

AVI Partners Capital Fund plc

(A company incorporated with limited liability and segregated liability between sub-funds under the laws of Ireland)

Condensed Semi-Annual Unaudited Financial Statements

For the financial period ended 30 June 2023

TABLE OF CONTENTS

	Page
Directory	2
Condensed schedule of investments	
AVI Family Holding Companies Fund	3
AVI Japan Fund	5
Statement of financial position	7
Statement of comprehensive income	8
Statement of changes in net assets attributable to holders of redeemable participating shares	9
Statement of cash flows	10
Notes to the condensed financial statements	11

DIRECTORY

Directors

James F. McKeon ^{1,2}
Kimmerly Lau ²
Philip McEnroe ^{1,2}

**Alternative Investment Fund Manager
and Promoter**

Asset Value Investors Ltd
2 Cavendish Square
London W1G 0PU
United Kingdom

Depository (from 1 April 2023)

Société Générale S.A. Dublin Branch
IFSC House
IFSC
Dublin 1
Ireland

Administrator (up to 31 March 2023)

SEI Investments – Global Fund Services Limited
2nd Floor
Styne House
Upper Hatch Street
Dublin 2
Ireland

Administrator (from 1 April 2023)

Société Générale Securities Services
SGSS (Ireland) Limited
IFSC House
IFSC
Dublin 1
Ireland

Company Secretary

MFD Secretaries Limited
32 Molesworth Street
Dublin 2
Ireland

Registered Office

32 Molesworth Street
Dublin 2
Ireland

Registration Number: 501463

Depository (up to 31 March 2023)

SEI Investments - Depository and Custodial Services
(Ireland) Limited
2nd Floor
Styne House
Upper Hatch Street
Dublin 2
Ireland

Registrar and Transfer Agent (up to 31 March 2023)

SEI Investments – Global Fund Services Limited
2nd Floor
Styne House
Upper Hatch Street
Dublin 2
Ireland

Registrar and Transfer Agent (from 1 April 2023)

Société Générale Securities Services
SGSS (Ireland) Limited
IFSC House
IFSC
Dublin 1
Ireland

Independent Auditors

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Earlsfort Terrace
Dublin 2
Ireland

Legal Advisers

Maples and Calder
75 St Stephen's Green
Dublin 2
Ireland

¹Independent Director.

²Non-Executive Director.

CONDENSED SCHEDULE OF INVESTMENTS
As at 30 June 2023

AVI Family Holding Companies Fund

	Notional / Shares	Fair value EUR	% of Net Assets ¹
Financial assets at fair value through profit or loss¹			
Equity			
Communications			
Digital Garage Inc	19,700	479,109	3.71
Schibsted As	65,301	993,329	7.70
IAC	12,500	719,523	5.58
News Corp	26,500	473,648	3.67
Consumer, Cyclical			
Christian Dior	1,060	861,780	6.68
D'Ieteren Group	7,501	1,214,412	9.41
Pasona Group Inc	14,600	153,974	1.19
Consumer, Non-cyclical			
Fomento Eco Mex	15,000	1,523,922	11.81
Financial			
GP Investments Ltd	241,600	147,356	1.14
Eurazeo Sa	7,952	512,506	3.97
Italmobiliare Spa	14,500	363,225	2.82
Berkshire Hathaway	1,800	562,603	4.36
Vef Ab	203,059	35,118	0.27
Aker Asa	19,598	1,020,267	7.91
Exor Nv	8,064	658,668	5.11
Investor Ab	39,015	713,969	5.53
Materials			
T Hasegawa Co	19,600	426,336	3.31
Healthcare			
Haw Par Corp Ltd	92,100	583,227	4.52
Total Equities		11,442,971	88.71
Fund			
Financial			
Ef Realisation	428,572	2,897	0.02
Funds			
Pershing Square Holding Ltd	19,303	640,484	4.97
Total Funds		643,381	4.99

AVI Partners Capital Fund plc

CONDENSED SCHEDULE OF INVESTMENTS
As at 30 June 2023

AVI Family Holding Companies Fund (continued)

	Notional / Shares	Fair value EUR	% of Net Assets¹
Financial Derivatives			
Warrant	9,500	2	0.00
Total Financial Derivatives		2	0.00
Total financial assets at fair value through profit or loss		12,086,354	93.70
Total investments at fair value through profit or loss		12,086,354	93.70
Cash and cash equivalents		862,782	6.69
Other net assets/(liabilities)		(49,553)	(0.39)
Total NAV		12,899,583	100.00

¹ Unless itemised, no single position accounts for greater than 5% of the Sub-Fund's Net Asset Value as at 30 June 2023.

The accompanying notes are an integral part of these financial statements.

CONDENSED SCHEDULE OF INVESTMENTS
As at 30 June 2023

AVI Japan Fund

	Notional / Shares	Fair value EUR	% of Net Assets ¹
Financial assets at fair value through profit or loss¹			
Equity			
Industrials			
Fuji Soft Inc	2,800	82,213	2.00
Aichi Corp	20,900	115,708	2.81
Alps Logistics Co Lt	15,600	159,574	3.88
A One Seimitsu Inc	12,800	156,339	3.80
Nc Holdings Co Ltd	16,500	229,469	5.58
Soft 99 Corp	6,200	54,456	1.32
Takuma Co Ltd	24,500	229,327	5.57
Financial			
Bank Of Kyoto	1,900	86,537	2.10
Shiga Bank Ltd	2,200	37,669	0.92
Jade Group Inc	26,860	301,666	7.33
Consumer, Cyclical			
TSI Holdings Co Ltd	89,200	445,186	10.82
Pasona Group Inc	4,800	50,622	1.23
Technology			
Digital Garage Inc	9,000	218,882	5.32
Wacom Co Ltd	77,600	289,362	7.03
DTS Corp	12,800	274,771	6.68
Itfor Inc	900	6,090	0.15
Materials			
Konishi Co Ltd	21,400	310,372	7.54
Shin-Etsu Polymer Co	30,800	296,891	7.22
T Hasegawa Co	13,500	293,650	7.14
Healthcare			
Nihon Kohden Corp	14,100	343,540	8.36
Total Equities		3,982,324	96.80
Total financial assets at fair value through profit or loss		3,982,324	96.80

AVI Partners Capital Fund plc

CONDENSED SCHEDULE OF INVESTMENTS
As at 30 June 2023

AVI Japan Fund (continued)

	Notional / Shares	Fair value EUR	% of Net Assets¹
Total investments at fair value through profit or loss		3,982,324	96.80
Cash and cash equivalents		147,117	3.58
Other net assets/(liabilities)		<u>(15,613)</u>	<u>(0.38)</u>
Total NAV		<u>4,113,828</u>	<u>100.00</u>

¹ Unless itemised, no single position accounts for greater than 5% of the Sub-Fund's Net Asset Value as at 30 June 2023.

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 30 June 2023 and 31 December 2022

	Note	AVI Family Holdings Companies Fund		AVI Japan Fund		Total	
		30-Jun-2023 EUR	31-Dec-2022 EUR	30-Jun-2023 EUR	31-Dec-2022 EUR	30-Jun-2023 EUR	31-Dec-2022 EUR
Assets							
Financial assets at fair value through profit or loss:							
- <i>Equities</i>	16	11,442,971	8,884,839	3,982,324	3,498,169	15,425,295	12,383,008
- <i>Funds</i>	16	643,381	949,557	-	-	643,381	949,557
- <i>Financial derivatives</i>	16	2	47	-	-	2	47
Cash and cash equivalents	14	862,782	296,258	147,117	235,753	1,009,899	532,011
Other assets		33,077	21,346	12,158	66,901	45,235	88,247
Total assets		12,982,213	10,152,047	4,141,599	3,800,823	17,123,812	13,952,870
Liabilities							
Accrued expenses	6	(52,277)	(64,217)	(21,904)	(43,568)	(74,181)	(107,785)
Other liabilities		(30,353)	-	(5,867)	-	(36,220)	-
Total liabilities		(82,630)	(64,217)	(27,771)	(43,568)	(110,401)	(107,785)
Net assets attributable to holders of redeemable participating shares	15	12,899,583	10,087,830	4,113,828	3,757,255	17,013,411	13,845,085
Number of redeemable participating shares in issue:							
Class A (EUR)		30,052	18,942				
Class C (GBP)		24,821	24,821				
Class E (EUR)				6,000	6,000		
Class E (JPY)				31,525	31,525		
Net Asset Value per redeemable participating shares:							
Class A (EUR)		221.73	214.33				
Class C (GBP)		215.61	215.48				
Class E (EUR)				103.04	94.11		
Class E (JPY)				17,484.79	14,260.88		

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the financial periods ended 30 June 2023 and 30 June 2022

	Note	AVI Family Holdings Companies Fund		AVI Japan Fund*	Total	
		30-Jun-2023 EUR	30-Jun-2022 EUR	30-Jun-2023 EUR	30-Jun-2023 EUR	30-Jun-2022 EUR
Income						
Net gain/(loss) on financial assets at fair value through profit or loss	8	273,171	(2,710,794)	344,888	618,059	(2,710,794)
Dividend income		152,516	134,815	61,123	213,639	134,815
Administration fee rebate	6	25,868	39,947	43,591	69,459	39,947
Interest income		4,164	136	204	4,368	136
Other income		-	6,477	-	-	6,477
Total investment (loss)/gain		455,719	(2,529,419)	449,806	905,525	(2,529,419)
Withholding tax		(31,614)	(29,273)	(8,742)	(40,356)	(29,273)
Total net investment income/(loss)		424,105	(2,558,692)	441,064	865,169	(2,558,692)
Expenses						
Interest Expense		(4)	(2,628)	(102)	(106)	(2,628)
Investment management fee	6	(46,428)	(42,648)	(10,125)	(56,553)	(42,648)
Administration fee	6	(30,636)	(39,947)	(26,882)	(57,518)	(39,947)
Audit fee		(4,463)	(8,234)	(4,463)	(8,926)	(8,234)
Depository fee	6	(17,367)	(10,780)	(14,051)	(31,418)	(10,780)
Directors remuneration	7	(7,480)	(12,449)	(7,480)	(14,960)	(12,449)
UK Tax reporting fee		(2,236)	(3,451)	(1,142)	(3,378)	(3,451)
Other expenses	6	(23,738)	(28,429)	(20,246)	(43,984)	(28,429)
Total expenses		(132,352)	(148,566)	(84,491)	(216,843)	(148,566)
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations		291,753	(2,707,258)	356,573	648,326	(2,707,258)

Gains and losses arose solely from continuing operations. There are no recognised gains and losses other than those shown in the Statement of Comprehensive Income. The accompanying notes are an integral part of these financial statements.

*AVI Japan Fund commenced operations on 1 September 2022 and there are not comparatives.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES
For the financial periods ended 30 June 2023 and 30 June 2022

	AVI Family Holdings Companies Fund		AVI Japan Fund*	Total	
	30-Jun-2023 EUR	30-Jun-2022 EUR	30-Jun-2023 EUR	30-Jun-2023 EUR	30-Jun-2022 EUR
Net assets attributable to holders of redeemable participating shares at beginning of the period	10,087,830	13,095,967	3,757,255	13,845,085	13,095,967
Proceeds from redeemable participating shares issued	2,520,000	-	-	2,520,000	-
Payments for redeemable participating shares redeemed	-	(280,000)	-	-	(280,000)
	<u>2,520,000</u>	<u>(280,000)</u>	<u>-</u>	<u>2,520,000</u>	<u>(280,000)</u>
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	291,753	(2,707,258)	356,573	648,326	(2,707,258)
Net assets attributable to holders of redeemable participating shares at end of the period	<u>12,899,583</u>	<u>10,108,709</u>	<u>4,113,828</u>	<u>17,013,411</u>	<u>10,108,709</u>

The accompanying notes are an integral part of these financial statements.

*AVI Japan Fund commenced operations on 1 September 2022 and there are not comparatives.

STATEMENT OF CASH FLOWS

For the financial periods ended 30 June 2023 and 30 June 2022

	AVI Family Holdings Companies Fund		AVI Japan Fund	Total	
	30-Jun-2023 EUR	30-Jun-2022 EUR	30-Jun-2023 EUR	30-Jun-2023 EUR	30-Jun-2022 EUR
Operating activities					
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	291,753	(2,707,258)	356,573	648,326	(2,707,258)
<i>Adjustments to reconcile increase in assets attributable to holders of participating redeemable shares resulting from operations to cash (used in)/provided by operating activities</i>					
Net (increase)/decrease on financial assets at fair value through profit or loss	(2,251,911)	3,276,394	(484,155)	(2,736,066)	3,276,394
Net (increase)/decrease in receivables and prepaid fees	(11,731)	5,277	54,743	43,012	5,277
Net increase/(decrease) in fees payable and accrued expenses	18,413	4,737	(15,797)	2,616	4,737
Net cash (used in)/provided by operating activities	(1,953,476)	579,150	(88,636)	(2,042,112)	579,150
Financing activities					
Proceeds from subscriptions	2,520,000	-	-	2,520,000	-
Payment of redemptions	-	(280,000)	-	-	(280,000)
Net cash provided by/(used in) financing activities	2,520,000	(280,000)	-	2,520,000	(280,000)
Net increase/(decrease) in cash and cash equivalents	566,524	299,150	(88,636)	477,888	299,150
Cash and cash equivalents at beginning of the financial period	296,258	565,983	235,753	532,011	565,983
Cash and cash equivalents at end of the financial period	862,782	865,133	147,117	1,009,899	865,133
<u>Supplementary information:</u>					
Interest received	4,164	136	204	4,368	136
Interest paid	(4)	(2,628)	(102)	(106)	(2,628)
Dividends received	152,516	110,697	61,123	213,639	110,697

The accompanying notes are an integral part of these financial statements.

*AVI Japan Fund commenced operations on 1 September 2022 and there are not comparatives.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

1. Organisation

AVI Partners Capital Fund plc (the “Company”) was incorporated on 21 July 2011 with registration number 501463 and is an investment company established as an open-ended umbrella fund with variable capital and with segregated liability between sub-funds under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 (as amended) and has been authorised by the Central Bank of Ireland (the “Central Bank”). Notwithstanding the segregation of assets and liabilities within the sub-funds, the Company is a single legal entity and no sub-fund constitutes a legal entity separate from the Company itself.

During the period ended 30 June 2023, the Company had two active Sub-Funds, AVI Family Holding Companies Fund and AVI Japan Fund.

The Sub-Fund received authorisation as a Qualifying Investor Alternative Investment Fund from the Central Bank, effective 31 October 2014.

Additional sub-funds may be added to the Company by the Directors from time to time with the prior approval of the Central Bank, each with separate investment objectives and policies. The Company may issue shares of more than one class in each active sub-fund.

2. Investment Objective and Policy

The investment objective for the Sub-Fund is as follows:

AVI Family Holding Companies Fund

The investment objective of the Sub-Fund is to achieve long-term capital appreciation. The Sub-Fund will aim to exceed the returns of the MSCI All Country World (ex US) Index through the active management of a focused portfolio of listed equity investments in family-backed holdings companies. The Sub-Fund will invest in equities and other types of securities including common stocks, securities convertible into common stock, and rights and warrants to purchase common stock, that are trading at what the Investment Manager believes to be a discount to their net asset value. The Sub-Fund is generally expected to hold between 15 and 25 individual securities and will invest in securities of all market capitalisations.

The Investment Manager integrates sustainability risk in investment decisions, however the Sub-Fund does not promote any specific environmental or social characteristics as part of their investment strategy.

AVI Japan Fund

The investment objective of the Sub-Fund is to achieve long-term capital appreciation. The Sub-Fund will aim to exceed the returns of the MSCI Japan Small Cap Index through the active management of a focussed portfolio of equity investments listed or quoted in Japan.

In seeking to achieve the Sub-Fund's objective, the Investment Manager intends to invest in a diversified portfolio of equities listed or quoted in Japan which are considered by the Investment Manager to be undervalued and where cash, listed securities and/or realisable assets make up a significant proportion of the market capitalisation. The Investment Manager will seek to unlock this value through proactive engagement with management and taking advantage of the increased focus on corporate governance and returns to shareholders in Japan. The Company has not set any limits on industry or sector weightings or stock within the portfolio. It is not expected that a single holding (including any derivative instrument) will represent more than 10% of the Sub-Fund's gross assets at the time of investment. However, the Sub-Fund will have discretion to invest up to 15% of its gross assets, at the time of investment, in a single holding if a suitable opportunity arises.

The investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

3. Basis of Preparation and Significant Accounting Policies

(a) Basis of Preparation

These condensed semi-annual unaudited financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* (“IAS 34”) and the Companies Act 2014 (as amended). These condensed semi-annual unaudited financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The condensed semi-annual unaudited financial statements are prepared in Euro (“EUR”), the functional currency of the Company.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been constantly applied to all the periods presented, unless otherwise stated.

(b) Changes in relevant accounting standards

i. Standards, amendments and interpretations that are effective from 1 January 2022

There were no standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

(c) Use of Estimates and Judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the financial year. In doing so, management exercise judgement based on reliable information. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the Note 3(d) - determination of functional currency.

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the period ending 30 June 2023 is included in Note 16 and relates to the determination of fair value of financial instruments with significant unobservable inputs.

(d) Foreign Currency

Functional and presentation currency

Items included in the Company’s financial statements are measured and presented using the currency of the primary economic environment in which it operates (the “functional currency”). The functional and presentational currency of the Company is the Euro (“EUR”).

Monetary assets and liabilities denominated in currencies other than EUR are translated into EUR at the closing rates of exchange at each period end. Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included on the Statement of Comprehensive Income.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

3. Basis of Preparation and Significant Accounting Policies (continued)

(e) Financial Instruments

In accordance with IFRS 9 Financial Instruments (“IFRS 9”), all of the Company’s investments are classified as financial assets and liabilities at fair value through profit or loss.

The category of financial assets and liabilities at fair value through profit or loss can be classified further as held for trading. Financial assets and liabilities held for trading are securities which are either acquired for generating a profit from short-term fluctuations in price or dealer margins, or are included in a portfolio where a pattern of short-term trading exists.

Initial Recognition and Initial Measurement

Purchases and sales of financial instruments are accounted for on the trade date. Financial instruments are recognised when the Company becomes party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value, including transaction costs. Realised gains and losses on sales of investments are calculated using the First In First Out (“FIFO”) method.

Subsequent Measurement

After initial measurement, the Company measures financial instruments which are classified as fair value through profit or loss at their fair value. Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arm’s length transaction.

The fair value of investments traded on a market is based on their last quoted bid price on the date of determination, on the market where such instruments are principally traded; and if unavailable, by reference to the last reported trade price. Where such investment is quoted, listed or traded on or under the rules of more than one market, the Directors shall in their absolute discretion, select the market, which in their opinion, constitutes the main market for such investment for the foregoing purposes.

If a quoted market price is not available on a recognised stock exchange or from a broker/counterparty, the fair value of the financial instruments may be estimated by the Directors using valuation techniques, including use of recent arm’s length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

Amortised Cost Measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Impairment

IFRS 9 introduces a forward-looking expected credit loss (“ECL”) model. This requires considerable judgement about how changes in economic factors affect ECLs, which is determined on a probability-weighted basis. The impairment model applies to financial assets measured at amortised cost or fair value through other comprehensive income (“FVOCI”).

Under IFRS 9, loss allowances are measured on the following bases:

- 12-months ECLs: result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: result from all possible default events over the expected life of a financial instrument.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

3. Basis of Preparation and Significant Accounting Policies (continued)

(e) Financial Instruments

Based on the Company's assessment, changes to the impairment model do not have a material impact on the financial assets of the Company, as the majority of the financial assets are measured at fair value through profit or loss ("FVTPL"). The financial assets that are held at amortised cost are short-term (i.e. no longer than 12 months), of high credit quality and/or highly collateralised. Accordingly, the ECLs on such assets is expected to be minimal.

Derecognition

A financial asset shall only be derecognised when the contractual rights to the cash flow from the asset expires or substantially all the risks and rewards of ownership of the financial asset are transferred.

A financial liability should be removed from the Statement of Financial Position when, and only when, the obligation specified in the contract is either discharged, cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported on the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

(f) Cash and Cash Equivalents

Cash is comprised of current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(g) Redeemable Participating Shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities.

The redeemable participating shares can be put back to the Company on any dealing day for cash equal to a proportionate share of the Company's net asset value. The Company's net asset value per share is calculated by dividing the net assets attributable to holders of redeemable participating with the total number of outstanding redeemable shares.

(h) Income Recognition

Investment income is reported gross of withholding tax. Dividends are recognised as income on the dates the securities are first quoted "ex dividend" to the extent that information thereon is reasonably available to the Company. Fixed interest, bank deposit interest and other income are accounted for on an accrual basis.

(i) Expenses

All expenses, including management fees are recognised on the Statement of Comprehensive Income on an accrual basis.

(j) Finance Costs

Distributions to holders of redeemable participating shares are recognised on the Statement of Comprehensive Income as finance costs in the period in which the dividend is declared. No distributions were declared or paid during the financial period ended 30 June 2023 (30 June 2022: None).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

4. Taxation

Under current Irish law and practice, the Company qualifies as an investment undertaking under Section 739B of the Taxes Consolidation Act, 1997 and is not therefore chargeable to Irish tax on its relevant income or relevant gains. No stamp, transfer or registration tax is payable in Ireland on the issue, redemption or transfer of shares in the Company. Distributions and interest on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Company may not be able to benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreement in operation between Ireland and other countries. The Company may not, therefore, be able to reclaim withholding tax suffered by it in particular countries.

To the extent that a chargeable event arises in respect of a shareholder, the Company may be required to deduct tax in connection with that chargeable event and pay the tax to the Irish Revenue Commissioners. A chargeable event can include dividend payments to shareholders, appropriation, cancellation, redemption, repurchase or transfer of shares, or a deemed disposal of shares every 8 periods beginning from the date of acquisition of those shares. Certain exemptions can apply. To the extent that shareholders have appropriate tax declarations in place with the Company there may be no requirement to deduct tax.

Dividends, interest and capital gains (if any) received on investments made by the Company, may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

5. Share Capital

Authorised Share Capital

The authorised share capital of the Company is EUR 2 divided into two redeemable non-participating shares of EUR 1 each and 500,000,000,000 participating shares of no par value.

Subscriber Shares

Subscriber shares issued amount to EUR 2, being two subscriber shares of EUR 1 each, fully paid. The subscriber shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment company.

Redeemable Participating Shares

The issued redeemable participating share capital is at all times equal to the net asset value of the Company. Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities.

The movement in the number of issued and fully paid redeemable participating shares for the financial period/year ended 30 June 2023 and 31 December 2022 are as follows:

AVI Family Holdings Companies Fund

As at 30-Jun-2023	At beginning of financial period	Issued	Redeemed	At end of financial period	Net Asset Value per Share	Net Asset Value
Class A	18,942	11,109	-	30,051	221.73	6,663,381
Class C	24,821	-	-	24,821	251.25	6,236,202
As at 31-Dec-2022						
Class A	23,073	-	4,131	18,942	214.33	4,059,849
Class C	24,569	252	-	24,821	242.86	6,027,981

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

5. Share Capital (continued)

AVI Japan Fund

As at 30-Jun-2023	At beginning of financial period	Issued	Redeemed	At end of financial period	Net Asset Value per Share	Net Asset Value
Class E EUR	6,000	-	-	6,000	103.04	618,229
Class E JPY	31,525	-	-	31,525	110.88	3,495,599
As at 31-Dec-2022						
Class E EUR	-	6,000	-	6,000	94.11	564,643
Class E JPY	-	31,525	-	31,525	101.27	3,192,612

The relevant movements of share capital for the financial period ended 30 June 2023 are shown on the Statement of Changes in net assets attributable to holders of redeemable participating shares for the period ended 30 June 2023. The relevant movements in share capital for the financial year ended 31 December 2022 are shown in the Statement of Changes in net assets attributable to holders of redeemable participating shares in the Company's annual report and audited financial statements for the financial year ended 31 December 2022. The Company invests the proceeds from the issue of shares in investments while maintaining sufficient liquidity to meet redemption requests when necessary.

The holders of redeemable participating shares have the following rights:

- right to vote at a general meeting. On a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per share;
- right to be entitled to such dividends as the Directors may from time to time declare; and
- in the event of a winding up or dissolution of the Company, they are entitled to participate in the distribution of any residual assets on the basis described in the Company's Memorandum and Articles of Association.

6. Fees and Expenses

(a) Accrued Expenses

	AVI Family Holdings Companies Fund	
	30-Jun-2023	31-Dec-2022
	EUR	EUR
Administration fee payable	3,202	14,539
Audit fee payable	2,393	9,000
Depositary fee payable	7,180	3,666
Directors' fees payable	5,292	1,563
Investment management fee payable	23,826	19,160
Other professional fees payable	10,124	14,180
Secretarial fee payable	260	2,109
Total	52,277	64,217

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

6. Fees and Expenses (continued)

(a) Accrued Expenses

	AVI Japan Fund	
	30-Jun-2023	31-Dec-2022
	EUR	EUR
Administration fee payable	2,215	12,490
Audit fee payable	2,393	9,000
Depository fee payable	4,962	3,294
Directors' fees payable	5,292	1,563
Investment management fee payable	5,142	4,556
Other professional fees payable	829	12,243
Secretarial fee payable	1,071	422
Total	21,904	43,568

	Total	
	30-Jun-2023	31-Dec-2022
	EUR	EUR
Administration fee payable	5,417	27,029
Audit fee payable	4,786	18,000
Depository fee payable	12,142	6,960
Directors' fees payable	10,584	3,126
Investment management fee payable	28,968	23,716
Other professional fees payable	10,953	26,423
Secretarial fee payable	1,331	2,531
Total	74,181	107,785

(b) Other Expenses

	AVI Family Holdings Companies Fund	
	30-Jun-2023	30-Jun-2022
	EUR	EUR
Bank charges	-	1,639
Directors' insurance fees	549	827
FATCA fee expense	258	650
Regulatory fee expense	5,958	10,912
Other expenses	13,792	5,667
Secretarial fee payable	3,181	8,734
Total	23,738	28,429

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

6. Fees and Expenses (continued)

(b) Other Expenses

	<u>AVI Japan Fund</u>	
	30-Jun-2023	
	EUR	
Bank charges	-	
Directors' insurance fees	578	
FATCA fee expense	145	
Regulatory fee expense	6,048	
Other expenses	11,226	
Secretarial fee payable	2,249	
Total	20,246	

	<u>Total</u>	
	30-Jun-2023	30-Jun-2022
	EUR	EUR
Bank charges	-	1,639
Directors' insurance fees	1,127	827
FATCA fee expense	403	650
Regulatory fee expense	12,006	10,912
Other expenses	25,018	5,667
Secretarial fee payable	5,430	8,734
Total	43,984	28,429

(c) Key Contracts

Investment management fee

Each sub-fund of the Company pays to Asset Value Investors Limited (the "AIFM") an Investment Management fee as follows:

AVI Family Holding Companies Fund

The Investment Management fee will be paid by the Company quarterly in arrears at the rate of up to 1.00% of the Net Asset Value of the Sub-Fund. During the financial period ended 30 June 2023, the Investment Manager earned fees of EUR 46,428 (30 June 2022: EUR 42,648). As at 30 June 2023, EUR 23,826 (31 December 2022: EUR 19,160) remained payable to the Investment Manager.

AVI Japan Fund

The Investment Manager is entitled to receive an Investment Management fee out of the assets of the Sub-Fund of up to 1% per annum of the Net Asset Value of the Sub-Fund. During the financial period, the Investment Manager earned fees of EUR 10,125. As at 30 June 2023, EUR 5,142 (31 December 2022: EUR 4,556) remained payable to the Investment Manager.

The AIFM may waive or rebate all or part of its investment management fee and may differentiate among investors. It should be acknowledged that the AIFM will have ultimate discretion in so doing.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

6. Fees and Expenses (continued)

(c) Key Contracts (continued)

Administration fee

Up to 31 March 2023: SEI Investments – Global Fund Services Limited (the “Administrator”) was entitled to receive an administration fee which did not exceed an annual rate of 0.11% of the net asset value of the Company, subject to a minimum fee per month for each sub-fund. During the financial period ended 30 June 2023, the Administrator earned total fees of EUR 39,892 (30 June 2022: EUR 39,947). As at 30 June 2023, EUR Nil (31 December 2022: EUR 27,029) remained payable to the Administrator.

From 1 April 2023: Société Générale Securities Services SGSS (Ireland) Limited – (the “Administrator”) is entitled to a fee, payable out of the assets of the Sub-Fund, at a rate of up to 0.035% per annum of the Gross Asset Value of the Sub-Fund subject to a minimum annual fee of EUR 24,000 per annum, which shall accrue monthly and be payable monthly in arrears. In addition, the Administrator charges for transfer agency services and financial preparation. During the financial period ended 30 June 2023, the Administrator earned total fees of EUR 17,626 (30 June 2022: EUR Nil). As at 30 June 2023, EUR 5,417 (31 December 2022: EUR Nil) remained payable to the Administrator.

The Company will reimburse the Administrator all of the reasonable out-of-pocket expenses incurred by the Administrator in the performance of its duties. These expenses will be reimbursed quarterly in arrears.

The Investment Manager pays the administration fees on behalf of the Sub-Fund in the form of a recharge back to the Sub-Fund which is charged on a quarterly basis.

Depositary fee

Up to 31 March 2023: SEI Investments – Depositary and Custodial Services (Ireland) Limited (the “Depositary”) was entitled to a fee of up to 0.02% of the net asset value of the Company. Brown Brothers Harriman & Co. (the “Sub Custodian”) was entitled to a fee of up to 0.02% of the net asset value of the Company. During the financial period ended 30 June 2023, the total Depositary and Sub Custodian fees were EUR 15,712 (30 June 2022: EUR 10,780). As at 30 June 2023, EUR Nil (31 December 2022: EUR 6,960) remained payable to the Depositary and Sub Custodian.

From 1 April 2023: Société Générale S.A. Dublin Branch – (the “Depositary”) The Depositary is entitled to a fee of up to 0.01% per annum of the Gross Asset Value of the Sub-Fund subject to a minimum annual fee of EUR 19,800 per annum which shall accrue monthly and be payable monthly in arrears out of the assets of the Sub-Fund. During the financial period ended 30 June 2023, the total Depositary and Sub Custodian fees were EUR 15,706 (30 June 2022: EUR Nil). As at 30 June 2023, EUR 12,142 (31 December 2022: EUR Nil) remained payable to the Depositary and Sub Custodian.

7. Directors’ Remuneration

For the financial period ended 30 June 2023, total Directors’ remuneration was EUR 14,960 (30 June 2022: EUR 12,449). As at 30 June 2023, EUR 10,584 (31 December 2022: EUR 3,126) remained payable to the Directors. The Directors who are not associated with the AIFM or its affiliates will be entitled to remuneration for their services as Directors, provided however that the aggregate emoluments of each such Director will not exceed EUR 12,500 (plus any applicable taxes) or such other amount as may be approved by a resolution of the Directors or the shareholders in a general meeting. The Directors’ fees will be reviewed annually. In addition, all of the Directors will be entitled to be reimbursed out of the assets of each sub-fund for their reasonable out of pocket expenses incurred in discharging their duties as Directors.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

8. Net gains/losses on Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

	AVI Family Holdings Companies Fund	
	30-Jun-2023	30-Jun-2022
	USD	USD
Net unrealised (loss)/gain on investments	(1,909)	317,496
Net Realised gain/(loss) on investments	283,083	(63,745)
Net realised (loss)/gain on foreign exchange	(8,023)	363,505
Net unrealised gain/(loss) on foreign exchange	20	(3,328,050)
	273,171	(2,710,794)

	AVI Japan Fund	
	30-Jun-2022	
	USD	
Net unrealised gain on investments	371,950	
Net Realised gain on investments	43,993	
Net realised (loss) on foreign exchange	(4,336)	
Net unrealised (loss) on foreign exchange	(66,719)	
	344,888	

9. Related Party and Connected Party Transactions

Key Management Personnel

Ms. Kimmberly Lau is a Director of the Company and a Director of the AIFM. Ms. Lau has a shareholding in the Sub-Fund, and has subscribed for shares personally on the same terms as other investors.

	AVI Family Holding Companies Fund	AVI Japan Fund
30 June 2023		
Opening balance	559	6,000
Subscriptions	-	-
Redemptions	-	-
Closing balance	559	6,000

	AVI Family Holding Companies Fund	AVI Japan Fund
31 December 2022		
Opening balance	1,796	-
Subscriptions	-	6,000
Redemptions	(1,237)	-
Closing balance	559	6,000

No other Directors held shares during the financial period ended 30 June 2023.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

9. Related Party and Connected Party Transactions (continued)

Connected Party Transactions

In accordance with the Central Bank’s AIF Rulebook (the “AIF Rulebook”), any transactions carried out by the Company with a management company, general partner, depository, AIFM or by delegates or group companies (“connected parties”) must be carried out as if negotiated at arm’s length. Such transactions must be in the best interests of the Company’s shareholders. The Directors are satisfied that there are arrangements in place (evidenced by written procedures) to ensure that the obligations set out in the AIF Rulebook have been complied with. The Directors are satisfied that transactions with connected parties entered into during the financial period complied with these obligations.

10. Distributions for the Financial Period

The Directors did not declare any dividends for the financial period ended 30 June 2023 (30 June 2022: Nil).

11. Significant Events during the Financial Period

The Company changed to a new Administrator Société Générale Securities Services, SGSS (Ireland) Limited on 1 April 2023. The new Depository and Custodian became Société Générale S.A. Dublin Branch.

The effects of the conflict between Ukraine and Russia may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may impact the Company’s performance.

Up to the date of approval of the financial statements, there were no other material subsequent events affecting the Company which necessitate additional disclosure in or revision of the figures included in the financial statements.

12. Significant Events after the Reporting Financial Period

There have been no material subsequent events since 30 June 2023 that would require an adjustment of, or disclosure in these financial statements.

13. Exchange Rates

The financial statements are presented in Euro (EUR). The following exchange rates at 30 June 2023 and 31 December 2022 have been used to translate assets and liabilities in other currencies to EUR:

Currency	Period ended	Year ended
	30-Jun-2023	31-Dec-2022
	EUR	EUR
BRL	0.19	0.18
GBP	1.17	1.13
JPY	0.01	0.01
NOK	0.09	0.10
SEK	0.08	0.09
SGD	0.68	-
USD	0.92	0.94

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

14. Cash and Cash Equivalents

As at 30 June 2023, all cash balances are held Société Générale S.A., Dublin Branch. As at 31 December 2022, all cash balances were held by the Sub Custodian, Brown Brothers Harriman & Co (“BBH”). As at 30 June 2023, Société Générale S.A. has a S&P rating of A+ and 31 December 2022, BBH has a Fitch credit rating of A+.

15. Net Asset Value

The net asset values of the Sub-Fund and the net asset values per share of the Sub-Fund as at the end of the financial period/year were:

AVI Family Holding Companies Fund

	30-Jun-2023	31-Dec-2022
	EUR	EUR
Total Net Asset Value		
Class A	6,663,381	4,059,849
Class C	6,236,202	6,027,981
Net Asset Value per Share ¹		
Class A (EUR)	221.73	214.33
Class C (GBP)	215.61	215.48
Class C (EUR)	251.25	242.86

AVI Japan Fund

	30-Jun-2023	31-Dec-2022
	EUR	EUR
Total Net Asset Value		
Class E (EUR)	618,229	564,643
Class E (JPY)	3,495,599	3,192,612
Net Asset Value per Share ¹		
Class E (EUR)	103.04	94.11
Class E (JPY)	17,484.79	14,260.88
Class E (EUR)	110.88	101.27

¹ Net Asset Value per Share is presented both in the local currency of each respective share class and base currency EUR of the Company.

16. Fair Value Measurement

(a) Carrying Amounts and Fair Value

As disclosed in Note 3(e), the Company recognises and measures its investments in financial instruments at fair value through profit or loss at fair value, therefore its carrying amount is a reasonable approximation of fair value at all times.

In compliance with IFRS 13 *Fair Value Measurement* (“IFRS 13”), the Company has classified its financial instruments at fair value through profit or loss into a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- (i) Level 1: Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1. Quoted prices for these instruments are not adjusted.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

16. Fair Value Measurement (continued)

(a) Carrying Amounts and Fair Value (continued)

(ii) Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

(iii) Level 3: Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value.

The following tables provide an analysis of the fair value hierarchy of the Company's financial assets and liabilities, measured at fair value through profit or loss. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

AVI Family Holdings Companies Fund

30-Jun-2023	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
Current assets				
Financial assets at fair value through profit or loss:				
Equities	11,442,971	11,442,971	-	-
Funds	643,381	640,484	-	2,897
Financial derivatives	2	-	2	-
	12,086,354	12,083,455	2	2,897

AVI Family Holdings Companies Fund

31-Dec-2022	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
Current assets				
Financial assets at fair value through profit or loss:				
Equities	8,884,839	8,884,839	-	-
Funds	949,557	946,755	-	2,802
Financial derivatives	47	-	47	-
	9,834,443	9,831,594	47	2,802

The Level 3 amount comprises the Closed-end Mutual Fund in liquidation. The Sub-Fund values these instruments using quotations from an independent broker.

AVI Japan Fund

30-Jun-2023	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
Current assets				
Financial assets at fair value through profit or loss:				
Equities	3,982,324	3,982,324	-	-
	3,982,324	3,982,324	-	-

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

16. Fair Value Measurement (continued)

(a) Carrying Amounts and Fair Value (continued)

AVI Japan Fund

31-Dec-2022	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
Current assets				
Financial assets at fair value through profit or loss:				
Equities	3,498,169	3,498,169	-	-
	3,498,169	3,498,169	-	-

There were no transfers between level 1, 2 and 3 during the financial period ended 30 June 2023 and the financial year ended 31 December 2022.

(b) Valuation Techniques and Significant Unobservable Inputs

The Company uses the following valuation techniques for financial instruments held at fair value through profit or loss which are classified as Level 3 investments:

Instrument Type	Investment	Cost EUR	Fair Value 30-Jun-23 EUR	Valuation Technique	Unobservable Inputs	Inputs
Closed-end Mutual Fund	EF Realisation Co Ltd	37,019	2,802	Last reported valuation of the underlying assets, consisting of cash and a stake in TRF (Arizona water entitlements). This is adjusted for dividends paid and FX movements.	None	Last reported valuation Dividends paid FX rate

Instrument Type	Investment	Cost EUR	Fair Value 31-Dec-2022 EUR	Valuation Technique	Unobservable Inputs	Inputs
Closed-end Mutual Fund	EF Realisation Co Ltd	37,019	2,802	Last reported valuation of the underlying assets, consisting of cash and a stake in TRF (Arizona water entitlements). This is adjusted for dividends paid and FX movements.	None	Last reported valuation Dividends paid FX rate

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)
For the financial period ended 30 June 2023

17. Soft Commission Arrangements

There were no soft commission arrangements affecting the Company for the financial period ended 30 June 2023 (30 June 2022: None).

18. Segregated Liability

Under Irish law, the Company generally will not be liable as a whole to third parties and generally there will not be the potential for cross-liability between the sub-funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the sub-funds would necessarily be upheld.

19. Significant Purchases and Sales

There were significant purchases and sales during the financial period ended 30 June 2023. The statement of significant purchases and sales is available to shareholders upon request free of charge.

20. Approval of Financial Statements

The condensed semi-annual unaudited financial statements were approved and authorised for issue by the Directors on 17 August 2023.