many years of experience in the financial, telecommunications and energy sectors. He brings this strong background and skills to his role as the Company's Audit & Risk Committee Chairman, as well as his deep knowledge of Bermuda.

Resolution 5 relates to the re-election of Mr Stuart Bridges who was appointed Chairman on 31 March

2024, having joined the Board on 2 October 2019. Mr Bridges' leadership of the Board as Chairman draws on his long and varied experience on the boards of many listed and unlisted companies. His focus is on long-term strategic issues, which are key topics of Board discussion.

Resolution 6 relates to the re-election of Ms Alison Hill who was appointed on 16 November 2015. Ms Hill is based in Bermuda and is an executive director and chief executive officer of the financial services company, The Argus Group. She therefore brings extensive financial services experience and knowledge of Bermuda to her role on the Board.

Resolution 7 relates to the re-election of Mr David Shillson who was appointed on 16 November 2015. Mr Shillson brings significant legal experience to his role on the Board which draws on a track record of advising on acquisitions and investment structuring in many of the sectors in which the Company invests.

Ordinary Resolutions 8 and 9 – Appointment of the external Auditor and the Auditor's Remuneration

These resolutions relate to the appointment and remuneration of the Company's auditor. In June 2024, the Board decided to appoint KPMG Audit Limited as auditor of the Company, replacing KPMG LLP which had been auditor since 2012. The Company, through its Audit & Risk Committee, has considered the independence and objectivity of the external auditor and is satisfied that the proposed Auditor is independent. Further information in relation to the assessment of the existing Auditor's independence can be found in the report of the Audit & Risk Committee.

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM:

Ordinary Resolution 10 – Authority to buy back shares

This resolution seeks to renew the authority granted to Directors enabling the Company to purchase its own shares. The Directors will consider repurchasing shares in the market if they believe it to be in shareholders' interests and as a means of correcting any imbalance between supply and demand for the Company's shares. Any shares purchased pursuant to this resolution shall be cancelled immediately upon

completion of the purchase or held, sold, transferred or otherwise dealt with as treasury shares.

The Directors are seeking authority to purchase in the market up to 12,554,000 ordinary shares (representing approximately 14.99% of the issued ordinary shares as at the date of the Notice of AGM). This authority, unless renewed at an earlier general meeting, will expire at the conclusion of the next AGM of the Company to be held in 2025.

Special Resolution 11 – Authority to disapply pre-emption rights

The Company's Bye-laws provide that, unless otherwise determined by a special resolution, the Company is not able to allot ordinary shares for cash without offering them to existing shareholders first in proportion to their shareholdings. This resolution will grant the Company authority to dis-apply these pre-emption rights in respect of up to 8,375,000 ordinary shares (representing approximately 10% of the issued ordinary shares as at the date of the Notice of AGM). Any such sale of shares would only be made at prices greater than NAV and would therefore increase the assets underlying each share. This resolution will expire at the conclusion of the next AGM of the Company to be held in 2025 unless renewed prior to that date at an earlier general meeting.

Resolution 11 is a special resolution and will require the approval of a 75% majority of votes cast in respect of it.

RECOMMENDATION

The Board considers that each of the resolutions to be proposed at the AGM is likely to promote the success of the Company for the benefit of its members as a whole and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of these resolutions as they intend to do in respect of their own beneficial holdings.

By order of the Board
ICM Limited
Secretary

8 October 2024

CORPORATE GOVERNANCE STATEMENT

THE COMPANY'S CORPORATE GOVERNANCE FRAMEWORK

Corporate Governance is the process by which the board of directors of a company protects shareholders' interests and by which it seeks to enhance shareholder value. Shareholders hold the directors responsible for the stewardship of a company's affairs, delegating authority and responsibility to the directors to manage the company on their behalf and holding them accountable for its performance. Responsibility for good governance lies with the Board. The Board considers the practice of good governance to be an integral part of the way it manages the Company and is committed to maintaining high standards of financial reporting, transparency and business integrity.

The governance framework of the Company reflects the fact that, as an investment company, it has no full-time employees and outsources its activities to third party service providers.

THE BOARD

Four non-executive directors (NEDs)

**CHAIRMAN:
Stuart Bridges**

KEY OBJECTIVES:

- to set strategy, values and standards;
- to provide leadership within a framework of prudent and effective controls which enable risks to be assessed and managed; and
- to constructively challenge and scrutinise performance of all outsourced activities.

AUDIT & RISK COMMITTEE

All the independent Directors
**CHAIRMAN:
Peter Durhager**

KEY OBJECTIVE:

- to oversee the financial reporting and control environment.

MANAGEMENT ENGAGEMENT COMMITTEE

All the independent Directors
**CHAIRMAN:
Stuart Bridges**

KEY OBJECTIVES:

- to review the performance of the Investment Managers and the Administrator; and
- to review the performance of other service providers.

NOMINATION COMMITTEE FUNCTION

The Board as a whole performs this function

KEY OBJECTIVES:

- to regularly review the Board's structure and composition; and
- to consider any new appointments.

REMUNERATION COMMITTEE FUNCTION

The Board as a whole performs this function

KEY OBJECTIVE:

- to set the remuneration policy for the Directors of the Company.

THE AIC CODE OF CORPORATE GOVERNANCE

The Board's principal governance reporting obligation is in relation to the UK Corporate Governance Code (the "UK Code") issued by the Financial Reporting Council ("FRC") in July 2018. However, it is recognised that investment companies have special circumstances which have an impact on their governance arrangements. An investment company typically has no employees and the roles of portfolio management, administration, accounting and company secretarial tend to be outsourced to third parties. The AIC has therefore drawn up its own set of guidelines known as the AIC Code of Corporate Governance (the "AIC Code") issued in February 2019, which recognises the nature of investment companies by focusing on matters such as board independence and the review of management and other third party contracts. The FRC has endorsed the AIC Code and confirmed that companies which report against the AIC Code will be meeting their obligations in relation to the UK Code and paragraph LR 6.6.6 of the FCA's Listing Rules. The Board believes that reporting against the principles and recommendations of the AIC Code will provide better information to shareholders.

The UK Code is available from the FRC's website at www.frc.org.uk. The AIC Code is available from the Association of Investment Companies' website at www.theaic.co.uk.

COMPLIANCE WITH THE AIC CODE

During the year ended 30 June 2024, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except those relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function;
- nomination of a senior independent director; and
- membership of the Audit & Risk Committee by the Chairman of the Board.

For the reasons set out in the AIC Code and as explained in the UK Code, the Board considers these provisions are not relevant to the position of UIL, being an externally managed investment company. The Board is composed entirely of non-executive directors and

therefore the Board does not believe it is necessary to nominate a senior independent director. In addition, as explained in the Audit & Risk Committee Report, the Chairman of the Board is also a member of the Audit & Risk Committee, as permitted by the AIC Code.

Information on how the Company has applied the principles of the AIC Code and the UK Code is set out below.

THE BOARD

The Board is responsible to shareholders for the overall stewardship of the Company. A formal schedule of matters reserved for the decision of the Board has been adopted. Investment policy and strategy are determined by the Board and it is also responsible for the gearing policy, dividend policy, public documents, such as the Annual Report and Financial Statements, the buy-back policy and corporate governance matters. In order to enable the Directors to discharge their responsibilities effectively the Board has full and timely access to relevant information.

The Board meets at least three times a year, with additional Board and Committee meetings being held on an ad hoc basis to consider investment performance and particular issues as they arise. Key representatives of the Investment Managers attend each meeting and between these meetings there is regular contact with the Investment Managers. Board meetings may be held in countries where the Company holds investments and the Board will then meet with investee companies and local experts.

The Board has direct access to the advice and services of the Company Secretary, who is an employee of ICM. The Company Secretary, with advice from the Company's lawyers and financial advisers, is responsible for ensuring that the Board and Committee procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that the statutory obligations of the Company are met. The Company Secretary is responsible for advising the Board, through the Chairman, on all governance matters.

There is an agreed procedure for Directors, in the furtherance of their duties, to take legal advice at the Company's expense, having first consulted with the Chairman.

CORPORATE GOVERNANCE STATEMENT (continued)

During the year, none of the Directors took on any significant new commitments or appointments. All of the Directors consider that they have sufficient time to discharge their duties.

There were three Board meetings, three Audit & Risk Committee meetings and one Management Engagement Committee meeting held during the year and the attendance by the Directors was as follows:

	Board	Audit & Risk Committee	Management Engagement Committee
Number of scheduled meetings held during the year	3	3	1
Stuart Bridges	3	3	1
Peter Burrows (retired 31 March 2024)	2/2	2/2	1
Peter Durhager (appointed 31 March 2024)	1/1	1/1	0/0
Alison Hill	3	3	1
David Shillson	3	n/a	n/a

Apart from the meetings detailed above, there were a number of meetings held by committees of the Board to discuss investment performance, approve the declaration of quarterly dividends and other ad hoc items.

AUDIT & RISK COMMITTEE

The Audit & Risk Committee comprises all the independent Directors of the Company and is chaired by Mr Durhager who took over from Mr Bridges following his appointment as Chairman during the year. Further details of the Audit & Risk Committee are provided in its report starting on page 58.

MANAGEMENT ENGAGEMENT COMMITTEE

The Management Engagement Committee, which is chaired by Mr Bridges, comprises all the independent Directors of the Company and meets at least once a year.

The Investment Managers' performance is considered by the Board at every meeting, with a formal evaluation by the Management Engagement Committee annually. The Board received detailed reports and views from

the Investment Managers on investment policy, asset allocation, gearing and risk at each Board meeting in the year ended 30 June 2024, with ad hoc market/ company updates if there were significant movements in the intervening period.

The Management Engagement Committee also considers the effectiveness of the administration services provided by the Investment Managers and Administrator and the performance of other third party service providers. In this regard the Committee assessed the services provided by the Investment Managers, the Administrator and the other service providers to be good.

REMUNERATION COMMITTEE

The Board as a whole undertakes the work which would otherwise be undertaken by a Remuneration Committee. Further details are provided in the Directors' Remuneration Report starting on page 55.

INTERNAL CONTROLS

The Directors acknowledge that they are responsible for ensuring that the Company maintains a sound system of internal financial and non-financial controls ("internal controls") to safeguard shareholders' investments and the Company's assets.

The Company's system of internal control is designed to manage rather than eliminate risk of failure to achieve the Company's investment objective and/or adhere to the Company's investment policy and/or investment limits. The system can therefore only provide reasonable and not absolute assurance against material misstatement or loss.

The Investment Managers, Administrator and Custodian maintain their own systems of internal controls and the Board and the Audit & Risk Committee receive regular reports from these service providers.

The Board meets regularly, at least three times a year. It reviews financial reports and performance against relevant stock market criteria and the Company's peer group, amongst other things. The effectiveness of the Company's system of internal controls, including financial, operational and compliance and risk management systems is reviewed at least bi-annually against risk parameters approved by the Board. The Board confirms that the necessary actions are taken to remedy any significant failings or weaknesses identified

from its review. No significant failings or weaknesses occurred during the year ended 30 June 2024 or subsequently up to the date of this report.

BOARD DIVERSITY, APPOINTMENT, RE-ELECTION AND TENURE

The Board as a whole undertakes the responsibilities which would otherwise be assumed by a nomination committee since the Board is composed solely of non-executive Directors. It considers the size and structure of the Board, including the balance of expertise and skills brought by individual Directors. It supports the principles of boardroom diversity, including gender and ethnicity, progressive refreshing and succession planning and such matters are discussed by the Board as a whole at least annually. The Company's policy is that the Board should be comprised of directors with a diverse range of skills, knowledge and experience and that any new appointments should be made on the basis of merit, against objective criteria including diversity. Listing Rule 6.6.6, against which the Company has agreed to comply voluntarily, requires companies to report against the following three diversity targets:

- (i) At least 40% of individuals on the board are women;
- (ii) At least one of the senior board positions (defined in the Listing Rules as the chair, CEO, SID and CFO) is held by a woman; and
- (iii) At least one individual on the board is from a minority ethnic background.

As at 30 June 2024, UIL's Board consists of three men and one woman and UIL does not comply with targets (i) and (iii). As provided for in the Listing Rules, investment companies do not need to report against target (ii) if it is inapplicable. The Board believes that, since UIL is an externally managed investment company which does not have executive management functions, including the roles of CEO or CFO, this target is not applicable.

The Board has chosen to align its diversity reporting reference date with the Company's financial year end. As required by the Listing Rules, further details in relation to the three diversity targets are set out in the tables below. The information was obtained by asking each of the Directors how they wished to be categorised for the purposes of these disclosures:

30 June 2024	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, Chair)
Men	3	75%	Not applicable*
Women	1	25%	

30 June 2024	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, Chair)
White British or other White (including minority-white groups)	4	100%	
Mixed/Multiple Ethnic groups	–	–	
Asian/Asian British	–	–	Not applicable*
Black/African/Caribbean/Black British	–	–	
Other Ethnic group	–	–	
Not specified/prefer not to say	–	–	

* This column is inapplicable as the company is externally managed and does not have executive management functions, specifically it does not have a CEO, CFO.

Whilst the current composition of the Board does not satisfy targets (i) and (iii), the Board will continue to have regard to boardroom diversity, including gender and ethnicity, during its consideration of succession planning and future Board appointments.

The Board is of the view that length of service does not necessarily compromise the independence or contribution of directors of an investment company, where continuity and experience can add significantly to the strength of the Board. This is supported by the views on independence expressed in the AIC Code. No limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. All Directors are subject to annual re-election.

The Board reviews succession planning at least annually. Appointments of new Directors will be made on a formalised basis with the Chairman agreeing, in

CORPORATE GOVERNANCE STATEMENT (continued)

conjunction with his colleagues, a job specification and other relevant selection criteria and the methods of recruitment (where appropriate using an external recruitment agency), selection and appointment. The potential Director would meet with Board members prior to formal appointment. An induction process will be undertaken, with new appointees to the Board being given a full briefing on the workings and processes of the Company and the management of the Company by the Chairman, the Investment Managers, the Company Secretary and other appropriate persons. All appointments are subject to subsequent confirmation by shareholders in general meeting.

BOARD, COMMITTEE AND DIRECTORS' PERFORMANCE APPRAISAL

The Directors recognise the importance of the AIC Code's recommendations in respect of evaluating the performance of the Board, the Committees and individual Directors. This encompasses both quantitative and qualitative measures of performance including:

- attendance at meetings;
- the independence of individual Directors;
- the ability of Directors to make an effective contribution to the Board and Committees through the range and diversity of skills and experience each Director brings to their role; and
- the Board's ability to challenge the Investment Managers' recommendations, suggest areas of debate and set the future strategy of the Company.

The Board opted to conduct performance evaluation through questionnaires and discussion between the Directors, the Chairman and the chairmen of the Committees. This process is conducted by the Chairman reviewing individually with each of the Directors their performance, contribution and commitment to the Company and the possible further development of skills. In addition, the Chair of the Audit & Risk Committee reviews the performance of the Chairman with the other Directors, taking into account the views of the Investment Managers. The relevant points arising from these meetings are then reported to, and discussed by, the Board as a whole. This process has been carried out in respect of the

year under review and will be conducted on an annual basis. The result of this year's performance evaluation process was that the Board, the Committees of the Board and the Directors individually were all assessed to have performed satisfactorily. No follow-up actions were required.

It is not felt appropriate currently to employ the services of, or to incur the additional expense of, an external third party to conduct the evaluation process as an appropriate process is in place; this will, however, be kept under review.

RELATIONS WITH SHAREHOLDERS

UIL welcomes the views of shareholders and places great importance on communication with shareholders.

The prime medium by which the Company communicates with shareholders is through the half-yearly and annual financial reports, which aim to provide shareholders with a full understanding of the Company's activities and its results. This information is supplemented by the calculation and publication, via a Regulatory Information Service, of the NAV of the Company's shares and by monthly fact sheets produced by the Investment Managers. Shareholders can visit the Company's website: www.uil.limited in order to access copies of half-yearly and annual financial reports, factsheets and regulatory announcements.

The Investment Managers hold meetings with the Company's largest shareholders and report back to the Board on these meetings. The Chairman and other Directors are available to discuss any concerns with shareholders, if required and shareholders may communicate with the Company at any time by writing to the Board at the Company's registered office or contacting the Company's broker.

By order of the Board
ICM Limited
Company Secretary

8 October 2024

DIRECTORS' REMUNERATION REPORT

The Board presents the report on Directors' remuneration for the year ended 30 June 2024. The report comprises a remuneration policy, which is subject to a triennial binding shareholder vote, or sooner if an alteration to the policy is proposed, and a report on remuneration, which is subject to an annual advisory vote. An ordinary resolution for the approval of this report will be put to shareholders at the Company's forthcoming AGM.

The Board's policy on remuneration is set out below. A key element is that fees payable to Directors should reflect the time spent by them on the Company's affairs and should be sufficient to attract and retain individuals with suitable knowledge and experience to promote the long term success of the Company whilst also reflecting the time commitment and responsibilities of the role. There were no changes to the policy during the year.

The Board is composed solely of non-executive Directors, none of whom has a service contract with the Company and therefore no remuneration committee has been appointed. The Board as a whole undertakes the responsibilities which would otherwise be assumed by a remuneration committee.

DIRECTORS' REMUNERATION POLICY

The Board considers the level of the Directors' fees at least annually. The Board determines the level of Directors' fees within the limit currently set by the Company's Bye-laws, which limit the aggregate fees payable to the Directors to a total of £250,000 per annum.

The Board's policy is to set Directors' remuneration at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the investment objective. Time committed to the Company's business and the specific responsibilities of the Chairman, Directors and the chairman of the Audit & Risk Committee are taken into account. The policy aims to be fair and reasonable in relation to comparable investment companies.

The fees are fixed and are payable in cash, quarterly in arrears. Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties

and attendance at Board and general meetings and Committee meetings. Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

Directors are provided with a letter of appointment when they join the Board. There is no provision for compensation upon early termination of appointment. The letters of appointment are available on request at the Company's registered office during business hours.

DIRECTORS' REMUNERATION

The Board reviews the fees payable to the Chairman and Directors annually. The review in respect of the year ending 30 June 2025 has resulted in the increases being applied to the annual fees as detailed in the table below.

Year ending 30 June	2025 £'000s	2024* £'000s
Chairman	53.6	52.5
Directors	39.6	38.9
Chairman of Audit & Risk Committee	51.2	50.2

* Actual

VOTING AT ANNUAL GENERAL MEETING

A resolution to approve the Remuneration Report was put to shareholders at the AGM of the Company held on 9 November 2023. Of the votes cast, 99.96% were in favour and 0.04% were against; this resolution will be put to shareholders again this year. The Company seeks shareholder approval for its remuneration policy on a triennial basis and a binding resolution was last put to shareholders at the AGM held on 9 November 2023. Of the votes cast, 99.96% were in favour and 0.04% were against. A resolution to approve the remuneration policy will be put to shareholders at the AGM to be held in 2026.

DIRECTORS' REMUNERATION REPORT (continued)

DIRECTORS' ANNUAL REPORT ON REMUNERATION

A single figure for the total remuneration of each Director is set out in the table below for the year ended 30 June 2024.

Year ended 30 June	2024 £	2023 £
Peter Burrows ¹	39,375	50,000
Stuart Bridges ²	50,738	47,750
Peter Durhager ³	12,538	–
Alison Hill	38,850	37,000
Christopher Samuel ⁴	–	33,917
David Shillson	38,850	37,000
Total	180,351	205,667

(1) Mr Burrows retired from the Board on 31 March 2024

(2) Mr Bridges was appointed Chairman on 31 March 2024

(3) Mr Durhager was appointed to the Board on 31 March 2024

(4) Mr Samuel retired from the Board on 31 May 2023

ANNUAL PERCENTAGE CHANGE IN DIRECTORS' REMUNERATION

The following table sets out the annual percentage change in Directors' remuneration compared to the previous year.

Year ended 30 June	2024 %	2023 %	2022 %	2021 %	2020 %
Peter Burrows ¹	5.0	5.0	3.5	100.0	(48.9)
Stuart Bridges	5.0	4.9	3.4	0.0	n/a
Peter Durhager	n/a	n/a	n/a	n/a	n/a
Alison Hill	5.0	5.1	3.5	0.0	2.3
David Shillson	5.0	5.1	3.5	0.0	2.3

(1) Mr Burrows waived 50% of his fee entitlement during the year ended 30 June 2020.

RELATIVE IMPORTANCE OF SPEND ON PAY

The following table compares the remuneration paid to the Directors with aggregate distributions paid to shareholders relating to the year to 30 June 2024 and the prior year. Although this disclosure is a statutory requirement, the Directors consider that comparison of Directors' remuneration with annual dividends and share buybacks does not provide a meaningful measure relative to the Company's overall performance as an investment company with an objective of providing shareholders with long-term total return.

Year ended 30 June	2024 £'000s	2023 £'000s	CHANGE £'000s
Aggregate Directors' emoluments	180	206	(26)
Aggregate dividends	6,706	6,708	(2)
Aggregate share buybacks	–	–	–

DIRECTORS' BENEFICIAL SHARE INTERESTS (AUDITED)

The Directors' (and any connected persons) holdings of ordinary shares are detailed below:

	19 SEPT 2024	30 JUNE 2024	30 JUNE 2023
As at 30 June			
Peter Burrows	n/a	909,617 ¹	909,617
Stuart Bridges	243,263	230,782	182,007
Peter Durhager	11,923	–	–
Alison Hill	156,097	146,861	116,511
David Shillson	184,401	175,165	159,069

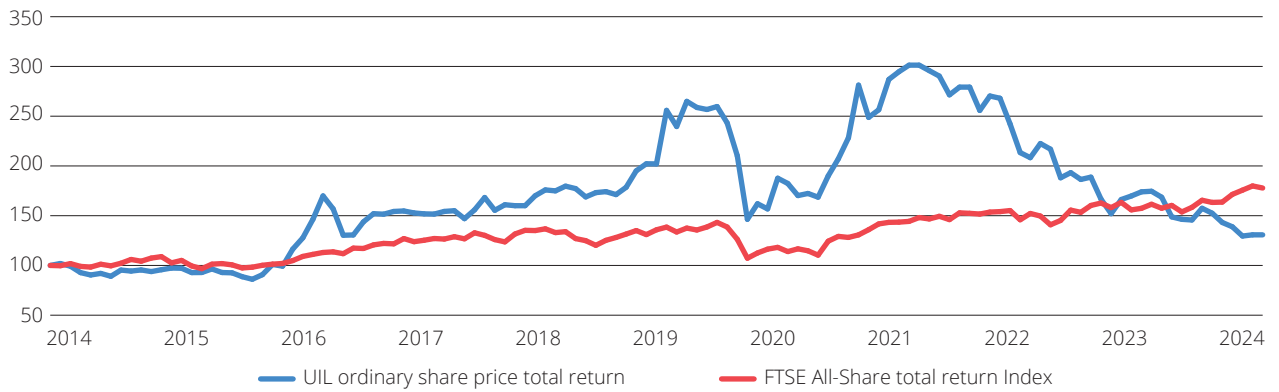
(1) As at 31 March 2024, the date Mr Burrows retired from the Board

COMPANY PERFORMANCE

The graph below compares, for the ten years ended 30 June 2024, the ordinary share price total return (see page 107) to the FTSE All-Share total return Index. The FTSE All-Share total return Index has been chosen since it represents a comparable broad equity market index and it is used by the Company to compare its performance against over the long term.

SHARE PRICE TOTAL RETURN (pence)

from 30 June 2014 to 30 June 2024 (rebased to 100 as at 30 June 2014)



Source: ICM

On behalf of the Board

Stuart Bridges

Chairman

8 October 2024

AUDIT & RISK COMMITTEE REPORT



PETER DURHAGER
Chairman of the Audit
& Risk Committee

As chairman of the Audit & Risk Committee, I am pleased to present the Committee's report to shareholders for the year ended 30 June 2024.

ROLE AND RESPONSIBILITIES

UIL has established a separately chaired Audit & Risk Committee whose duties include considering and recommending to the Board for approval the

contents of the half yearly and annual financial statements and providing an opinion as to whether the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. The Committee also reviews the external auditor's report on the annual financial statements and is responsible for reviewing and forming an opinion on the effectiveness of the external audit process and audit quality. Other duties include reviewing the appropriateness of the Company's accounting policies and ensuring the adequacy of the internal control systems and standards.

The Audit & Risk Committee meets at least three times a year. Two of the planned meetings are held prior to the Board meetings to review the half yearly and annual results. Representatives of the Investment Managers attend all meetings.

During the year the Audit & Risk Committee decided to change the Company's auditors from KPMG in the UK to the KPMG team based in Bermuda, which is where the Company's registered office is located. Further details are set out in Auditor and Audit Tenure below.

COMPOSITION

During the year ended 30 June 2024, the Audit & Risk Committee consisted of all the independent Directors of the Company. It is considered that there is a range of recent and relevant financial experience amongst the members of the Audit & Risk Committee together with experience of the investment trust sector. In light of the Chairman of the Board's relevant financial services

experience, his continued independence and his valued contributions in Committee meetings, the Audit & Risk Committee considers it appropriate that he is a member.

RESPONSIBILITIES AND REVIEW OF THE EXTERNAL AUDIT

During the year the principal activities of the Audit & Risk Committee included:

- considering and recommending to the Board for approval the contents of the half yearly and annual financial statements and reviewing the external auditor's report;
- management of the relationship with the external auditor, including its appointment and the evaluation of scope, execution, cost effectiveness, independence and objectivity;
- reviewing and approving the external auditor's plan for the financial year, with a focus on the identification of areas of audit risk, and consideration of the appropriateness of the level of audit materiality adopted;
- reviewing and recommending to the Board for approval the audit and non-audit fees payable to the external auditor and the terms of its engagement;
- evaluation of reports received from the external auditor with respect to the annual financial statements and its review of the half-yearly report;
- reviewing the efficacy of the external audit process and making a recommendation to the Board with respect to the reappointment of the external auditor;
- evaluation of the effectiveness of the internal control and risk management systems including reports received on the operational controls of the Company's service providers and reports from the Company's depositary;
- reviewing the appropriateness of the Company's accounting policies; and
- monitoring developments in accounting and reporting requirements that impact on the Company's compliance with relevant statutory and listing requirements.

AUDITOR AND AUDIT TENURE

In June 2024 the Audit & Risk Committee decided to appoint KPMG Audit Limited ("KPMG") as auditor of the Company, replacing KPMG LLP which had been appointed auditor in 2012 following a competitive tender process. The Audit & Risk Committee decides when it is appropriate to put the role of auditor out to tender. The audit partner has rotated regularly. Mr Bron Turner was appointed the lead audit partner in 2024 and his predecessor, John Waterson of KPMG LLP, acted as audit partner since 2020. The Audit & Risk Committee has considered the independence of the auditor and the objectivity of the audit process and is satisfied that KPMG has fulfilled its obligations to shareholders as independent auditor to the Company.

It is the Company's policy not to seek substantial non-audit services from its auditor unless they relate to a review of the half yearly report as the Board considers the auditor is best placed to provide this work. If the provision of significant non-audit services were to be considered, the Committee would procure such services from an accountancy firm other than the auditor. Non-audit fees paid to KPMG LLP by the Company amounted to £12,000 for the year ended 30 June 2024 (2023: £12,000) and related to certain

agreed procedures on the half yearly accounts. The Committee has considered the threats to independence from the provision of this service and concluded that since appropriate safeguards exist there is no impact to auditor independence.

The partner and manager of KPMG audit team presented their audit plan to the Audit & Risk Committee in advance of the financial year end. Items of audit focus were discussed, agreed and given particular attention during the audit process. KPMG reported to the Audit & Risk Committee on these items, their independence and other matters. This report was considered by the Audit & Risk Committee and discussed with KPMG and the Investment Managers prior to approval of the annual financial report.

Members of the Audit & Risk Committee meet *in camera* with the external auditor at least annually.

ACCOUNTING MATTERS AND SIGNIFICANT AREAS

For the year ended 30 June 2024 the accounting matters that were subject to specific consideration by the Audit & Risk Committee and consultation with KPMG where necessary were as follows:

SIGNIFICANT AREA	HOW ADDRESSED
Value of level 3 investments	<p>Investments that are classified as level 3 are valued using a variety of techniques to determine a fair value, as set out in note 2(d) to the accounts. All such valuations are carefully reviewed by the Audit & Risk Committee with the Investment Managers.</p> <p>The Audit & Risk Committee receives detailed information on all level 3 investments and it discusses and challenges the valuations with the Investment Managers. It considers market comparables and discusses any proposed revaluations with the Investment Managers.</p>

The Audit & Risk Committee reviewed the external audit plan at an early stage and concluded that the appropriate areas of audit risk relevant to the Company had been identified and that suitable audit procedures had been put in place to obtain reasonable assurance that the financial statements as a whole would be free of material misstatements.

As a result, and following a thorough review process, the Audit & Risk Committee advised the Board that it is satisfied that, taken as a whole, the annual financial report for the year ended 30 June 2024 is

fair, balanced, and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. In reaching this conclusion, the Audit & Risk Committee has assumed that the reader of the report would have a reasonable level of knowledge of investments.

EXTERNAL AUDIT, REVIEW OF ITS EFFECTIVENESS AND AUDITOR REAPPOINTMENT

The Audit & Risk Committee advises the Board on the appointment of the external auditor, its remuneration

AUDIT & RISK COMMITTEE REPORT (continued)

for audit and non-audit work and its cost effectiveness, independence, and objectivity.

As part of the review of the effectiveness of the audit process, a formal evaluation process incorporating views from the members of the Audit & Risk Committee and relevant personnel at the Investment Managers is followed and feedback is provided to KPMG. Areas covered by this review include:

- the calibre of the audit firm, including reputation and industry presence;
- the extent of quality controls including review processes, second director oversight and annual reports from its regulator;
- the performance of the audit team, including skills of individuals, specialist knowledge, partner involvement, team member continuity and quality and timeliness of audit planning and execution;
- audit communication including planning, relevant accounting and regulatory developments, approach to significant accounting risks, communication of audit results and recommendations on corporate reporting;
- ethical standards including independence and integrity of the audit team, lines of communication to the Audit & Risk Committee and partner rotation; and
- reasonableness of the audit fees.

For the year ended 30 June 2024, the Audit & Risk Committee is satisfied that the audit process was effective.

Resolutions proposing the appointment of KPMG as the Company's auditor and authorising the Directors to determine its remuneration will be put to the shareholders at the forthcoming AGM.

INTERNAL CONTROLS AND RISK MANAGEMENT

UIL's risk assessment focus and the way in which significant risks are managed is a key area of focus for the Audit & Risk Committee. Work here was driven by the Audit & Risk Committee's assessment of the risks arising in the Company's operations and identification of the controls exercised by the Board and its delegates, the Investment Managers, the Administrator and other service providers. These

are recorded in risk matrices prepared by ICMIM as the Company's AIFM with responsibility for risk management, which continue to serve as an effective tool to highlight and monitor the principal risks, details of which are provided in the Strategic Report. It also received and considered, together with representatives of the Investment Managers, reports in relation to the operational controls of the Investment Managers, Administrator and Custodian. These reviews identified no issues of significance.

WHISTLEBLOWING POLICY

The Committee has also reviewed and accepted the 'whistleblowing' policy that has been put in place by the Investment Managers under which their staff, in confidence, can raise concerns about possible improprieties in matters of financial reporting or other matters, in so far as they affect the Company.

INTERNAL AUDIT

Due to the nature of the Company, being an externally managed investment company with no executive employees, the Company does not have its own internal audit function. The Committee and the Board have concluded that there is no current need for such a function, based on the satisfactory operation of controls within the Company's service providers.

Peter Durhager

Chairman of the Audit & Risk Committee

8 October 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and parent Company Accounts in accordance with applicable law and regulations.

The Directors are required to prepare Group and parent Company financial statements for each financial year. They have elected to prepare the Group financial statements in accordance with IFRS Accounting Standards and applicable law and have elected to prepare the parent Company financial statements on the same basis.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with applicable accounting standards;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 1981 of Bermuda. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors have decided to prepare voluntarily a Directors' Remuneration Report in accordance with Schedule 8 to The Large and Medium-sized Companies and Groups

(Accounts and Reports) Regulations 2008 made under the UK Companies Act 2006, as if those requirements applied to the Company. The Directors have also decided to prepare voluntarily a Corporate Governance Statement under the UK Corporate Governance Code as if the Company were required to comply with the Listing Rules of the Financial Conduct Authority applicable to UK companies admitted to listing in the closed-ended investment funds category of the Official List.

In accordance with Disclosure Guidance and Transparency Rule 4.1.15R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditor's report on these financial statements provides no assurance over the ESEF format.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK and Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Approved by the Board and signed on its behalf by:

Stuart Bridges
Chairman

8 October 2024



KPMG Audit Limited
Crown House
4 Par-la-Ville Road
Hamilton
HM 08
Bermuda

Telephone +1 441 295 5063
Fax +1 441 295 9132
Internet www.kpmg.bm

Independent Auditor's Report

To the Shareholders and Board of Directors of UIL Limited

Opinion

We have audited the financial statements of UIL Limited ("the Company"), and of the Group, of which the Company is the parent, which comprise of the statement of financial position as at 30 June 2024, the income statement, statements of changes in equity and cash flows of the Company and the Group for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 30 June 2024, and their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including international independence Standards) (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bermuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The key audit matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of unlisted investments (Level 3)

As presented in the Material Accounting Policies in Note 2, and in Notes 10 and 29 (d) to the financial statements, the unlisted investments totaling £146.281m (2023: £172.652m) representing 60.4% and 61.3% (2023: 55.4% and 56.0%) of the investments of the Company and the Group, respectively, are subject to estimation uncertainty. The valuations of these investments are complex and require the application of judgment by the Investment Managers.

Unlisted investments are measured at fair value, which is determined by reference to the International Private Equity and Venture Capital Valuation (IPEV) Guidelines and IFRS 13 by using measurements of value such as prices of recent orderly transactions, milestone analysis, revenue multiples and valuing interests by reference to their reported Net Asset Value (NAV).

The valuation of the unlisted investments is the key driver of the Company and the Group's net asset value and total return to shareholders for the Company and the Group.



The risk

The significance of the unlisted investments to the financial statements for the Company and the Group, combined with the judgment required in estimating their fair values, means this was an area of focus during our audit.

Our response to the risk

In responding to the key audit matter, we performed the following audit procedures:

- Read the minutes of the Board and the Audit & Risk Committee meetings held during the year to understand and confirm the oversight and challenge of these committees relating to the valuations of unlisted investments.

For holdings in unlisted investments where NAV approximates fair value with a value of £9.6m:

- Considered the valuation technique applied for appropriateness.
- Obtained external confirmation of the net asset value directly with the underlying funds' administrators or investment managers.
- Obtained the latest audited financial statements of the unlisted investments in order to consider: the nature of the underlying investments; the financial reporting standards applied in the preparation of these financial statements; any modifications to the audit report; and any other disclosures that may be relevant to their valuation.
- Compared the net asset value to the audited financial statements as at the reporting date.

For unlisted investments with non-coterminous financial year ends, including those which are not audited, where NAV approximates fair value with a value of £127.9m:

- Obtained independent confirmations of the existence of the unlisted investments from third parties.
- Conducted procedures to confirm the appropriateness of the qualifications, independence and expertise of the valuation specialists engaged by the investee companies.
- Tested the mathematical accuracy of the valuation models.
- Engaged KPMG valuation specialists to:
 - challenge the appropriateness of the valuation methodology selected for a selected representative sample of investments,
 - corroborate and challenge key assumptions and judgments within the Investment Managers' valuations models, such as discount factors and the choice of benchmark for earnings multiples for investments held directly through holding companies for a selected representative sample of investments.
- Where a recent transaction has been used to value a holding, we obtained an understanding of the circumstances surrounding the transaction and whether it was considered to be suitable as an input into the valuation.
- Compared the underlying financial data inputs to external sources, investee company audited accounts and management information as applicable. A retrospective review of prior period audited accounts, in comparison to prior period management accounts, was also undertaken to assess the accuracy of information provided.
- Agreed the data inputs in the valuation models to supporting information received from investee companies and that provided by the Investment Managers.

For other unlisted investments with a value of £7.62m:

- Obtained independent confirmations of the existence of the unlisted investment from third parties.
- Tested mathematical accuracy of the valuation models.
- Engaged KPMG specialists to:
 - challenge the appropriateness of the valuation methodology selected,
 - corroborate and challenge key assumptions and judgments included within the Investment Manager's valuations models, such as discount factors for a selected representative sample of investments.
- Evaluated the validity of assumptions made and the expected timing and magnitude of future cash flows.
- Where a recent transaction has been used to value a holding, we obtained an understanding of the circumstances surrounding the transaction and whether it was considered to be suitable as an input into the valuation.



We have considered the adequacy of disclosures about the degree of estimation and sensitivity to key assumptions.

We have also monitored any events that emerged in the post balance sheet period (up to the date of approval of the financial statements for the Company and Group) that would have a potential impact on the value of the unlisted instruments held at year end.

Other matter

The financial statements as at and for the year ended 30 June 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 22 September 2023.

Other information

Management is responsible for the other information. The other information comprises the Strategic report and Governance sections, *but does not include the financial statements and our auditor's report thereon.*

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company and the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls for the Company and the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and/or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The purpose of our audit work and to whom we owe our responsibilities

The report is made solely to the Shareholders and Board of Directors for the Company and the Group. Our audit work has been undertaken so that we might state to the Shareholders and Board of Directors for the Company and the Group those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders and Board of Directors, as a body, for our audit work, for this report, or for the opinion we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Bron Turner.

Chartered Professional Accountants
Hamilton, Bermuda
8 October 2024

GROUP INCOME STATEMENT

	for the year to 30 June			2024			2023		
Notes	Revenue return £'000s	Capital return £'000s	Total return £'000s	Revenue return £'000s	Capital return £'000s	Total return £'000s	Revenue return £'000s	Capital return £'000s	Total return £'000s
10	Losses on investments	-	(28,212)	(28,212)	-	(40,342)	(40,342)		
13	Losses on derivative financial instruments	-	(35)	(35)	-	(2,038)	(2,038)		
	Foreign exchange losses	-	(73)	(73)	-	(1,604)	(1,604)		
3	Investment and other income	12,227	-	12,227	10,229	-	10,229		
	Total income/(loss)	12,227	(28,320)	(16,093)	10,229	(43,984)	(33,755)		
4	Management and administration fees	(565)	-	(565)	(758)	-	(758)		
5	Other expenses	(906)	(2)	(908)	(977)	(5)	(982)		
	Profit/(loss) before finance costs and taxation	10,756	(28,322)	(17,566)	8,494	(43,989)	(35,495)		
6	Finance costs	(2,242)	(5,207)	(7,449)	(2,897)	(6,059)	(8,956)		
	Profit/(loss) before taxation	8,514	(33,529)	(25,015)	5,597	(50,048)	(44,451)		
7	Taxation	-	-	-	-	-	-		
	Profit/(loss) for the year	8,514	(33,529)	(25,015)	5,597	(50,048)	(44,451)		
8	Earnings per ordinary share - pence	10.15	(39.99)	(29.84)	6.68	(59.70)	(53.02)		

The Group does not have any income or expense that is not included in the profit/(loss) for the year and therefore the profit/(loss) for the year is also the total comprehensive income for the year, as defined in International Accounting Standard 1 (revised).

All items in the above statement derive from continuing operations.

All income is attributable to the equity holders of the Company. There are no minority interests.

The notes on pages 72 to 99 form part of these financial statements.

COMPANY INCOME STATEMENT

for the year to 30 June		2024			2023		
Notes	Revenue return £'000s	Capital return £'000s	Total return £'000s	Revenue return £'000s	Capital return £'000s	Total return £'000s	
10 Losses on investments	-	(28,131)	(28,131)	-	(40,411)	(40,411)	
13 Losses on derivative financial instruments	-	(35)	(35)	-	(2,038)	(2,038)	
Foreign exchange losses	-	(73)	(73)	-	(1,604)	(1,604)	
3 Investment and other income	12,227	-	12,227	10,229	-	10,229	
Total income/(loss)	12,227	(28,239)	(16,012)	10,229	(44,053)	(33,824)	
4 Management and administration fees	(565)	-	(565)	(758)	-	(758)	
5 Other expenses	(906)	(2)	(908)	(977)	(5)	(982)	
Profit/(loss) before finance costs and taxation	10,756	(28,241)	(17,485)	8,494	(44,058)	(35,564)	
6 Finance costs	(2,242)	(5,393)	(7,635)	(2,897)	(6,260)	(9,157)	
Profit/(loss) before taxation	8,514	(33,634)	(25,120)	5,597	(50,318)	(44,721)	
7 Taxation	-	-	-	-	-	-	
Profit/(loss) for the year	8,514	(33,634)	(25,120)	5,597	(50,318)	(44,721)	
8 Earnings per ordinary share - pence	10.15	(40.11)	(29.96)	6.68	(60.02)	(53.34)	

The Company does not have any income or expense that is not included in the profit/(loss) for the year and therefore the profit/(loss) for the year is also the total comprehensive income for the year, as defined in International Accounting Standard 1 (revised).

All items in the above statement derive from continuing operations.

All income is attributable to the equity holders of the Company.

The notes on pages 72 to 99 form part of these financial statements.

GROUP STATEMENT OF CHANGES IN EQUITY

for the year to 30 June 2024

Notes	Ordinary share capital £'000s	Share premium account £'000s	Special reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total £'000s
Balance as at 30 June 2023	8,384	37,874	233,866	(124,278)	11,735	167,581
(Loss)/profit for the year	-	-	-	(33,529)	8,514	(25,015)
⁹ Ordinary dividends paid	-	-	-	-	(5,031)	(5,031)
Balance as at 30 June 2024	8,384	37,874	233,866	(157,807)	15,218	137,535

for the year to 30 June 2023

Notes	Ordinary share capital £'000s	Share premium account £'000s	Special reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total £'000s
Balance as at 30 June 2022	8,384	37,874	233,866	(74,230)	12,846	218,740
(Loss)/profit for the year	-	-	-	(50,048)	5,597	(44,451)
⁹ Ordinary dividends paid	-	-	-	-	(6,708)	(6,708)
Balance as at 30 June 2023	8,384	37,874	233,866	(124,278)	11,735	167,581

The notes on pages 72 to 99 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

for the year to 30 June 2024

Notes	Ordinary share capital £'000s	Share premium account £'000s	Special reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total £'000s
Balance as at 30 June 2023	8,384	37,874	233,866	(124,781)	11,735	167,078
(Loss)/profit for the year	-	-	-	(33,634)	8,514	(25,120)
⁹ Ordinary dividends paid	-	-	-	-	(5,031)	(5,031)
Balance as at 30 June 2024	8,384	37,874	233,866	(158,415)	15,218	136,927

for the year to 30 June 2023

Notes	Ordinary share capital £'000s	Share premium account £'000s	Special reserve £'000s	Capital reserves £'000s	Revenue reserve £'000s	Total £'000s
Balance as at 30 June 2022	8,384	37,874	233,866	(74,463)	12,846	218,507
(Loss)/profit for the year	-	-	-	(50,318)	5,597	(44,721)
⁹ Ordinary dividends paid	-	-	-	-	(6,708)	(6,708)
Balance as at 30 June 2023	8,384	37,874	233,866	(124,781)	11,735	167,078

The notes on pages 72 to 99 form part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

Notes	as at 30 June	Group		Company	
		2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
Non-current assets					
10	Investments	238,822	308,347	242,033	311,477
Current assets					
12	Other receivables	296	62	296	62
13	Derivative financial instruments	-	110	-	110
	Cash and cash equivalents	1,485	5,234	1,485	5,234
		1,781	5,406	1,781	5,406
Current liabilities					
14	Loans	(2,850)	(42,691)	(2,850)	(42,691)
15	Other payables	(422)	(8,892)	(41,200)	(8,892)
16	Zero dividend preference shares	(40,778)	-	-	-
		(44,050)	(51,583)	(44,050)	(51,583)
Net current liabilities					
		(42,269)	(46,177)	(42,269)	(46,177)
Total assets less current liabilities					
		196,553	262,170	199,764	265,300
Non-current liabilities					
17	Other payables	-	-	(62,837)	(98,222)
16	Zero dividend preference shares	(59,018)	(94,589)	-	-
Net assets					
		137,535	167,581	136,927	167,078
Equity attributable to equity holders					
18	Ordinary share capital	8,384	8,384	8,384	8,384
19	Share premium account	37,874	37,874	37,874	37,874
20	Special reserve	233,866	233,866	233,866	233,866
21	Capital reserves	(157,807)	(124,278)	(158,415)	(124,781)
22	Revenue reserve	15,218	11,735	15,218	11,735
Total attributable to equity holders					
		137,535	167,581	136,927	167,078
23	Net asset value per ordinary share – pence	164.04	199.87	163.31	199.27

The notes on pages 72 to 99 form part of these financial statements.

Approved by the Board on 8 October 2024 and signed on its behalf by

Stuart Bridges

Chairman

UIL Limited

Registered in Bermuda, No 39480

STATEMENTS OF CASH FLOWS

	Group		Company	
for the year to 30 June	2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
Loss before taxation	(25,015)	(44,451)	(25,120)	(44,721)
Deduct investment income - dividends	(11,869)	(9,904)	(11,869)	(9,904)
Deduct investment income - interest	(348)	(320)	(348)	(320)
Deduct bank interest	(10)	(5)	(10)	(5)
Add back bank interest charged	2,242	2,897	2,242	2,897
Add back losses on investments	28,212	40,342	28,131	40,411
Add back losses on derivative financial instruments	35	2,038	35	2,038
Add back foreign exchange losses	73	1,604	73	1,604
Increase in other debtors	(2)	(10)	(2)	(10)
Decrease in creditors	(6)	(60)	(6)	(60)
Add back ZDP shares finance costs	5,207	6,059	-	-
Add back intra-group loan account finance costs	-	-	5,393	6,260
Net cash outflow from operating activities before dividends and interest	(1,481)	(1,810)	(1,481)	(1,810)
Dividends received	11,869	3,580	11,869	3,580
Investment income - interest received	117	166	117	166
Bank interest received	10	5	10	5
Interest paid	(2,836)	(2,375)	(2,836)	(2,375)
Taxation paid	-	-	-	-
Cash flows from operating activities	7,679	(434)	7,679	(434)
Investing activities:				
Purchases of investments	(10,130)	(17,588)	(10,130)	(17,588)
Sales of investments	48,071	92,285	48,071	92,285
Net settlement of derivatives	75	(4,090)	75	(4,090)
Cash flows from investing activities	38,016	70,607	38,016	70,607
Financing activities:				
Equity dividends paid	(5,031)	(6,708)	(5,031)	(6,708)
Drawdowns of bank loans	9,814	55,231	9,814	55,231
Repayment of bank loans	(46,336)	(66,070)	(46,336)	(66,070)
Cash flows from redemption of ZDP shares	-	(52,283)	-	-
Cash flows from repayment of intra-group loan account	-	-	-	(52,283)
Cash flows from financing activities	(41,553)	(69,830)	(41,553)	(69,830)
Net increase in cash and cash equivalents	4,142	343	4,142	343
Cash and cash equivalents at the beginning of the year	(2,638)	(3,827)	(2,638)	(3,827)
Effect of movement in foreign exchange	(19)	846	(19)	846
Cash and cash equivalents at the end of the year	1,485	(2,638)	1,485	(2,638)
Comprised of:				
Cash	1,485	5,234	1,485	5,234
Bank overdraft	-	(7,872)	-	(7,872)
Total	1,485	(2,638)	1,485	(2,638)

The notes on pages 72 to 99 form part of these financial statements.

NOTES TO THE ACCOUNTS

1. GENERAL INFORMATION

The Company, UIL Limited, is an investment company incorporated in Bermuda, with its ordinary shares traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange and listed on the Bermuda Stock Exchange. The Company commenced trading on 20 June 2007.

The Group Accounts comprise the results of the Company and UIL Finance Limited ("UIL Finance").

The Group is engaged in a single segment of business, focusing on maximising shareholder returns by identifying and investing in investments where the underlying value is not reflected in the market price.

2. MATERIAL ACCOUNTING POLICIES

(a) Basis of accounting

The Accounts have been prepared on a going concern basis (see note 28) in accordance with IFRS Accounting Standards ("IFRS") (2023: UK adopted international accounting standards).

There have been no significant changes to the accounting policies during the year to 30 June 2024.

The Board has determined by having regard to the currency of the Company's share capital, the predominant currency in which its shareholders operate and the currency in which dividends are paid by the Company, that Sterling is the functional and reporting currency.

Where presentational recommendations set out in the revised Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP"), issued in the UK by the Association of Investment Companies ("AIC") in July 2022, do not conflict with the requirements of IFRS, the Directors have prepared the Accounts on a basis consistent with the recommendations of the SORP, in the belief that this will aid comparison with similar investment companies incorporated and listed in the United Kingdom.

In accordance with the SORP, the Income Statement has been analysed between a revenue return (dealing with items of a revenue nature) and a capital return (relating to items of a capital nature). Revenue returns include, but are not limited to, dividend income, operating expenses, finance costs and taxation (insofar as they are not allocated to capital, as described in notes 2(j) and 2(k)). Net revenue returns are allocated via the revenue return to the revenue reserve.

Capital returns include, but are not limited to, profits and losses on the disposal and the valuation of non-current investments, derivative instruments and on cash and borrowings. Net capital returns are allocated via the capital return to capital reserves.

Dividends on ordinary shares may be paid out of the special reserve, revenue reserve and the capital reserves.

The revised IAS 1 Amendments - Disclosure of Accounting Policies (effective from 1 January 2023) is applicable in the current year. The application has not had any significant impact on the amounts reported in these financial statements.

A number of new standards and amendments to standards and interpretations, which have not been applied in preparing these accounts, were in issue but not effective. None of these are expected to have a material effect on the accounts of the Group.

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to the valuation of unlisted investments, details of which are set out in accounting policy 2(d).

(b) Basis of consolidation

The consolidated Accounts include the Accounts of the Company and its operating subsidiary, UIL Finance. All intra group transactions, balances, income and expenses are eliminated on consolidation. Other subsidiaries, joint ventures and associate undertakings held as part of the investment portfolio (see note 2(d) below) are not accounted for in the Group Accounts, but are carried at fair value through profit or loss.

(c) Financial instruments

Financial instruments include non-current assets, derivative assets and liabilities and long-term debt instruments. For those financial instruments carried at fair value, accounting standards recognise a hierarchy of fair value measurements for financial instruments which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (Level 3). The classification of instruments depends on the lowest significant applicable input, as follows:

Level 1 – Unadjusted, fully accessible and current quoted prices in active markets for identical assets or liabilities. Included within this category are investments listed on any recognised stock exchange.

Level 2 – Quoted prices for similar assets or liabilities, or other directly or indirectly observable inputs which exist for the duration of the period of investment. Examples of such instruments would be convertible loans in listed investee companies, securities for which the quoted price has been recently suspended, securities for which an offer price has been announced in the market, forward exchange contracts and certain other derivative instruments.

Level 3 – External inputs are unobservable. Value is the Directors' best estimate of fair value, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and on assumptions as to what inputs other market participants would apply in pricing the same or similar instruments. Included in level 3 are investments in private companies or securities, whether invested in directly, via loans or through pooled private equity vehicles.

(d) Valuation of investments and derivative financial instruments held at fair value through profit or loss

Investment purchases and sales are accounted for on the trade date, inclusive of transaction costs. Investments, including both equity and loans, used for efficient portfolio management are classified as being at fair value through profit or loss. As the Company's business is investing in financial assets with a view to profiting from their total return in the form of dividends, interest or increases in fair value, its investments (including those ordinarily classified as subsidiaries under IFRS 10 but exempted by that financial reporting standard from the requirement to be consolidated) are designated as being at fair value through profit or loss on initial recognition. Derivatives including forward foreign exchange contracts and options are accounted for as a financial asset/liability at fair value through profit or loss. The Company manages and evaluates the performance of these investments and derivatives on a fair value basis in accordance with its investment strategy and information about the Company is provided internally on this basis to the Company's Directors and key management personnel. Gains and losses on investments and on derivatives are analysed within the Income Statement as capital returns. Quoted investments are shown at fair value using market bid prices. The fair value of unquoted investments is determined by the Board in accordance with the International Private Equity and Venture Capital Valuation guidelines. In exercising its judgement over the value of these investments, the Board uses valuation techniques which take into account, where appropriate, latest dealing prices, valuations from reliable sources, net asset values, earnings multiples, recent orderly transactions in similar securities, time to expected repayment and other relevant factors (see key valuations techniques on pages 96 to 98).

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the cash flow statement only.

(f) Bank borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. No debt instruments held during the year required hierarchical classification. Finance charges, including interest, are accrued using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year. See note 2(k) below for allocation of finance costs between revenue and capital return within the Income Statement.

(g) ZDP shares

The ZDP shares, due to be redeemed on 31 October 2024, 2026 and 2028 at a redemption value, including accrued capitalised returns (see note 16) of 138.35 pence per share, 151.50 pence per share and 152.29 pence per share respectively, have been classified as liabilities, as they represent an obligation on behalf of the Group to deliver to their holders a fixed and determinable amount at the redemption date. They are accordingly accounted for at amortised cost, using the effective interest method as per IFRS 9 "Financial Instruments". ZDP shares held by the Company are eliminated on consolidation for Group purposes. The Company has undertaken (i) to repay any interest free loan, and (ii) to reimburse UIL Finance (by way of payment in advance, if required) any and all costs, expenses, fees or interest UIL Finance incurs or is otherwise liable to pay to the holder of the ZDP shares so as to enable UIL Finance to pay the final capital entitlement of each class of ZDP share on their respective redemption date. The intra group loans are accordingly accounted for at amortised cost, using the effective interest method.

NOTES TO THE ACCOUNTS

(continued)

(h) Foreign currency

Foreign currency assets and liabilities are expressed in Sterling at rates of exchange ruling at the statement of financial position date. Foreign currency transactions are translated at the rates of exchange ruling at the dates of those transactions. Exchange profits and losses on currency balances are credited or charged to the Income Statement and analysed as capital or revenue as appropriate. Forward foreign exchange contracts are valued in accordance with quoted market rates.

(i) Investment and other income

Dividends receivable are brought into the Income Statement and analysed as revenue return (except where, in the opinion of the Directors, their nature indicates they should be recognised as capital under gains and losses on investments) on the ex-dividend date or, where no ex-dividend date is quoted, when the Group's right to receive payment is established. Where the Group or the Company has elected to receive its dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised as revenue return. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised as capital return. Interest on debt securities is accrued on a time basis using the effective interest method. Bank and short-term deposit interest is recognised on an accruals basis. These are brought into the Income Statement and analysed as revenue returns.

Where dividends are recognised as a capital return, a cost is allocated against the capital return to calculate the investment realised gain or loss, based on the proportion of the capital return against the value of the investment at the time of the distribution.

(j) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the Income Statement and analysed under revenue return except for those expenses incidental to the acquisition or disposal of investments and performance related fees (calculated under the terms of the management agreement), which are analysed under the capital return, as the Directors believe such fees arise from capital performance.

(k) Finance costs

Finance costs are accounted for using the effective interest method, recognised through the Income Statement and analysed under the revenue return except those finance costs of the ZDP shares and intra group loans which are analysed under the capital return.

(l) Dividends payable

Dividends paid by the Company are accounted for in the year in which the Company is liable to pay them and are reflected in the Statement of Changes in Equity. Under Bermuda law, the Company is unable to pay a dividend unless, after payment, the realisable value of its assets will not be less than the aggregate of its liabilities and it is able to pay its liabilities as they fall due.

(m) Capital reserves

The following items are accounted for through the Income Statement as capital returns and transferred to capital reserves:

Capital reserve – arising on investments sold

- gains and losses on the disposal of investments and derivative instruments
- exchange differences of a capital nature
- expenses allocated in accordance with notes 2(j) and 1(k)

Capital reserve – arising on investments held

- increases and decreases in the valuation of investments and derivative instruments held at the year end.

(n) Use of estimates and judgements

The presentation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on perceived risks, historical experience, expectations of plausible future events and other factors. Actual results may differ from these estimates.

The areas requiring the most significant judgement and estimation in the preparation of the financial statements are: accounting for the value of unquoted investments; and the classification of the subsidiaries as investment entities.

The policy for valuation of unquoted securities is set out in note 2(d) and further information on Board procedures is contained in the Audit & Risk Committee Report and note 29(d). The fair value of unquoted (level 3) investments, as disclosed in note 10, represented 61.3% of total investments as at 30 June 2024 (2023: 56.0%).

3. INVESTMENT AND OTHER INCOME

Group and Company	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Investment income:						
Dividends*	11,869	-	11,869	9,904	-	9,904
Interest*	348	-	348	320	-	320
	12,217	-	12,217	10,224	-	10,224
Other income:						
Interest on cash and short-term deposits	10	-	10	5	-	5
Total income	12,227	-	12,227	10,229	-	10,229

*Includes scrip income (dividends and capitalised interest) of £nil (2023: £6,451,000)

4. MANAGEMENT AND ADMINISTRATION FEES

Group and Company	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Payable to:						
ICM/ICMIM – management fee and secretarial fees	401	-	401	557	-	557
Administration fees	164	-	164	201	-	201
	565	-	565	758	-	758

The Company has appointed ICM Investment Management Limited (“ICMIM”) as its Alternative Investment Fund Manager and joint portfolio manager with ICM Limited (“ICM”), for which they are entitled to a management fee and a performance fee. The aggregate fees payable by the Company are apportioned between the joint portfolio managers as agreed by them.

The relationship between ICMIM and ICM is compliant with the requirements of the UK version of the EU Alternative Investment Fund Managers Directive as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and also such other requirements applicable to ICMIM by virtue of its regulation by the Financial Conduct Authority.

The annual management fee is 0.5% per annum based on total assets less current liabilities (excluding borrowings and excluding the value of all holdings in companies managed or advised by the Investment Managers or any of their subsidiaries from which they receive a management fee), calculated and payable quarterly in arrears. The agreement with ICM and ICMIM may be terminated upon one year’s notice given by the Company or by ICM and ICMIM, acting together.

In addition, the Investment Managers are entitled to a capped performance fee payable in respect of each financial period, equal to 15% of the amount by which the Company’s net asset value (“NAV”) attributable to holders of ordinary shares outperforms the higher of (i) 5.0%, and (ii) the post-tax yield on the FTSE Actuaries Government Securities UK Gilts 5 to 10 years’ index, plus inflation (on the RPIX basis) (the “Reference Rate”). The opening equity funds for calculation of the performance fee are the higher of (i) the equity funds on the last day of a calculation period in respect of which a performance fee was last paid, adjusted for capital events and dividends paid since that date (the “high watermark”); and (ii) the equity funds on the last day of the previous calculation period increased by the Reference Rate during the calculation period and adjusted for capital events and dividends paid since the previous calculation date. In a period where the Investment Managers or any of their associates receive a performance fee from any ICM managed investment in which UIL is an investor, the performance fee payable by UIL will be reduced by a proportion corresponding to UIL’s percentage holding in that investment applied to the underlying investment performance fee, subject to the provision that the UIL performance fee cannot be a negative figure. In calculating any

NOTES TO THE ACCOUNTS (continued)

performance fee payable, a cap of 2.5% of closing NAV (adjusted for capital events and dividends paid) will be applied following any of the above adjustments and any excess over this cap shall be written off. A performance fee was last paid in respect of the year to 30 June 2019. As at that date the equity shareholders' funds were £326.3m. As at 30 June 2021, the attributable shareholders' funds were above the high watermark. However, after adjusting for the allocated share of performance fees (paid and accrued) from ICM managed investments in which UIL is an investor, no performance fee was accrued.

In the year to 30 June 2024, UIL's NAV return is below the required hurdle calculated at 7.9% return to entitle the Investment Managers to a performance fee and therefore no performance fee has been accrued.

ICM also provides company secretarial services to the Company with the Company paying 45% of the incurred costs associated with this post.

JP Morgan Chase Bank N.A. – London Branch has been appointed Administrator and ICMIM has appointed Waverton Investment Management Limited ("Waverton") to provide certain support services (including middle office, market dealing and information technology support services). The Company or the Administrator may terminate the agreement with the Administrator upon six months' notice in writing.

5. OTHER EXPENSES

Group and Company	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Auditor's remuneration (see note 5A)	225	-	225	182	-	182
Broker and consultancy fees	43	-	43	41	-	41
Custody fees	15	-	15	15	-	15
Directors' fees for services to the Company (see Directors' Remuneration Report on pages 55 to 57)	180	-	180	206	-	206
Travel expenses	49	-	49	74	-	74
Professional and legal fees	133	-	133	194	-	194
Sundry expenses	261	2	263	265	5	270
	906	2	908	977	5	982

5A. AUDITOR'S REMUNERATION

Fees paid to the Group's auditor are summarised below:

Group Auditor – KPMG Audit Limited (2023: KPMG LLP) Group and Company Annual Audit Fees	2024 £'000s	2023 £'000s
Audit of the Group and Company's annual financial statements	180	150
Additional audit costs for the prior year	33	20
Other non-audit services – agreed procedures on interim financial statements	12	12
Total auditor's remuneration for the year	225	182

6. FINANCE COSTS

Group	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Loans and bank overdrafts	2,242	-	2,242	2,897	-	2,897
ZDP shares (see note 16)	-	5,207	5,207	-	6,059	6,059
	2,242	5,207	7,449	2,897	6,059	8,956

Company	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Loans and bank overdrafts	2,242	-	2,242	2,897	-	2,897
Intra-group loan account	-	5,393	5,393	-	6,260	6,260
	2,242	5,393	7,635	2,897	6,260	9,157

7. TAXATION

Group and Company	2024			2023		
	Revenue £'000s	Capital £'000s	Total £'000s	Revenue £'000s	Capital £'000s	Total £'000s
Overseas taxation	-	-	-	-	-	-

Except as stated above, profits of the Company and UIL Finance for the year (and 2023) are not subject to any taxation within their countries of residence. The Company is not in scope for Bermuda Income Tax Act 2023.

The Company is subject to tax in Australia on taxable Australian property.

As at 30 June 2024, the Company had total Australian unutilised tax losses of £5,069,000. Only future taxable capital gains on Australian property can be utilized against these available capital losses. A deferred tax asset has not been recognised in respect of these Australian tax losses because the Company is not expected to generate any taxable future gains on Australian property and, accordingly, it is unlikely that the Company will be able to reduce future Australian tax liabilities through the use of the existing loss.

8. EARNINGS PER ORDINARY SHARE

The calculation of earnings per ordinary share from continuing operations is based on the following data:

	Group		Company	
	2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
Revenue	8,514	5,597	8,514	5,597
Capital	(33,529)	(50,048)	(33,634)	(50,318)
Total	(25,015)	(44,451)	(25,120)	(44,721)
	Number	Number	Number	Number
Weighted average number of shares in issue during the year for earnings per share calculations	83,842,918	83,842,918	83,842,918	83,842,918
	Pence	Pence	Pence	Pence
Revenue return per share	10.15	6.68	10.15	6.68
Capital return per share	(39.99)	(59.70)	(40.11)	(60.02)
Total loss per share	(29.84)	(53.02)	(29.96)	(53.34)

NOTES TO THE ACCOUNTS

(continued)

9. DIVIDENDS

Group and Company	Record date	Payment date	2024 £'000s	2023 £'000s
2022 Fourth quarterly of 2.000p	2-Sep-22	30-Sep-22	-	1,677
2023 First quarterly of 2.000p	2-Dec-22	22-Dec-22	-	1,677
2023 Second quarterly of 2.000p	3-Mar-23	31-Mar-23	-	1,677
2023 Third quarterly of 2.000p	2-Jun-23	26-Jun-23	-	1,677
2023 Fourth quarterly of 2.000p	29-Sep-23	13-Oct-23	1,677	-
2024 First quarterly of 2.000p	1-Dec-23	21-Dec-23	1,677	-
2024 Second quarterly of 2.000p	10-May-24	23-May-24	1,677	-
			5,031	6,708

The Directors declared a third quarterly dividend in respect of the year ended 30 June 2024 of 2.00p per share, paid on 31 July 2024 to all ordinary shareholders on the register at close of business on 5 July 2024. The total cost of the dividend, which has not been accrued in the results for the year to 30 June 2024, is £1,677,000 based on 83,842,918 ordinary shares in issue. The Directors declared a fourth quarterly dividend in respect of the year ended 30 June 2024 of 2.00p per share payable on 8 November 2024 to all ordinary shareholders on the register at close of business on 27 September 2024. The total cost of the dividend, which has not been accrued in the results for the year to 30 June 2024, is £1,675,000 based on 83,755,585 ordinary shares in issue.

10. INVESTMENTS

Group	2024				2023			
	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
Investments brought forward								
Cost	76,016	110,503	168,186	354,705	207,332	11,365	199,073	417,770
(Losses)/gains	(12,901)	(37,923)	4,466	(46,358)	(34,126)	(6,976)	39,848	(1,254)
Valuation	63,115	72,580	172,652	308,347	173,206	4,389	238,921	416,516
Movements in the year:								
Transfer between levels ¹	-	-	-	-	(66,496)	66,496	-	-
Purchases at cost	524	-	10,597	11,121	33,098	19,796	67,701	120,595
Sale proceeds	(20,473)	(4,722)	(27,239)	(52,434)	(63,074)	(41)	(125,307)	(188,422)
Losses on investments	(3,759)	(14,724)	(9,729)	(28,212)	(13,619)	(18,060)	(8,663)	(40,342)
Valuation at 30 June	39,407	53,134	146,281	238,822	63,115	72,580	172,652	308,347
Analysed at 30 June								
Cost	61,011	104,598	146,284	311,893	76,016	110,503	168,186	354,705
(Losses)/gains	(21,604)	(51,464)	(3)	(73,071)	(12,901)	(37,923)	4,466	(46,358)
Valuation	39,407	53,134	146,281	238,822	63,115	72,580	172,652	308,347

¹ During the year to 30 June 2023 three holdings with a value of £70.0m were transferred from level 1 to level 2 due to the investee companies shares trading irregularly and one holding with a value of £3.5m was transferred from level 2 to level 1 due to the investee company shares resuming regular trading. The book cost and fair value were transferred using the 30 June 2022 balances.

Company	2024				2023			
	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
Investments brought forward								
Cost	76,016	113,440	168,186	357,642	209,685	11,949	199,073	420,707
(Losses)/gains	(12,901)	(37,730)	4,466	(46,165)	(33,846)	(6,994)	39,848	(992)
	63,115	75,710	172,652	311,477	175,839	4,955	238,921	419,715
Movements in the year:								
Transfer between levels ²	543	(543)	-	-	(69,129)	69,129	-	-
Purchases at cost	524	-	10,597	11,121	33,098	19,796	67,701	120,595
Sale proceeds	(20,473)	(4,722)	(27,239)	(52,434)	(63,074)	(41)	(125,307)	(188,422)
Losses on investments	(3,747)	(14,655)	(9,729)	(28,131)	(13,619)	(18,129)	(8,663)	(40,411)
Valuation at 30 June	39,962	55,790	146,281	242,033	63,115	75,710	172,652	311,477
Analysed at 30 June								
Cost	61,595	106,951	146,284	314,830	76,016	113,440	168,186	357,642
(Losses)/gains	(21,633)	(51,161)	(3)	(72,797)	(12,901)	(37,730)	4,466	(46,165)
Valuation	39,962	55,790	146,281	242,033	63,115	75,710	172,652	311,477

2 During the year one holding with a value of £0.5m was transferred from level 2 to level 1 due to the investee company shares resuming regular trading (2023: four holdings with a value of £72.6m were transferred from level 1 to level 2 due to the investee companies shares trading irregularly and one holding with a value of £3.5m was transferred from level 2 to level 1 due to the investee company shares resuming regular trading). The book cost and fair value were transferred using the 30 June 2023 balances (2023: 30 June 2022 balances)

The Group and Company received £52,434,000 (2023: £188,422,000) from investments sold in the year. The book cost of these investments when they were purchased was £53,933,000 (2023: £183,660,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments

Group and Company

Within purchases and sales non cash settlements amounted to £1.0m and £4.4m respectively (2023: £103.0m and £96.6m respectively)

Disposals in level 3 investments includes £6.4m related to repayment of capital and £9.4m of capital distribution (2023: £47.3m related to repayment of capital and £32.0m of capital distribution)

Level 1 includes investments listed on any recognised stock exchange or quoted on any secondary market

Level 2 includes holdings linked directly to companies whose prices are quoted and quoted investments that are thinly traded

Level 3 includes investments in private companies and other unquoted securities

(Losses)/gains on investments held at fair value	Group		Company	
	2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
(Losses)/gains on investments sold	(1,499)	4,762	(1,499)	4,762
Losses on investments held	(26,713)	(45,104)	(26,632)	(45,173)
Total losses on investments	(28,212)	(40,342)	(28,131)	(40,411)

NOTES TO THE ACCOUNTS (continued)

Group and Company

In the year the following material level 3 holdings were sold:

	Proceeds £'000s	Cost £'000s	Carrying value at the end of the previous accounting period £'000s
2024			
Permanent Investments Limited (see transactions with Somers Limited ("Somers") on page 82)	4,701	-	- ⁺
Somers (partial sale)	4,310	2,633	3,133
+Purchased in the year			
	Proceeds £'000s	Cost £'000s	Carrying value at the end of the previous accounting period £'000s
2023			
ICM Mobility Group Limited ("ICM Mobility")	43,572	29,108	43,879
Snapper Services (UK) Limited	1,542	2,393	1,656

Joint Ventures

Under IFRS 9 Financial Instruments and IAS 28 Investments in Associates and Joint Ventures, the following joint ventures are held as part of the investment portfolio and consequently are accounted for as investments at fair value through profit and loss:

	Country of registration and incorporation	Number of ordinary shares held	2024 Holding and voting rights %	Number of ordinary shares held	2023 Holding and voting rights %
Allectus Capital Limited ("Allectus Capital")	Bermuda	100	50	100	50
Allectus Quantum Holdings Limited ("Allectus Quantum")	United Kingdom	503	50	503	50

Transactions in the year to 30 June 2024 with joint ventures held as investments:

Allectus Capital	Pursuant to a loan agreement dated 1 September 2016 under which UIL agreed to loan monies to Allectus Capital, UIL advanced to Allectus Capital a loan of USD 1.1m. The balance of the loan as at 30 June 2024 was USD 3.2m (30 June 2023: USD 2.1m). The loan is interest free and repayable on twelve months notice given by UIL.
Allectus Quantum	UIL paid fees of £28k incurred by Allectus Quantum.

The above joint ventures have been identified as unconsolidated structured entities. Allectus Capital and Allectus Quantum are closed-end investment companies.

They meet the definition to provide a structured entity because each funds activities are restricted to its objectives and a necessity for subordinate backing.

	Nature and purpose	Interest held
Allectus Capital	Investment company investing in listed and unlisted Technology focused investments	Ordinary shares and loans
Allectus Quantum	Investment company investing in listed and unlisted quantum computing focused investments	Ordinary shares

These companies are financed through the issue of shares to the investors and loans from the investors.

The table below sets out interests held by the Company in the unconsolidated structure entities. The maximum exposure to loss is the carrying amount of the financial assets held.

30 June	2024					2023
	Number of investee companies	Total net assets £'000s	Carrying amount included in non-pledged financial assets at fair value £'000s	Number of investee companies	Total net assets £'000s	Carrying amount included in non-pledged financial assets at fair value £'000s
Investments in Allectus Capital and Allectus Quantum						
Equity/loans	27	26,838	26,838	25	32,487	32,487

During the year the company provided financial support to Allectus Capital, see above.

Associated undertakings

Under IFRS10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities, the following associate undertakings are held as part of the investment portfolio and consequently are accounted for as investments at fair value through profit and loss:

	Country of registration and incorporation	Number of ordinary shares held	2024 % of ordinary shares held	2023 % of ordinary shares held
Carebook Technologies Inc ("Carebook")	Canada	48,546,167	47.3	53.8 ¹
DTI Group Ltd ("DTI")	Australia	103,193,989	23.0	23.0
Littlepay Mobility Ltd ("Littlepay")	United Kingdom	-	-	30.2
Novareum Blockchain Asset Fund Ltd ("Novareum")	Cayman Islands	16,942 ²	20.3 ²	33.4
Orbital Corporation Limited ("Orbital")	Australia	42,224,205 ³	28.9	29.9
Resimac Group Limited ("Resimac")	Australia	124,446,591 ⁴	31.1	31.6
Serkel Solutions Pty Ltd ("Serkel")	Australia	10,510	33.3	33.3
SmileStyler Solutions Pty Ltd ("SmileStyler")	Australia	1,151,434	24.0	24.0
Somers	Bermuda	9,866,931	40.4	41.7
SportEngaged Ltd	UK	25	20.0	20.0
The Market Limited	Australia	75,605,734	23.6	23.6

1 Subsidiary in 2023

2 Units held

3 Shares held directly 42,199,205 (2023: 35,056,348) and indirectly through Allectus Capital 25,000 (2023: nil)

4 Shares held directly 36,152,616 (2023: 36,152,616) and indirectly through Somers 88,293,975 (2023: 91,004,861)

Transactions in the year to 30 June 2024 with associated undertakings:

Carebook	Pursuant to a loan agreement dated 22 December 2021, the balance of the loan and interest outstanding as at 30 June 2024 was CAD 1.0m (2023: CAD 1.0m). UIL received interest of CAD 0.1m in the year. Pursuant to a loan agreement dated 15 December 2022, the balance of the loan and interest outstanding as at 30 June 2024 was CAD 1.5m (2023: CAD 1.3m). Pursuant to a convertible loan agreement dated 5 December 2023, under which UIL has agreed to loan monies to Carebook, UIL advanced to Carebook a loan of CAD 2.0m. As at 30 June 2024, the balance of the loan and interest outstanding is CAD 2.2m. All three loans bear interest at an annual rate of the Canadian variable rate +10.0% and are repayable by 22 December 2026.
DTI	There were no transactions during the year.
Littlepay	See Somers transactions.

NOTES TO THE ACCOUNTS (continued)

Novareum	UIL redeemed 11,419 units at the NAV price on 30 April 2024, receiving £2.0m.
Orbital	In September 2023, UIL committed to take part in Orbital's AUD 4m share placement at AUD 0.14 per share, agreeing to subscribe for 25% of the shares offered at a cost of AUD 1.0m. This was subject to shareholder approval and the purchase completed in November after approval was received. UIL received 7,142,857 shares.
Resimac	There were no transactions during the year.
Serkel	There were no transactions during the year.
SmileStyler	There were no transactions during the year.
Somers	Pursuant to loan agreements dated 1 September 2016 (USD loan), 5 September 2019 (AUD loan) and 22 June 2018 (GBP loan), under which UIL agreed to loan monies to Somers, in the year UIL advanced to Somers loans of USD 5.0m, AUD 1.2m and £1.9m, UIL received interest of USD 17k, AUD 4k and £25k and received from Somers repayments of USD 5.0m, AUD 1.2m and £1.9m. As at 30 June 2024, the balance of the loans outstanding were USD nil, AUD nil and £ nil. The loans bear interest at an annual rate of 6.0% and are repayable on not less than 12 months' notice. In October 2023, UIL purchased 149 shares in Permanent Investment Limited ("PIL") for USD 1 from Prime Life Common Fund Limited, holding 100% of the shares. The holding of Littlepay was gifted into PIL. Subsequently Somers purchased UIL's holding in PIL at fair value for £4.7m.
SportEngaged Ltd	There were no transactions during the year.
The Market Limited	There were no transactions during the year.

Significant interests

In addition to the above, the Group and Company have a holding of 3% or more of any class of share capital of the following investments, which are material in the context of the Accounts:

Undertaking	Country of registration and incorporation	Class of instrument held	2024 % of class of instrument held	2023 % of class of instrument held
Utilico Emerging Markets Trust plc	United Kingdom	Ordinary Shares	4.9	9.1
WT Financial Group Limited	Australia	Ordinary Shares	18.5	18.5

11. SUBSIDIARY UNDERTAKINGS

The following was a subsidiary undertaking of the Company at 30 June 2024 and 30 June 2023.

	Country of operation, registration and incorporation	Number and class of shares held	Holding and voting rights %
UIL Finance Limited	Bermuda	10 ordinary shares of 10p nil paid share	100

The subsidiary was incorporated, and commenced trading, on 17 January 2007 to carry on business as an investment company.

Under IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities, the following are subsidiaries of the Company, held as part of the investment portfolio, and are accounted for as investments at fair value through profit and loss.

		2024		2023	
	Country of registration and incorporation	Number of ordinary shares held	Holding and voting rights %	Number of ordinary shares held	Holding and voting rights %
Coldharbour Technology Limited ("Coldharbour")	United Kingdom	29,660,694	96.5	29,660,694	96.5
Energy Holdings Ltd	Bermuda	100	100.0	100	100.0
Newtel Holdings Limited ("Newtel")	Jersey	-	-	7,453,957	100.0
Northbrook Resources Ltd	United Kingdom	44,348,478 ¹	51.0	44,348,478 ¹	51.0
West Hamilton Holdings Limited ("West Hamilton")	Bermuda	1,659,390	57.0	1,659,390	57.0
Zeta Resources Limited ("Zeta")	Bermuda	316,441,093	59.7	344,573,832	61.2

1 Preference shares

Transactions in the year to 30 June 2024 with subsidiaries held as investments

Coldharbour	There were no transactions during the year.
Energy Holdings Ltd	UIL paid fees of £0.1m incurred by Energy Holdings Ltd.
Newtel	Pursuant to a loan agreement dated 28 January 2020, under which UIL agreed to loan monies to Newtel, UIL advanced to Newtel £0.2m. The loan was converted to equity and in April 2024 the equity shares were sold to the CEO of Newtel for nil proceeds. As at 30 June 2024, the balance of the loan was £nil (2023: £nil).
Northbrook Resources Ltd	Pursuant to a loan agreement dated 1 January 2019 under which UIL agreed to loan monies to Northbrook, the outstanding loan balance of £1.6m brought forward was re-assigned to SKAC Ltd at nil proceeds, as part of an ongoing process to liquidate Northbrook. Interest was charged on the loan at 6.0% per annum. UIL paid fees of £33k incurred by Northbrook as part of the liquidation process.
West Hamilton	West Hamilton made a capital distribution of £8.3m and a dividend distribution of £0.7m to UIL during the year.
Zeta	Pursuant to a loan agreement dated 28 July 2023, under which Zeta Energy Pte Ltd (a 100% subsidiary of Zeta) agreed to loan monies to UIL, Zeta Energy Pte Ltd advanced to UIL AUD 13.5m in the year. UIL repaid the AUD 13.5m in the year and as at 30 June 2024 the balance was £nil. The loan bears interest at an annual rate of 8.3% and UIL paid interest of AUD 136k to Zeta Energy Pte Ltd during the year. During the year, Zeta bought back 28,132,739 Zeta shares from UIL as part of the Zeta's buy back plan. UIL received AUD 9.0m.

12. OTHER RECEIVABLES – CURRENT ASSETS

Group and Company	2024 £'000s	2023 £'000s
Accrued income	267	36
Prepayments and other debtors	29	26
	296	62

NOTES TO THE ACCOUNTS (continued)

13. DERIVATIVE FINANCIAL INSTRUMENTS

Group and Company	2024			2023		
	Current assets £'000s	Current liabilities £'000s	Net current assets/ (liabilities) £'000s	Current assets £'000s	Current liabilities £'000s	Net current assets/ (liabilities) £'000s
Forward foreign exchange contracts	-	-	-	-	-	-
Option contracts	-	-	-	110	-	110
	-	-	-	110	-	110

The above derivatives are classified as level 2 as defined in note 2(c).

Changes in derivatives

Changes in total net current derivative financial instruments are as follows:

Group and Company	2024 £'000s	2023 £'000s
Valuation brought forward	110	(1,942)
Net settlements	(75)	4,090
Losses	(35)	(2,038)
Valuation carried forward	-	110

14. LOANS - CURRENT LIABILITY

Group and Company	2024 £'000s	2023 £'000s
Bank loans		
GBP 37.5m repaid March 2024	-	37,500
Union Mutual Pension Fund Limited		
USD 6.6m repaid August 2023	-	5,191
GBP 2.9m repayable September 2024	2,850	-
	2,850	42,691

As at 30 June 2023, the Company had a £37.5m multicurrency loan facility with the Bank of Nova Scotia expiring on 19 September 2023. The Company extended the facility until 19 March 2024 and then further extended it to 19 April 2024 with the facility reduced to £25.0m on 19 September 2023, £20.0m on 31 October 2023, £15.0m on 31 December 2023, £10.0m on 19 February 2024 and £7.5m on 19 March 2024. The loan was fully repaid on 28 March 2024. Commissions were charged on any undrawn amounts at commercial rates. The terms of the loan facility, including those related to accelerated repayment and costs of repayment and the loan covenants, are typical of those normally found in facilities of this nature. The Bank of Nova Scotia had a floating charge over the assets of the Company in respect of amounts owing under the loan facility.

As at 30 June 2023, Union Mutual Pension Fund Limited ("UMPF") had loaned USD 6.6m to UIL and the loan was repaid in full in August 2023. In March 2024 UMPF provided a £5.0m loan facility to UIL and as at 30 June 2024 UIL had drawn £2.9m, repayable on 30 September 2024. The loans bear interest at 8.3% per annum.

On 1 August 2023, Zeta Energy Pte Ltd loaned AUD 13.5m to UIL. This loan was fully repaid in October 2023 and incurred interest at 8.3% per annum.

15. OTHER PAYABLES

	Group		Company	
	2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
Bank overdraft	-	7,872	-	7,872
Intra-group loans	-	-	40,778	-
Accrued finance costs	40	633	40	633
Accrued expenses	382	387	382	387
	422	8,892	41,200	8,892

The Directors consider that the carrying values of other payables are equivalent to their fair value.

16. ZDP SHARES

	Group	
	2024 £'000s	2023 £'000s
ZDP shares – current liabilities		
2024 ZDP shares	40,778	-
ZDP shares – non-current liabilities		
2024 ZDP shares	-	38,765
2026 ZDP shares	30,513	29,005
2028 ZDP shares	28,505	26,819
	59,018	94,589
Total ZDP shares liabilities	99,796	94,589

Authorised ZDP shares at 30 June 2024 and 30 June 2023 are as follows:	Number	£'000s
2022 ZDP shares	63,686,754	3,387
2024 ZDP shares	76,717,291	2,917
2026 ZDP shares	25,000,000	2,500
2028 ZDP shares	44,842,717	1,734

2024	Number	2024 £'000s	Number	2026 £'000s	Number	2028 £'000s	Total £'000s
Balance at 30 June 2023	30,000,000	38,765	22,690,380	29,005	24,416,265	26,819	94,589
Finance costs (see note 6)	-	2,013	-	1,508	-	1,686	5,207
Balance at 30 June 2024	30,000,000	40,778	22,690,380	30,513	24,416,265	28,505	99,796

2023	Number	2022 £'000s	Number	2024 £'000s	Number	2026 £'000s	Number	2028 £'000s	Total £'000s
Balance as at 30 June 2022	35,569,069	51,166	30,000,000	36,833	22,690,380	27,589	24,416,265	25,225	140,813
Redemption of ZDP shares	(35,569,069)	(52,283)	-	-	-	-	-	-	(52,283)
Finance costs (see note 6)	-	1,117	-	1,932	-	1,416	-	1,594	6,059
Balance as at 30 June 2023	-	-	30,000,000	38,765	22,690,380	29,005	24,416,265	26,819	94,589

NOTES TO THE ACCOUNTS (continued)

On 31 October 2022 the 35,569,069 2022 ZDP shares that were in issue were redeemed at 146.99p per 2022 ZDP share. The Company held 2,309,620 2026 ZDP shares as at 30 June 2023 and 30 June 2024. The Company held 583,735 2028 ZDP shares as at 30 June 2023 and 30 June 2024.

2024 ZDP shares

Based on the initial entitlement of a 2024 ZDP share of 100p on 2 November 2018, a 2024 ZDP share will have a final capital entitlement at the end of its life on 31 October 2024 of 138.35p equating to a 4.75% per annum gross redemption yield. The capital entitlement (excluding issue costs) per 2024 ZDP share as at 30 June 2024 was 136.15p (2023: 130.04p).

2026 ZDP shares

Based on the initial entitlement of a 2026 ZDP share of 100p on 26 April 2018, a 2026 ZDP share will have a final capital entitlement at the end of its life on 31 October 2026 of 151.50p equating to a 5.00% per annum gross redemption yield. The capital entitlement (excluding issue costs) per 2026 ZDP share as at 30 June 2024 was 135.15p (2023: 128.75p).

2028 ZDP shares

Based on the initial entitlement of a 2028 ZDP share of 100p on 23 April 2021, a 2028 ZDP share will have a final capital entitlement at the end of its life on 31 October 2028 of 152.29p equating to a 5.75% per annum gross redemption yield. The capital entitlement (excluding issue costs) per 2028 ZDP share as at 30 June 2024 was 119.49p (2023: 113.02p).

The ZDP shares are traded on the London Stock Exchange and are stated at amortised cost using the effective interest method. The ZDP shares carry no entitlement to income however they have a pre-determined final capital entitlement which ranks behind all other liabilities and creditors of UIL Finance and UIL but in priority to the ordinary shares of the Company save in respect of certain winding up revenue profits.

The growth of each ZDP accrues daily and is reflected in the capital return and NAV per ZDP share on an effective interest rate basis. The ZDP shares do not carry any voting rights at general meetings of the Company. However the Company will not be able to carry out certain corporate actions unless it obtains at separate meetings approval of each class of ZDP shareholders. Separate approval of each class of ZDP shareholders must be obtained in respect of any proposals which would affect their respective rights, including any resolution to wind up the Company. In addition the approval of ZDP shareholders by the passing of a special resolution at separate class meetings of the ZDP shareholders is required in relation to any proposal to modify, alter or abrogate the rights attaching to any class of the ZDP shares and in relation to any proposal by UIL or UIL Finance which would reduce the Group's cover of the existing ZDP shares below 1.35 times.

On a liquidation of UIL and/or UIL Finance, to the extent that the relevant classes of ZDP shares have not already been redeemed, the shares shall rank in the following order of priority in relation to the repayment of their accrued capital entitlement as at the date of liquidation:

- i. the 2024 ZDP shares shall rank in priority to the 2026 ZDP shares and the 2028 ZDP shares; and
- ii. the 2026 ZDP shares shall rank in priority to the 2028 ZDP shares.

The entitlement of ZDP shareholders of a particular class shall be determined in proportion to their holdings of ZDP shares of that class.

17. OTHER PAYABLES - NON-CURRENT LIABILITY

Company	2024 £'000s	2023 £'000s
Intra-group loans	62,837	98,222

In consideration for UIL Finance agreeing to transfer to the Company certain assets, the Company has undertaken (i) to repay any interest free loan, and (ii) to reimburse UIL Finance (by way of payment in advance, if required) any and all costs, expenses, fees or interest UIL Finance incurs or is otherwise liable to pay to the holder of the ZDP shares so as to enable UIL Finance to pay the final capital entitlement of each class of ZDP share on their respective redemption date. The amount owed in the accounts as at 30 June 2024 is a current liability of £40,778,000 and a non-current liability of £62,827,000 (2023: non-current liability of £98,222,000) based on the entitlements of the ZDP shareholders at the relevant date. The loan is repayable on the date when the underlying ZDP shares are redeemed.

18. ORDINARY SHARE CAPITAL

	Number	£'000s
Equity share capital:		
Ordinary shares of 10p each with voting rights		
Authorised	250,000,000	25,000
	Total shares in issue Number	Total shares in issue £'000s
2024		
Balance at 30 June 2023 and 30 June 2024	83,842,918	8,384

During the year the Company did not buy back any ordinary shares for cancellation (2023: none).

Since the year end, 87,333 ordinary shares have been purchased for cancellation at a total cost of £89,000.

In addition to receiving the income distributed by way of dividend, the ordinary shareholders will be entitled to any balances on the revenue reserve at the winding up date, together with the assets of the Company remaining after payment of the ZDP shareholders' entitlement. The ordinary shareholders participate in all general meetings of the Company on the basis of one vote for each share held.

19. SHARE PREMIUM ACCOUNT

Group and Company	2024 £'000s	2023 £'000s
Balance brought forward and carried forward	37,874	37,874

20. SPECIAL RESERVE

Group and Company	2024 £'000s	2023 £'000s
Balance brought forward and carried forward	233,866	233,866

The reserve will not constitute winding up revenue profits in the event of the Company's liquidation.

21. CAPITAL RESERVES

	Group		Company	
	2024 £'000s	2023 £'000s	2024 £'000s	2023 £'000s
Capital reserves comprise:				
Arising on investments sold	(84,736)	(77,920)	(85,618)	(78,616)
Arising on revaluation of investments held	(73,071)	(46,358)	(72,797)	(46,165)
Balance as at 30 June	(157,807)	(124,278)	(158,415)	(124,781)

Included within the capital reserve movement for the year is £9,364,000 (2023: £32,043,000) of capital distributions, £nil (2023: £5,000) of transaction costs on purchases of investments and £6,000 (2023: £21,000) of transaction costs on sales of investments.

NOTES TO THE ACCOUNTS (continued)

22. REVENUE RESERVE

Group and Company	2024	2023
	£'000s	£'000s
Balance brought forward	11,735	12,846
Amount transferred to revenue reserve	8,514	5,597
Dividends paid in the year	(5,031)	(6,708)
Balance as at 30 June	15,218	11,735

Under Bermuda Law, a company cannot declare or pay a dividend, or make a distribution out of contributed surplus, unless there are reasonable grounds for believing that: the company is and will after the payment be able to meet its liabilities as they become due; and the realisable value of the company's assets will not thereby be less than the aggregate of its liabilities. The net assets of the Company as at 30 June 2024 was £136.9m (2023: £167.1m).

23. NET ASSET VALUE PER ORDINARY SHARE

NAV per ordinary share is based on net assets at the year end of £137,535,000 for the Group and £136,927,000 for the Company (2023: £167,581,000 for the Group and £167,078,000 for the Company) and on 83,842,918 ordinary shares in issue at the year end (2023: 83,842,918).

24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	Balance at 30 June 2023	Transactions in the year	Non-cash flow changes					Balance at 30 June 2024
			Receipts	Payments	Foreign exchange movement	Settlements	Finance costs	
2024	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Loans	42,691	-	9,814	(46,336)	54	(3,373)	-	2,850
ZDP shares	94,589	-	-	-	-	-	5,207	99,796
Dividends paid	-	5,031	-	(5,031)	-	-	-	-
	137,280	5,031	9,814	(51,367)	54	(3,373)	5,207	102,646

	Balance at 30 June 2022	Transactions in the year	Non-cash flow changes					Balance at 30 June 2023
			Receipts	Payments	Foreign exchange movement	Finance costs		
2023	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Loans	51,080	-	55,231	(66,070)	2,450	-	-	42,691
ZDP shares	140,813	-	-	(52,283)	-	6,059	-	94,589
Dividends paid	-	6,708	-	(6,708)	-	-	-	-
	191,893	6,708	55,231	(125,061)	2,450	6,059		137,280

Company	Balance at 30 June 2023 £'000s	Transactions in the year £'000s	Non-cash flow changes				Balance at 30 June 2024 £'000s
			Receipts £'000s	Payments £'000s	Foreign exchange movement £'000s	Settlements £'000s	
2024							
Loans	42,691	-	9,814	(46,336)	54	(3,373)	2,850
Intra-group loans	98,222	-	-	-	-	-	103,615
Dividends paid	-	5,031	-	(5,031)	-	-	-
	140,913	5,031	9,814	(51,367)	54	(3,373)	106,465

2023	Balance at 30 June 2022 £'000s	Transactions in the year £'000s	Non-cash flow changes				Balance at 30 June 2023 £'000s
			Receipts £'000s	Payments £'000s	Foreign exchange movement £'000s	Finance costs £'000s	
Loans	51,080	-	55,231	(66,070)	2,450	-	42,691
Intra-group loans	144,245	-	-	(52,283)	-	6,260	98,222
Dividends paid	-	6,708	-	(6,708)	-	-	-
	195,325	6,708	55,231	(125,061)	2,450	6,260	140,913

25. ULTIMATE PARENT UNDERTAKING

In the opinion of the Directors, the Group's ultimate parent undertaking is Somers Isles Private Trust Company Limited ("SIPTCL"), a company incorporated in Bermuda and owned by Mr Duncan Saville.

26. RELATED PARTY TRANSACTIONS

The following are considered related parties of UIL:

Ultimate parent undertaking:

UIL's majority shareholder General Provincial Life Pension Fund Limited ("GPLPF") holds 65.4% of UIL's shares. UMPF holds 10.2% of UIL's shares. The ultimate parent undertaking of GPLPF and UMPF is SIPTCL as referred to in note 25.

Subsidiaries of UIL:

Coldharbour, Energy Holdings Ltd, Newtel, Northbrook Resources Limited, West Hamilton and Zeta. On consolidation, transactions between the Company and UIL Finance have been eliminated.

Joint ventures of UIL

Allectus Capital and Allectus Quantum.

Associated undertakings:

Carebook, DTI, Littlepay, Novareum, Orbital, Resimac, Serkel, Smilestyler, Somers, SportEngaged Ltd and The Market Limited.

Subsidiaries of the above subsidiaries, joint ventures and associated undertakings:

Allectus Capital: Own Solutions AC Limited, Own Solutions Financial Services Limited, Aplauz CH GmbH, Aplauz NL B.V., Sticing Aplauz Foundation.

Allectus Quantum: Allectus Quantum Ltd and Diraq Pty Ltd.

Newtel: Newtel Limited.

Resimac: Access Home Loans Pty Ltd, Access Network Management Pty Ltd, Auspak Financial Services Pty Ltd, FAI First Mortgage Pty Ltd, Independent Mortgage Corporation Pty Ltd, Resimac Est Pty Ltd and Resimac Limited.

NOTES TO THE ACCOUNTS

(continued)

Somers: Dfinitive Capital Limited, PCF Group plc, Snapper Services (UK) Limited, Somers Pte Ltd, Somers Treasury Pty Ltd and Somers UK (Holdings) Limited and Waverton.

Zeta: Horizon Gold Limited, Kumarina Resources Pty Ltd, Zeta Energy Pte Ltd, Zeta Investments Limited and Zeta Minerals Ltd.

Key management entities and persons:

ICM and ICMIM and the board of directors of ICM, Alasdair Younie, Charles Jillings, Duncan Saville and of ICMIM, Charles Jillings and Sandra Pope. ICM Corporate Services (Pty) Ltd is a wholly owned subsidiary of ICM.

Persons exercising control of UIL:

The Board of UIL.

Companies controlled by key management persons:

Mitre Investments Limited and Permanent Mutual Limited ("PML").

The following transactions were carried out during the year to 30 June 2024 between the Company and its related parties above:

UIL Finance

Loans from UIL Finance to UIL of £98.2m as at 30 June 2023 increased by £5.4m, to £103.6m as at 30 June 2024. The loans are repayable on any ZDP share repayment date.

Subsidiaries of UIL

Transactions are disclosed in note 11.

Joint ventures of UIL

Transactions are disclosed in note 10.

Associated undertakings:

Transactions are disclosed in note 10.

Subsidiaries of the above subsidiaries and associated undertakings

Except for the loan UIL received from Zeta Energy Pte Ltd (see note 14), there were no transactions during the year to 30 June 2024 with any of the subsidiaries of the above subsidiaries and associated undertakings.

Key management entities and persons

ICM and ICMIM are joint portfolio managers of UIL. Other than investment management fees, secretarial costs and performance fees as set out in note 4, and reimbursed expenses of £7,000, there were no other transactions with ICM or ICMIM or ICM Corporate Services (Pty) Ltd. At the period-end £88,000 remained outstanding to ICM and ICMIM in respect of management and company secretarial fees and £nil in respect of performance fees.

Mr Younie is a director of PML, Somers and West Hamilton. Mr Jillings is a director of Allectus Capital, PML, Somers and Waverton. Mr Jillings received dividends from UIL of £33,000.

Mr Saville is a director of Allectus Capital, GPLPF, PML, Resimac, West Hamilton and Zeta Energy Pte Ltd. There were no other transactions in the year with Alasdair Younie, Charles Jillings, Duncan Saville and Sandra Pope and UIL.

The Board

Fees paid to Directors were: Chairman £52,500 per annum; Chairman of Audit & Risk Committee £50,150 per annum and Directors £38,850 per annum. The Board received aggregate remuneration of £180,000 for services as Directors. As at 30 June 2024, £nil remained outstanding to the Directors. In addition to their fees, the Directors received dividends totalling £67,000 during the year. In aggregate the Directors held 552,808 ordinary shares of the Company as at 30 June 2024 (see page 56). There were no other transactions in the year with the Board and UIL.

Ultimate parent undertaking and companies controlled by key management persons:

GPLPF received dividends of £3,291,000 from UIL, UMPF received dividends of £506,000 from UIL, Mitre Investments Limited received dividends of £150,000 from UIL and PML received dividends of £2,000 from UIL.

As at 30 June 2023, UMPF had loaned USD 6.6m to UIL. In August 2023, UIL sold 302,000 Somers shares at fair value for USD 4.3m and paid USD 2.3m in cash to UMPF to repay the loan. In March 2024 UMPF provided a £5.0m loan facility to UIL and at 30 June 2024 UIL had drawn £2.9m, see note 14 for details. The loan bears interest at an annual rate of 8.3% and UIL paid interest of USD 63k to UMPF during the period.

There were no other transactions between companies controlled by key management and UIL during the year to 30 June 2024.

27. OPERATING SEGMENTS

The Directors are of the opinion that the Company's activities comprise a single operating segment, which is investing in equity, debt and derivative securities to maximise shareholder returns.

28. GOING CONCERN

Notwithstanding that the Group has reported net current liabilities of £42,269,000 as at 30 June 2024 (2023: £46,177,000), the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Board's going concern assessment has focussed on the forecast liquidity of the Group for at least 12 months from the date of approval of the financial statements. This analysis assumes that the Company will meet some of its short term obligations through the sale of level 1 securities, which represented 16.5% of the Company's total portfolio as at 30 June 2024. As part of this assessment the Board has considered a severe but plausible downside that reflects the impact of the key risks set out in the Strategic Report and an assessment of the Company's ability to meet its liabilities as they fall due (including the loan liabilities in note 14 and the 2024 ZDP share liabilities in note 16), assuming a significant reduction in asset values and accompanying currency volatility.

The severe but plausible downside a significant reduction in asset values in line with that experienced during the emergence of the Covid-19 pandemic in the first quarter of 2020. The Board also considered reverse stress testing to identify the reduction in the valuation of liquid investments that would cause the Group to be unable to meet its net current liabilities, being primarily the 2024 ZDP shares of £40,778,000. The Board is confident that the reduction in asset values implied by the reverse stress test is not plausible even in the current volatile environment.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the Board considers it appropriate to continue to adopt the going concern basis in preparing the accounts.

29. FINANCIAL RISK MANAGEMENT

The Group's investment objective is to maximise shareholder returns by identifying and investing in compelling long-term investments worldwide, where the underlying value is not reflected in the market share price.

The Group seeks to meet its investment objective by investing principally in a direct and indirect diversified portfolio of both listed and unlisted companies. Derivative instruments may be used for the purposes of hedging the underlying portfolio of investments. The Group has the power to take out both short and long term borrowings. In pursuing the objective, the Group is exposed to financial risks which could result in a reduction of either or both of the value of the net assets and the profits available for distribution by way of dividend. These financial risks are principally related to the market (currency movements, interest rate changes and security price movements), liquidity and credit and counterparty risk. The Board of Directors, together with the Investment Managers, is responsible for the Group's risk management. The Directors' policies and processes for managing the financial risks are set out in (a), (b) and (c) below.

The Company's risks include the risks within UIL Finance and therefore only the Group risks are analysed below as the differences are not considered to be significant. The accounting policies which govern the reported Statement of Financial Position carrying values of the underlying financial assets and liabilities, as well as the related income and expenditure, are set out in note 2. The policies are in compliance with IFRS and best practice, and include the valuation of financial assets and liabilities at fair value except as noted in (d) below and in note 16 in respect of ZDP shares. The Group does not make use of hedge accounting rules.

(a) Market risks

The fair value of equity and other financial securities held in the Group's portfolio and derivative financial instruments fluctuates with changes in market prices. Prices are themselves affected by movements in currencies and interest rates and by other financial issues, including the market perception of future risks. The Board sets policies for managing these risks within the Group's

NOTES TO THE ACCOUNTS (continued)

objective and meets regularly to review full, timely and relevant information on investment performance and financial results. The Investment Managers assess exposure to market risks when making each investment decision and monitor on-going market risk within the portfolio. The Group's other assets and liabilities may be denominated in currencies other than Sterling and may also be exposed to interest rate risks. The Investment Managers and the Board regularly monitor these risks. The Group does not normally hold significant cash balances. Borrowings are limited to amounts and currencies commensurate with the portfolio's exposure to those currencies, thereby limiting the Group's exposure to future changes in exchange rates.

Gearing may be short or long-term, in Sterling and foreign currencies, and enables the Group to take a long-term view of the countries and markets in which it is invested without having to be concerned about short-term volatility. Income earned in foreign currencies is converted to Sterling on receipt. The Board regularly monitors the effects on net revenue of interest earned on deposits and paid on gearing.

Currency exposure

The principal currencies to which the Group was exposed were the Australian Dollar, Bermuda Dollar, Euro and US Dollar (2023: Australian Dollar, Bermuda Dollar, Canadian Dollar and US Dollar). The Group's assets and liabilities as at 30 June (shown at fair value, except derivatives at gross exposure value), by currency excluding Sterling based on the country of primary exposure, are shown below:

2024	AUD £'000s	BMD £'000s	EUR £'000s	USD £'000s	Other £'000s	Total £'000s
Cash and cash equivalents	-	-	-	16	-	16
Net monetary liabilities	-	-	-	16	-	16
Investments	110,569	19,552	20,751	6,220	55,741	212,833
Net financial assets	110,569	19,552	20,751	6,236	55,741	212,849

2023	AUD £'000s	BMD £'000s	CAD £'000s	USD £'000s	Other £'000s	Total £'000s
Other receivables	1	-	36	-	2	39
Derivative financial instruments – assets	-	-	-	110	-	110
Cash and cash equivalents	(1)	-	15	5,191	-	5,205
Short-term borrowings	-	-	-	(5,191)	-	(5,191)
Net monetary liabilities	-	-	51	110	2	163
Investments	119,932	29,428	17,550	7,617	74,414	248,941
Net financial assets	119,932	29,428	17,601	7,727	74,416	249,104

Based on the financial assets and liabilities held, and exchange rates applying, as at the Statement of Financial Position date, a weakening or strengthening of Sterling against each of these currencies by 10% would have had the following approximate effect on annualised income after tax and on NAV per share:

Weakening of Sterling	2024				2023			
	AUD £'000s	BMD £'000s	EUR £'000s	USD £'000s	AUD £'000s	CAD £'000s	EUR £'000s	USD £'000s
Income Statement								
Revenue profit for the year	592	166	147	-	201	710	11	-
Capital profit for the year	12,285	2,172	2,306	691	13,326	3,270	1,950	846
Total profit for the year	12,877	2,338	2,453	691	13,527	3,980	1,961	846

	2024				2023			
	AUD £'000s	CAD £'000s	EUR £'000s	USD £'000s	AUD £'000s	CAD £'000s	EUR £'000s	USD £'000s
Strengthening of Sterling								
Income Statement								
Revenue loss for the year	(592)	(166)	(147)	-	(201)	(710)	(11)	-
Capital loss for the year	(12,285)	(2,172)	(2,306)	(691)	(13,326)	(3,270)	(1,950)	(846)
Total loss for the year	(12,877)	(2,338)	(2,453)	(691)	(13,527)	(3,980)	(1,961)	(846)

These analyses are broadly representative of the Group's activities during the current year as a whole, although the level of the Group's exposure to currencies fluctuates in accordance with the investment and risk management processes.

Interest rate exposure

The exposure of the financial assets and liabilities to interest rate risks as at 30 June is shown below:

	2024			2023		
	Total £'000s	Within one year £'000s	More than one year £'000s	Total £'000s	Within one year £'000s	More than one year £'000s
Exposure to floating rates						
Cash and margin account	1,485	1,485	-	5,234	5,234	-
Bank overdraft	-	-	-	(7,872)	(7,872)	-
Borrowings	-	-	-	(37,500)	(37,500)	-
	1,485	1,485	-	(40,138)	(40,138)	-
Exposure to fixed rates						
Borrowings	(2,850)	(2,850)	-	(5,191)	(5,191)	-
ZDP shares	(99,796)	(40,778)	(59,018)	(94,589)	-	(94,589)
	(102,646)	(43,628)	(59,018)	(99,780)	(5,191)	(94,589)
Net exposures						
At year end	(101,161)	(42,143)	(59,018)	(139,918)	(45,329)	(94,589)
Maximum in year	(142,290)	(46,598)	(95,692)	(195,720)	(106,073)	(89,647)
Minimum in year	(85,456)	(27,889)	(57,567)	(139,918)	(45,329)	(94,589)
		Exposure to floating interest rates	Fixed interest rates		Exposure to floating interest rates	Fixed interest rates
	Total £'000s	£'000s	£'000s	Total £'000s	£'000s	£'000s
Maximum in year	(142,290)	(41,469)	(100,821)	(195,720)	(54,907)	(140,813)
Minimum in year	(85,456)	(27,889)	(57,567)	(139,918)	(40,138)	(99,780)

Exposures vary throughout the year as a consequence of changes in the make-up of the net assets of the Group arising out of the investment and risk management processes. Interest received on cash balances or paid on overdrafts is at ruling market rates. Finance costs on the ZDP shares are fixed (see note 16). Interest paid on bank borrowings is at ruling market rates and on other loans is fixed (see note 14). The Group's total returns and net assets are sensitive to changes in interest rates on cash and borrowings. Based on the financial assets and liabilities held, and the interest rates pertaining, at each Statement of Financial Position date, a decrease or increase in interest rates by 2% would have had the following approximate effects on the Group Income Statement revenue and capital returns after tax and on the NAV per share.

NOTES TO THE ACCOUNTS (continued)

	2024		2023	
	Increase in rate £'000s	Decrease in rate £'000s	Increase in rate £'000s	Decrease in rate £'000s
Revenue profit for the year	27	(27)	(907)	907
Capital profit for the year	-	-	-	-
Total profit for the year	27	(27)	(907)	907

Other market risk exposures

The portfolio of investments, valued at £238,822,000 as at 30 June 2024 (2023: £308,347,000) is exposed to market price changes. The Group enters into index options in managing its exposure to other market risks.

The Investment Managers assess these exposures at the time of making each investment decision. The Board reviews overall exposures at each meeting against indices and other relevant information. An analysis of the portfolio by country and major industrial sector are set out on pages 15 and 12 respectively. The Investment Managers operate a strategic market position via the purchase and sale of equity index put and call options, principally on the S&P500 Index. The level of the position is kept under constant review, and will depend upon several factors including the relative performance of markets, the price of options as compared to the market, and the Investment Managers' view of likely future volatility and market movements. During the year to 30 June 2024, the Group's exposure to S&P options was negligible (2023: negligible).

Based on the portfolio of investments at the Statement of Financial Position date, and assuming other factors remain constant, a decrease or increase in the fair values of the portfolio by 20% would have had the following approximate effects on the Income Statement Capital Return after tax and on the NAV per share:

	2024		2023	
	Increase in value	Decrease in value	Increase in value	Decrease in value
Income Statement capital profit for the year (£'000s)	47,764	(47,764)	61,689	(61,689)

(b) Liquidity risk exposure

The Group and the Company are required to raise funds to meet commitments associated with financial instruments including ZDP shares. These funds may be raised either through the realisation of assets or through increased borrowing. The risk of the Group or the Company not having sufficient liquidity at any time is not considered by the Board to be significant, given: the number of quoted investments held in the Group's portfolio, 15 as at 30 June 2024 (16 as at 30 June 2023); the liquid nature of the portfolio of investments; and the geographical and sector diversity of the portfolio (see pages 15 and 12 respectively). Cash balances are held with reputable banks with high quality external credit ratings.

The Investment Managers review liquidity at the time of making each investment decision. The Board reviews liquidity exposure at each meeting. The Group has a loan of £2.9m as set out in note 14 and ZDP share liabilities of £99.8m as set out in note 16. The contractual maturities of the financial liabilities, based on the earliest date on which payment can be required, were as follows:

	2024				2023			
	Three months or less £'000s	More than three months but less than one year £'000s	More than one year £'000s	Total £'000s	Three months or less £'000s	More than three months but less than one year £'000s	More than one year £'000s	Total £'000s
Bank overdraft	-	-	-	-	7,872	-	-	7,872
Other creditors	382	-	-	382	387	-	-	387
Loans	3,016	-	-	3,016	44,612	-	-	44,612
ZDP shares	-	41,505	71,559	113,064	-	-	113,064	113,064
	3,398	41,505	71,559	116,462	52,871	-	113,064	165,935

(c) Credit risk and counterparty exposure

The Group is exposed to potential failure by counterparties to deliver securities for which the Group has paid, or to pay for securities which the Group has delivered. The Board approves all counterparties used in such transactions, which must be settled on a basis of delivery against payment (except where local market conditions do not permit). Broker counterparties are selected based on a combination of criteria, including credit rating, statement of financial position strength and membership of a relevant regulatory body. Cash and deposits are held with reputable banks.

The Group has an on-going contract with its custodians for the provision of custody services. The contracts are reviewed regularly.

Details of securities held in custody on behalf of the Group are received and reconciled monthly. Prior to making investments in debt instruments, the Investment Managers have in place a process of review that includes an evaluation of a potential investee company's ability to service and repay its debt. The Investment Managers review the financial position of investee companies on a regular basis. To the extent that the Investment Managers carry out duties (or cause similar duties to be carried out by third parties) on the Group's behalf, the Group is exposed to counterparty risk. The Board assesses this risk continuously through regular meetings with management.

In summary, compared to the amounts included in the Statement of Financial Position, the maximum exposure to credit risk was as follows:

	2024		2023	
	30 June £'000s	Maximum exposure in the year £'000s	30 June £'000s	Maximum exposure in the year £'000s
Current assets				
Cash at bank	1,485	8,884	5,234	5,234
Financial assets through profit and loss				
Investments in debt instruments	4,983	9,638	2,952	18,095
Derivatives (forward foreign exchange contracts)	-	-	-	138,305
Derivatives (option contracts)	-	129	110	110

None of the Group's financial assets are past due or impaired. The expected credit loss on the cash at bank is not considered material at 30 June 2024 (2023: not material). The Group's principal custodian is JPMorgan Chase Bank N.A. – Jersey Branch.

(d) Fair values of financial assets and liabilities

The assets and liabilities of the Group are, in the opinion of the Directors, reflected in the Statement of Financial Position at fair value except for ZDP shares which are carried at amortised cost using effective interest rate basis (see note 16). Borrowings under loan facilities do not have a value materially different from their capital repayment amount. Borrowings in foreign currencies are converted into Sterling at exchanges rates ruling at each valuation date.

The fair values of ZDP shares derived from their quoted market price as at 30 June, were:

	2024 £'000s	2023 £'000s
2024 ZDP shares	39,900	37,050
2026 ZDP shares	27,002	25,980
2028 ZDP shares	23,928	23,562

Unquoted investments are valued based on professional assumptions and advice that is not wholly supported by prices from current market transactions or by observable market data. The Directors make use of recognised valuation techniques and may take account of recent arms' length transactions in the same or similar investments.

The Directors regularly review the principles applied by the Investment Managers to those valuations to ensure they comply with the Group's accounting policies and with fair value principles.

NOTES TO THE ACCOUNTS

(continued)

Level 3 financial instruments

Valuation methodology

The objective of using valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Company uses proprietary valuation models, which are compliant with IPEV guidelines and IFRS 13 and which are usually developed from recognised valuation techniques. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows of the financial instrument being valued, determination of the probability of counterparty default and prepayments, peer group multiple and selection of appropriate discount rates.

Fair value estimates obtained from such models are adjusted for any other factors, such as controlling interest, historical and projected financial data, entity specific strengths and weaknesses, or model uncertainties, to the extent that the Company believes that a third party market participant would take them into account in pricing a transaction.

The Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuations. The level 3 assets comprise of a number of unlisted investments at various stages of development and each has been assessed based on its industry, location and business cycle. The valuation methodologies include net assets, discounted cash flows, cost of recent investment or last funding round, listed peer comparison or peer group multiple or dividend yield as appropriate. Where applicable, the Directors have considered observable data and events to underpin the valuations. A discount has been applied, where appropriate, to reflect both the unlisted nature of the investments and business risks. UIL currently has investments in a number of level 3 closed-end investment companies including Allectus Capital, Allectus Quantum and Somers. These closed-end fund interests are valued on a net assets basis, estimated based on the managers' NAVs. Managers' NAVs use recognised valuation techniques consistent with IFRS and are normally subject to audit. The fund valuations included in these financial statements were based principally on the 30 June 2024 managers' NAVs and these NAVs have been reviewed to ensure that the economic impact of the high interest rate environment, inflation, and the Ukraine and Middle East conflicts have been considered.

Sensitivity of level 3 financial investments measured at fair value to changes in key assumptions.

Level 3 inputs are sensitive to assumptions made when ascertaining fair value. The following section details the sensitivity of valuations to variations in key inputs. The level of change selected is considered to be reasonable, based on observation of market conditions and historic trends. In assessing the level of reasonably possible outcomes consideration was also given to the impact on valuations of the elevated level of volatility in equity markets during the year, principally reflecting concerns about high rates of inflation, tightening energy supplies, higher interest rates and the Ukraine and Middle East conflicts. The valuations of fund interests are based on the managers' NAVs and these managers have advised that they have taken into account these economic and market concerns. The impact on the valuations has been varied and largely linked to their relevant sectors and this has been reflected in the level of sensitivities applied.

For each unlisted holding valued over £5.0m, the significant valuation inputs have been detailed below.

Allectus Capital Bermuda incorporated

UIL holds 50% of the ordinary shares in Allectus Capital and carried its investment at £9.6m (2023: £16.2m) and loans at £2.5m (2023: £1.6m). The cost of these investments was £21.0m (2023: £20.1m). The financial results of Allectus Capital are not publicly available.

Valuation inputs: Market value for portfolio of investments. Discount to NAV for the lack of marketability and restrictions on redemption is nil.

Valuation methodology: UIL has used Allectus Capital's NAV. Allectus Capital's portfolio is concentrated in the technology sector and its NAV was valued using valuation techniques consistent with IFRS and was subject to audit. The Directors considered both the high level of unlisted investments within Allectus Capital's portfolio and the continued high level of volatility in technology equity markets and assessed that the valuation uncertainty remained at an elevated level. Accordingly, Allectus Capital's fair value has been given a sensitivity of 20% (2023: 20%) reflecting the higher level of uncertainty over the manager's valuations of Allectus Capital's portfolio.

Sensitivities: Should the value of holdings in Allectus Capital move by 20% the gain or loss would be £2.4m (2023: £3.6m).

Allectus Quantum UK incorporated

UIL holds 50% of the ordinary shares in Allectus Quantum and carried its investment at £14.7m (2023: £14.7m). The cost of this investment was £6.4m (2023: £6.4m). The financial results of Allectus Quantum are not publicly available.

Valuation inputs: Market value for portfolio of investments. Discount to NAV for the lack of marketability and restrictions on redemption is nil.

Valuation methodology: UIL has used Allectus Quantum's NAV. Allectus Quantum is an investment holding company for quantum technology investments and its NAV was valued using valuation techniques consistent with IFRS. The portfolio, consisting principally of the unlisted investment Diraq Pty Ltd, was valued at the recent funding round. The Directors considered the portfolio and assessed the valuation uncertainty at a higher level. Accordingly, Allectus Quantum's fair value has been given a sensitivity of 20% (2023: 20%) reflecting the higher level of uncertainty over the manager's valuations of Allectus Quantum's holdings.

Sensitivities: Should the value of holdings in Allectus Quantum move by 20% the gain or loss would be £2.9m (2023: £2.9m).

Somers Bermuda incorporated

Somers is UIL's largest investment with a value of £105.5m as at 30 June 2024 (2023: £107.7m) and accounts for 44.2% (2023: 34.9%) of UIL's total portfolio. The cost of this investment was £67.5m (2023: £70.1m).

Valuation inputs: Market value for portfolio of investments. Discount to NAV for the lack of marketability and restrictions on redemption is nil.

Valuation methodology: UIL values its holding of Somers shares based on estimated NAV per share. The Directors believe this is the most appropriate basis for valuing the investment in Somers. Somers shares are listed on the Mezzanine Market of the Bermuda Stock Exchange. As at 30 June 2024, the Somers shares were deemed not to trade in an active market and as at the 30 June 2024 measurement date, the Directors consider that the listed share price did not represent fair value. In making their assessment the Directors considered the very low level of trading in Somers shares, the large disconnect between the listed share price and Somers' NAV, and the absence of movement in Somers' listed share price in response to changing financial performance and other developments at Somers.

Somers is a financial services investment holding company. It is classified as an investment company under IFRS 10 and, accordingly, values its underlying investments at fair value. Somers applies valuation techniques consistent with IFRS and is subject to annual audit. As an investment company, Somers' value is based primarily on the performance and valuation of its portfolio of investments which are concentrated in the wealth and fund management, banking, and asset financing sectors. For its year ended 30 September 2023, Somers recorded a net loss before tax of £31.9m (2023: loss of £164.1m), and net assets of £271.0m (2023: £303.2m).

As at 31 March 2024, Somers reported the three largest investments, which make up 86.7% of its portfolio, were a 60.9% holding in Waverton, a UK wealth manager, a 54.6% holding in Resimac, a non-bank Australian financial institution, and a 39.8% holding in ICM Mobility, a UK holding company focused on the mobility sector for private and public transport. In June 2024, Somers sold a portion of Waverton, as part of a merger deal with London & Capital Group and Somers values the remaining holding based on the recent transaction value. Resimac is valued using its quoted share price and ICM Mobility's portfolio investments are predominantly valued using earnings and revenue peer multiples. Somers also holds an investment in AKJ tokens both directly and indirectly through its holdings of AK Jensen Group Limited and AKJT Holdings Limited. Somers values these tokens by applying a discount to recent transactions and this has resulted in a valuation uplift for Somers since their last year end. This, along with the elevated volatility in crypto markets, has increased the sensitivity of these securities to significant valuation changes. As at 30 June 2024 45% of Somers' investment portfolio was valued using valuation techniques and these investments have been given a sensitivity of 20% (2023: 20%) to reflect the higher percentage of unlisted investments within Somers' portfolio, the high subjectivity around the AKJ token valuation and a degree of uncertainty over the managers' valuations. The remaining 55% of Somers' portfolio was valued using their listed share price.

Sensitivities: Should the value of Somers move by 20% the gain or loss would be £21.1m (2023: £21.5m).

West Hamilton Bermuda incorporated

UIL holds a 57.0% equity interest in West Hamilton and, as at 30 June 2024, carried this investment at £6.7m (2023: £15.1m). The cost of this investment was £9.5m (2023: £17.8m).

Key valuation inputs: Fair value of West Hamilton's identifiable assets and liabilities. Investment yield is 6.25% and rent renewal rates are assumed to be at the same level as is currently achieved from existing tenants.

NOTES TO THE ACCOUNTS (continued)

Valuation Methodology: UIL has used the NAV of West Hamilton. Discount to NAV for the lack of marketability and restrictions on redemption is nil.

Following the sale of its properties at 69 and 71 Pitts Bay Road in November 2023, West Hamilton now has one remaining property asset, The Belvedere Residences, a mixed use building located at 71A Pitts Bay Road housing nine executive condominiums, a penthouse office suit and a gymnasium. West Hamilton appointed an independent professional valuer to perform a property valuation and to provide his opinion as to the fair value of this property. This valuation was based on an income approach whereby net rental income for the property is capitalised using an investment yield. Comparable property values and the demand for comparable rental units were also considered in support of income approach value. The Directors consider Bermuda property values have not moved significantly since the independent valuation was performed and have utilised the valuation for the purpose of valuing the holding, with adjustments for known movements to 30 June 2024. West Hamilton's fair value has been given a sensitivity of 10% (2023: 10%) to reflect a degree of uncertainty over the property portfolio valuations.

For its year ended 30 September 2023, West Hamilton recorded total income of USD 3.0m, net profit before tax of USD 2.6m and net assets of USD 35.0m.

Sensitivities: Should the value of West Hamilton move by 10% the gain or loss would be £0.7m (2023: £1.5m).

Other unlisted companies

Valuation methodology: UIL has a further 15 (2023: 16) unlisted holdings valued below £5.0m each. These holdings were valued using a variety of methods, including; listed peer comparison or peer group multiple, discounted cash flow, net assets, dividend yields, and cost of recent investments adjusted for events subsequent to acquisition that impact fair value. The total value of these 15 holdings was £7.2m as at 30 June 2024 (2023: £10.8m), consisting £4.8m of equities and £2.4m of loans. On account of the low aggregate value of these holdings they have been sensitised at an aggregated level. If the value of all these lower valued equity investments moved by 20.0% (2023: 20%), this would have an impact on the investment portfolio value of £1.0m (2023: £1.9m). If the value of all these lower valued loans moved by 10.0% (2023: 10%), this would have an impact on the investment portfolio value of £0.2m (2023: £0.1m).

The sensitivity of the fair value of level 3 financial investments to changes in key assumptions are as follows:

As at 30 June 2024		Valuation	Risk	Sensitivity	Carrying	Sensitivity
Investment	Investment type	methodology	weighting	+/-	amount £'000s	£'000s
Somers	Equity	NAV	Medium	20%	105,481	21,096
Allectus Quantum	Equity	NAV	Medium	20%	14,681	2,936
Allectus Capital	Equity & Loans	NAV	Medium	20%	12,157	2,431
West Hamilton	Equity	NAV	Low	10%	6,718	672
Other investments	Equity	Various	Medium	20%	4,787	957
Other investments	Loans	Various	Low	10%	2,457	246
Total					146,281	28,338

As at 30 June 2023		Valuation	Risk	Sensitivity	Carrying	Sensitivity
Investment	Investment type	methodology	weighting	+/-	amount £'000s	£'000s
Somers	Equity	NAV	Low	20%	107,688	21,538
Allectus Capital	Equity	NAV	Medium	20%	17,821	3,564
Allectus Quantum	Equity	NAV	Medium	20%	14,666	2,933
West Hamilton	Equity	Fair value of assets	Low	10%	15,087	1,509
Arria	Equity	Last fund raising	Medium	20%	6,602	1,320
Other investments	Equity	Various	Medium	20%	9,451	1,890
Other investments	Loans	Various	Low	10%	1,337	134
Total					172,652	32,888

(e) Capital risk management

The objective of the Group is stated as being to maximise shareholder returns by identifying and investing in investments where the underlying value is not reflected in the market price. In pursuing this long term objective, the Board has a responsibility for ensuring the Group's ability to continue as a going concern. It must therefore maintain its capital structure through varying market conditions. This involves the ability to: issue and buy back share capital within limits set by the shareholders in general meeting; borrow monies in the short and long term; and pay dividends to shareholders out of current year earnings as well as out of brought forward reserves. Changes to ordinary share capital are set out in note 18.

Dividends are set out in note 9. Loans are set out in note 14. ZDP shares are set out in note 16.

30. SUBSEQUENT EVENTS

On 5 August 2024, Somers provided a £2.85m loan facility to UIL and on 6 August 2024 the £2.85m was drawn by UIL. The loan is repayable on 30 November 2024 and bears interest at 7% per annum. On 9 August 2024 UIL repaid the loan of £2.85m to UMPF.

On 12 September 2024, Zeta provided a USD 6.0m loan facility to UIL. On 17 September 2024 the USD 6.0m was drawn by UIL. The loan is repayable on 31 December 2024 and bears interest at 7% per annum.

On 8 October 2024, UIL's subsidiary Zeta announced it expects to receive approximately USD 41m from Koumbia Bauxite Investments Limited ("KBI"), an unlisted Bermuda based company in which Zeta is a 41.3% shareholder and is Zeta's largest investment. KBI has agreed to terminate its commercialisation deed with Alliance Mining Commodities Ltd ("AMC"), the 90% owner of the Koumbia bauxite project located in Guinea, and in exchange KBI has received USD 100 million from the 100% owner of AMC. The payment from KBI is expected to be received by Zeta within one week.

There were no other material events after the year end of the reporting period except as disclosed for dividends declared (note 9) and ordinary shares purchased (note 18).

OTHER FINANCIAL INFORMATION (UNAUDITED)

ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (“AIFMD”)

In accordance with the AIFMD, information in relation to the Group’s leverage and the remuneration of the Company’s AIFM, ICMIM, is required to be made available to investors. Detailed regulatory disclosures including those on the AIFM’s remuneration policy are available on the Company’s website or from ICMIM on request.

The Group’s maximum and actual leverage as at 30 June are shown below:

Leverage exposure	Gross method	2024 Commitment method	Gross method	2023 Commitment method
Maximum permitted limit	425%	425%	425%	425%
Actual	175%	175%	188%	188%

The leverage limits are set by the AIFM and approved by the Board. The AIFM is also required to comply with the gearing parameters set by the Board in relation to borrowings.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of UIL Limited will be held at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda on Thursday, 14 November 2024 at 5.00pm (local time) for the purpose of considering and, if thought fit, passing the following resolutions (which will be proposed in the case of resolutions 1 to 11, as ordinary resolutions and, in the case of resolution 12, as a special resolution).

ORDINARY BUSINESS

1. To receive and adopt the report of the Directors of the Company and the financial statements for the year ended 30 June 2024, together with the report of the auditor thereon.
2. To approve the Directors' Remuneration Report for the year ended 30 June 2024.
3. To approve the Company's dividend policy to pay four interim dividends per year.
4. To elect Mr P Durhager as a Director.
5. To re-elect Mr S Bridges as a Director.
6. To re-elect Ms A Hill as a Director.
7. To re-elect Mr D Shillson as a Director.
8. To appoint KPMG Audit Limited as auditor of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.
9. To authorise the Directors to determine the auditor's remuneration.

SPECIAL BUSINESS

Ordinary resolution

10. That, in substitution for the Company's existing authority to make market purchases of ordinary shares of 10p in the Company ("Ordinary Shares"), the Company be and it is generally and unconditionally authorised to make market purchases of Ordinary Shares, provided that:
 - (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 12,554,000 (being the equivalent of approximately 14.99% of the issued Ordinary Shares as at the date of this notice);
 - (b) the minimum price which may be paid for an Ordinary Share shall be 10p;
 - (c) the maximum price (exclusive of expenses payable by the Company) which may be paid for an Ordinary Share shall be the higher of:
 - (i) 105% of the average of the middle market quotations of the Ordinary Shares for the five business days prior to the date on which such shares are contracted to be purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out;
 - (d) such purchases shall be made in accordance with the Companies Act 1981 of Bermuda; and
 - (e) unless renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting to be held in 2025 save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after the expiration of such authority.

Special resolution

11. That, for the purpose of Bye-law 4A of the Company's Bye-laws, the Company may issue Relevant Securities (as defined in the Bye-laws) representing up to 8,375,000 Ordinary Shares, equivalent to approximately 10% of the total number of Ordinary Shares in issue as at the date of this notice otherwise than on a pre-emptive basis, provided that such disapplication shall expire (unless and to the extent previously revoked, varied or renewed by the Company in general meeting by Special Resolution (as defined in the Bye-laws)) at the earlier of the conclusion of the Annual General Meeting to be held in 2025 or 18 months from the date of this resolution but so that this power shall enable the Company to make such offers or agreements before such expiry which would or might otherwise require Relevant Securities to be issued after such expiry and the Directors may issue Relevant Securities in pursuance of such offer or agreement as if such expiry had not occurred.

By order of the Board
ICM Limited, Secretary

8 October 2024

NOTICE OF ANNUAL GENERAL MEETING (continued)

NOTES

1. Only the holders of ordinary shares registered on the register of members of the Company at close of business on 12 November 2024 shall be entitled to attend and vote or to be represented at the meeting in respect of the ordinary shares registered in their name at that time. Changes to entries on the register after close of business on 12 November 2024 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a member of the Company.
3. If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any person holding 5% or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules need not make a separate notification to the Company and the Financial Conduct Authority.
4. Any such person holding 5% or more of the voting rights in the Company who appoints a person other than the Chairman as his proxy will need to ensure that both he and such person complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
5. A form of proxy is provided with this notice of meeting. The return of a form of proxy will not preclude a member from attending the meeting and voting in person if he/she wishes to do so. To be valid, a form of proxy for use at the meeting and the power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, must be deposited with the Company's registrars, Computershare Investor Services (Bermuda) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 5:00 pm (GMT) on 12 November 2024.

Alternatively, shareholders can vote or appoint a proxy electronically by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the form of proxy. The latest time for the submission of proxy votes electronically is 5:00 pm (GMT) on 12 November 2024. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 0370 707 1196 or you may photocopy the form of proxy. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms of proxy must be signed and should be returned together in the same envelope.
6. Investors holding ordinary shares in the Company through depository interests should ensure that Forms of Instruction are returned to The Depository, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not later than 5:00 pm (GMT) on 11 November 2024 or give an instruction via the CREST system as detailed under note 7. Please note only depository interest holders registered on the depository interest register at close of

business on 11 November 2024 shall be entitled to attend and vote or to be represented at the meeting. Changes to entries on the depository interest register after close of business on 11 November 2024 shall be disregarded in determining the rights of any person to attend and vote at the meeting.

7. Depository interest holders who are CREST members and who wish to issue an instruction through the CREST electronic voting appointment service may do so by using the procedures described in the CREST manual (available from www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a "CREST Voting Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited ("EUI") and must contain the information required for such instructions, as described in the CREST Manual (available from www.euroclear.com). The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to the Depository must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 5:00 pm, (GMT) on 11 November 2024. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the issuer's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

8. The register of Directors' holdings is available for inspection at the registered office of the Company during normal business hours on any weekday and will be available at the place of the meeting from 15 minutes prior to the commencement of the meeting until the conclusion thereof.
9. No service contracts exist between the Company and any of the Directors, who hold office in accordance with letters of appointment and the Company's Bye-laws. The letters of appointment are available for inspection on request at the Company's registered office and at the Annual General Meeting.
10. As at the date of publication of this Notice of Annual General Meeting, the Company's issued share capital consisted of 83,755,585 ordinary shares of 10p each. Each ordinary share carries the right to one vote and therefore the total voting rights in the Company as at the date of this Notice are 83,755,585.

COMPANY INFORMATION

DIRECTORS

Stuart Bridges (Chairman)
Peter Durhager
Alison Hill
David Shillson

REGISTERED OFFICE

Clarendon House, 2 Church Street, Hamilton HM 11,
Bermuda
Company Registration Number: 39480
LEI: 213800CTZ7TEIE7YM468

AIFM AND JOINT PORTFOLIO MANAGER

ICM Investment Management Limited
Ridge Court, The Ridge, Epsom, Surrey, KT18 7EP
United Kingdom
Telephone number 01372 271486
Authorised and regulated in the UK by the Financial Conduct Authority

JOINT PORTFOLIO MANAGER AND SECRETARY

ICM Limited
34 Bermudiana Road, Hamilton HM 11, Bermuda
Registered in Bermuda under the Investment Business Act 2003 to
carry on investment business

ASSISTANT SECRETARY

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street, Hamilton HM 11,
Bermuda

ADMINISTRATOR

JP Morgan Chase Bank N.A. – London Branch
25 Bank Street, Canary Wharf, London E14 5JP
United Kingdom
Authorised in the UK by the Prudential Regulation Authority and
regulated by the Financial Conduct Authority and the Prudential
Regulation Authority

BROKER

Shore Capital and Corporate Limited
Cassini House, 57 St James's Street, London
SW1A 1LD United Kingdom
Authorised and regulated in the UK by the Financial Conduct Authority

LEGAL ADVISOR TO THE COMPANY

(as to English law)
Norton Rose Fulbright LLP
3 More London Riverside, London SE1 2AQ
United Kingdom

LEGAL ADVISOR TO THE COMPANY

(as to Bermuda law)
Conyers Dill & Pearman Limited
Clarendon House, 2 Church Street, Hamilton HM 11,
Bermuda

AUDITOR

KPMG Audit Limited
Crown House, 4 Par-la-Ville Road, Hamilton HM08
Bermuda
A member firm of the KPMG global organisation of independent
member firms affiliated with KPMG International Limited

DEPOSITARY SERVICES PROVIDER

J.P. Morgan Europe Limited
25 Bank Street, Canary Wharf, London E14 5JP
United Kingdom
Authorised in the UK by the Prudential Regulation Authority and
regulated by the Financial Conduct Authority and the Prudential
Regulation Authority

CUSTODIAN

JPMorgan Chase Bank N.A. – Jersey Branch
JPMorgan House, Grenville Street, St Helier
Jersey JE4 8QH
Regulated by the Jersey Financial Services Commission

REGISTRAR

Computershare Investor Services (Bermuda) Limited
5 Reid Street, Hamilton HM 11, Bermuda
Telephone number 0370 707 1196

REGISTRAR TO THE DEPOSITARY INTERESTS AND CREST AGENT

Computershare Investor Services PLC
The Pavilions, Bridgwater Road, Bristol BS99 6ZY
United Kingdom

ALTERNATIVE PERFORMANCE MEASURES

The European Securities and Markets Authority defines an Alternative Performance Measure (“APM”) as being a financial measure of historical or future financial performance, financial position or cash flow, other than a financial measure defined or specified in the applicable accounting framework. The Group uses the following APMs:

Discount/Premium – if the share price is lower than the NAV per ordinary share, the shares are trading at a discount. Shares trading at a price above NAV per ordinary share are said to be at a premium. As at 30 June 2024 the ordinary share price was 103.50p (2023: 145.00p) and the NAV per ordinary share was 164.04p (2023: 199.87p), the discount was therefore 36.9% (2023: 27.5%).

Gearing – represents the ratio of the borrowings less cash and cash equivalents of the Company to its net assets.

	<i>page</i>	2024 £'000s	2023 £'000s
Bank overdraft	85	-	7,872
Cash and cash equivalents	70	(1,485)	(5,234)
Loans	70	2,850	42,691
ZDP shares	70	99,796	94,589
Total debt		101,161	139,918
Net assets attributable to equity holders	70	137,535	167,581
Gearing		73.6%	83.5%

NAV/share price total return – the return to shareholders calculated on a per ordinary share basis by adding dividends paid in the period to the increase or decrease in the NAV or share price in the period. The dividends are assumed to have been re-invested in the form of net assets or shares, respectively, on the date on which the dividends were paid.

Year to 30 June 2024	Dividend rate (pence)	NAV (pence)	Share price (pence)
30-Jun-23	n/a	199.87	145.00
13-Oct-23	2.00	193.47	121.00
21-Dec-23	2.00	191.27	121.00
23-May-24	2.00	182.51	105.00
30-Jun-24		164.04	103.50
Total return		(15.3%)	(24.8%)

Year to 30 June 2023	Dividend rate (pence)	NAV (pence)	Share price (pence)
30-Jun-22	n/a	260.69	187.50
30-Sep-22	2.00	258.73	188.50
23-Dec-22	2.00	233.15	155.00
31-Mar-23	2.00	214.13	128.50
26-Jun-23	2.00	201.89	143.50
30-Jun-23	n/a	199.87	145.00
Total return		(20.6%)	(18.5%)

NAV/share price total return since inception – the return to shareholders calculated on a per ordinary share basis by adding dividends paid in the period and adjusting for the exercise of warrants and Convertible Unsecured Loan Stock (“CULS”) in the period to the increase or decrease in the NAV/share price in the period. The dividends are assumed to have been reinvested in the form of net assets or shares on the date on which the dividends were paid. The adjustment for the exercise of warrants and CULS is made on the date the warrants and CULS were exercised.

Total return	2024		2023	
	NAV (pence)	Share price (pence)	NAV (pence)	Share price (pence)
NAV 14 August 2003 (pence)	99.47	85.67	99.47	85.67
Total dividend, warrants and CULS adjustment factor	2.282	2.9084	2.2105	2.7620
NAV/Share price at year end (pence)	164.04	103.50	199.87	145.00
Adjusted NAV/Share price at 30 June (pence)	374.34	301.02	441.81	400.49
Total return since inception	276.3%	251.4%	344.2%	367.5%

Annual compound NAV/share price total return since inception – the annual return to shareholders using the same basis as NAV/share price total return since inception.

	2024		2023	
	NAV	Share price	NAV	Share price
Annual compound NAV total return since inception	6.5%	6.2%	7.8%	8.1%

Ongoing charges – all operating costs expected to be regularly incurred and that are payable by the Group or suffered within underlying investee funds, expressed as a proportion of the average weekly NAV of the Group (valued in accordance with accounting policies) over the reporting year. The costs of buying and selling investments and derivatives are excluded, as are interest costs, taxation, non-recurring costs and the costs of buying back or issuing ordinary shares.

Ongoing charges calculation (including and excluding performance fees)	<i>page</i>	2024	2023
		£'000s	£'000s
Management and administration fees	66	565	758
Other expenses	66	906	977
Expenses suffered within underlying funds		3,006	3,935
Total expenses for ongoing charges calculation		4,477	5,670
Average weekly NAV of the Group		160,050	200,431
Ongoing Charges		2.8%	2.8%

Revenue yield – represents the ratio of total income in the year over average gross assets in the year.

	<i>page</i>	2024	2023
		£'000s	£'000s
Income	66	12,227	10,229
Average Gross assets		285,779	357,505
Revenue yield		4.3%	2.9%

ALTERNATIVE PERFORMANCE MEASURES (continued)

Dividend yield – represents the ratio of dividends per ordinary share over closing ordinary share price.

	<i>page</i>	2024 pence	2023 pence
Dividends per ordinary shares	3	8.00	8.00
Ordinary share price	3	103.50	145.00
Dividend yield		7.7%	5.5%

Revenue reserves per ordinary share carried forward – the value of the Group's revenue reserves divided by the number of ordinary shares in issue.

	<i>page</i>	2024	2023
Revenue reserves (£'000s)	70	15,218	11,735
Number of ordinary shares in issue at 30 June	87	83,842,918	83,842,918
Revenue reserves per ordinary share carried forward (pence)		18.15	14.00

Gross assets – the value of the Group's assets less current liabilities excluding loans and ZDP shares.

	<i>page</i>	2024 £'000s	2023 £'000s
Investments	70	238,822	308,347
Current assets	70	1,781	5,406
Current liabilities - Other payables	70	(422)	(8,892)
Gross assets		240,181	304,861

HISTORICAL PERFORMANCE

at 30 June	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NAV per ordinary share (pence)	164.04	199.87	260.89	431.51	292.79	369.57	291.79	252.86	241.12	169.00
Ordinary share price (pence)	103.50	145.00	187.50	268.00	177.50	199.00	174.50	164.00	130.75	117.00
Discount (%)	36.9	27.5	28.1	37.9	39.4	46.2	40.2	35.1	45.8	30.8
Returns and dividends (pence)										
Revenue return per ordinary share	10.15	6.68	8.35	9.98	9.77	7.63	6.67	6.38	6.23	7.84
Capital return per ordinary share	(39.99)	(59.70)	(171.68)	133.81	(81.30)	75.34	38.96	12.46	68.45	2.47
Total return per ordinary share	(29.84)	(53.02)	(163.33)	143.79	(71.53)	82.97	45.63	18.84	74.68	10.31
Dividends per ordinary share	8.000¹	8.000	8.000	8.000	7.875	7.500	7.500	7.500	7.500	7.500
FTSE All-Share total return Index	9,729	8,611	7,981	7,852	6,465	7,431	7,389	6,777	5,737	5,614
ZDP shares² (pence)										
<i>2024 ZDP shares</i>										
Capital entitlement ³ per ZDP share	136.15	130.04	124.14	118.51	113.13	107.97	103.10	n/a	n/a	n/a
ZDP share price	133.00	123.50	122.50	120.50	105.50	114.00	107.50	n/a	n/a	n/a
<i>2026 ZDP shares</i>										
Capital entitlement ³ per ZDP share	135.15	128.75	122.62	116.78	111.21	105.89	100.87	n/a	n/a	n/a
ZDP share price	119.00	114.50	115.50	116.00	92.25	107.50	102.25	n/a	n/a	n/a
<i>2028 ZDP shares</i>										
Capital entitlement ³ per ZDP share	119.49	113.02	106.87	101.60	n/a	n/a	n/a	n/a	n/a	n/a
ZDP share price	98.00	96.50	99.00	100.00	n/a	n/a	n/a	n/a	n/a	n/a
Equity holders' funds (£m)										
Gross assets ⁴	240.2	304.9	410.6	544.4	483.3	537.2	488.3	449.7	440.7	373.4
Loans	2.9	42.7	51.1	48.5	51.1	51.0	27.8	47.8	24.7	34.4
ZDP shares	99.8	94.6	140.8	132.1	180.5	159.9	199.4	173.8	197.4	172.4
Equity holders' funds	137.5	167.6	218.7	363.8	251.6	326.3	261.1	228.1	218.6	166.6
Revenue account (£m)										
Income	12.2	10.2	9.9	11.6	12.7	11.2	10.6	10.7	10.5	11.2
Costs (management and other expenses)	1.5	1.7	1.7	2.1	2.6	2.8	2.8	2.9	1.9	1.8
Finance costs	2.2	2.9	1.1	1.0	1.6	1.6	1.6	1.8	1.7	1.1
Net income	8.5	5.6	7.0	8.5	8.5	6.8	6.2	6.0	6.9	5.3
Financial ratios of the Group (%)										
Ongoing charges figure ⁴ (excluding performance fee)	2.8	2.8	2.2	2.3	2.1	2.1	2.2	2.1	3.3	2.0
Gearing ⁴	73.6	83.5	89.5	48.8	93.4	63.7	87.3	97.2	101.6	124.1

1 The third and fourth quarterly dividends of 2.00p each have not been included as a liability in the accounts

2 Issued by UIL Finance, a wholly owned subsidiary of UIL

3 See pages 27 and 28

4 See Alternative Performance Measures on pages 104 to 106

A DIVERSE PORTFOLIO BY GEOGRAPHY AND SECTOR

UK CONTACT

PO Box 208
Epsom Surrey
KT18 7YF

Telephone: +44 (0)1372 271486

www.uil.limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda



UIL News



LinkedIn