

November 2023

Investment Objective: To achieve capital growth through investing in a focused portfolio of over-capitalised small-cap Japanese equities. Asset Value Investors will leverage its three decades of experience investing in asset-backed companies to engage with company management and help to unlock value in this under-researched area of the market.

HEADLINES

Wacom – Turning the Tide

Following a difficult period for Wacom's share price, Wacom announced an accretive 8% share buyback, signalling that management view the current share price as undervalued.

[Read more below](#)

Pasona – Timely Exit

We exited our long-standing position in Pasona at a price +37% higher than where it started the month, following the announced sale of its Benefit One stake to M3's tender offer at a 40% premium.

[Read more below](#)

TSI Holdings

TSI Holdings was the only notable detractor over the month. As the largest position in the portfolio, it saw its share price drift lower by a modest -3% during a quiet news period for the company.

[Read more below](#)

THE FUND

(Figures to 30 November 2023)

Share Price (pence)

113.0

NAV (pence)

118.5

Prem./Disc.

-4.6

EV/EBIT

8.0

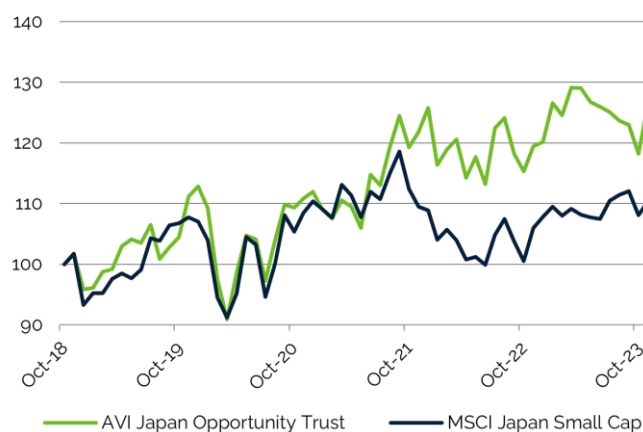
Net Cash/Market Cap

37.6%

NFV/Market Cap

52.1%

NAV Total Return Since Inception (£)

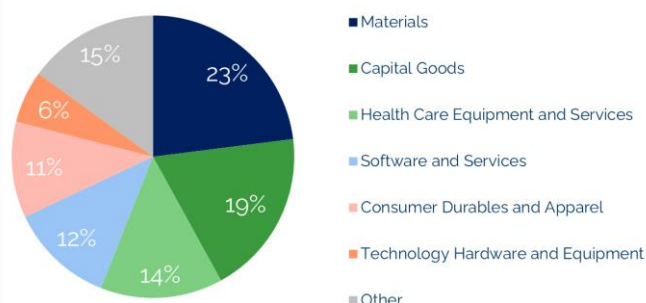


GBP	Month	YTD	1Y	3Y	SI*
AJOT Share Price	6.9%	5.2%	5.7%	14.0%	24.2%
AJOT NAV	6.7%	5.3%	5.8%	14.3%	27.8%
MSCI Jap Small Cap	2.1%	2.4%	4.1%	1.8%	11.3%

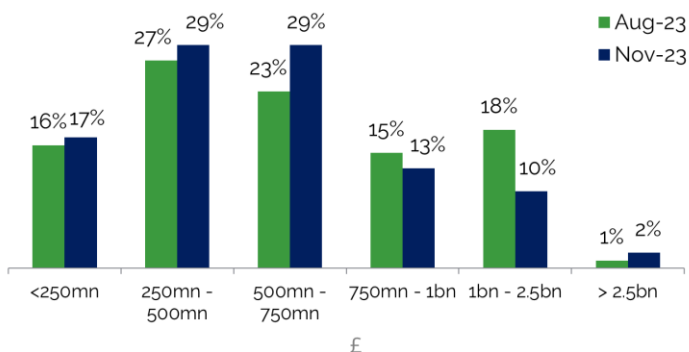
PORTFOLIO

(Holdings to 30 November 2023)

Sector Breakdown (% of Portfolio)



Market Cap Breakdown (% of Portfolio)



Top Ten Equity Holdings % of NAV

Holding	31-Aug-23	Holding	30-Nov-23
TSI Holdings	10.4	TSI Holdings	9.7
Nihon Kohden	9.1	Konishi	8.6
Konishi	8.6	Nihon Kohden	8.5
Takuma	8.4	Takuma	8.3
DTS	7.8	DTS	7.8
Shin-Etsu Polymer	6.6	Shin-Etsu Polymer	6.7
T Hasegawa	6.4	Wacom	6.2
Jade Group	5.9	Jade Group	5.6
Wacom	5.6	NC Holdings	5.3
NC Holdings	5.2	Eiken Chemical	5.2
TOTAL	74.0	TOTAL	71.9
% Gearing	3.6	% Gearing	-0.6
No. of Holdings	23	No. of Holdings	21

MANAGER'S COMMENT

AJOT's NAV increased by +6.7% over the month in a buoyant market. Nine portfolio companies experienced double digit share price increases, led by Wacom (+33% gain) reporting good results and an 8% share buyback, and Konishi (+16%) reporting strong profit growth. Detractors were modest, with TSI Holdings the only one to note, whose share price drifted -3% during a quiet news period for the company.

Over the month, we released a statement expressing our opposition to Digital Garage's board of Directors and strategy, announcing our intention to vote against the directors at the upcoming AGM. We think our statement was well received and helped raise awareness among other investors of the actions Digital Garage needs to take to address its undervaluation.

We exited our long-standing position in Pasona at a price +37% higher than where it started the month. Pasona's share price leapt after it announced the sale of its 51% stake in Benefit One to a tender offer by M3 at a 40% premium. With a c.31% corporation tax payable on the gain and Pasona's remaining businesses being barely profitable, we exited the position for a 39% ROI and 10% IRR over the life of the holding.

At the end of the month, the weighted average EV/EBIT multiple on the portfolio was 8.0x, with net cash and investment securities covering 52% of the market cap. As the share price response to Wacom's share buyback and result announcement shows, there is significant latent value in our portfolio, and we continue to identify ways to unlock that value through our engagement.

Wacom (6727) – Turning the Tide

Wacom saw a share price increase of +33% over the month, adding 156bps to performance. Following a difficult period for Wacom's share price, and so far, only modest share buybacks (no more than 2.5%), we were pleased with the bold 8% share buyback announcement. Not only is the buyback accretive and a great allocation of excess cash, it also sends a message to investors that management view the current share price as undervalued.

The strong share price response, we believe, was also driven by encouraging operating performance, especially in the B2B segment where sales and profits grew +44% and +51% YoY. While the B2C segment still reported a sales decline and a loss, performance in North America and Europe turned positive with only China presenting a more difficult situation.

Following intense private engagement from us, we're pleased that management are taking actions to address the poor share price and are more optimistic about Wacom's earnings recovery.

STATISTICS

Contributors / Detractors (in GBP)

Largest Contributors	Monthly Contribution bps	% Weight
Wacom	156	6.2
Konishi	114	8.6
DTS	91	7.8
Jade Group	90	5.6
Takuma	83	8.3

Largest Detractors	Monthly Contribution bps	% Weight
TSI Holdings	-51	9.7
Shiga Bank	-14	1.7
Hachijuni Bank	-14	1.5
A-One Seimitsu	-5	3.0
Softgg	-2	1.9

Fund Facts

Launch Date	23 October 2018
Net Assets	£167.0m
Investment Manager	Asset Value Investors Limited
AJOT Shares owned by the Manager***	2,682,716
Shareholder Services	Link Asset Services
Management Fee**	1.0% of lower of market cap or NAV
Website	www.ajot.co.uk
Ticker Code	AJOT.LN
ISIN	GB00BD6H5D36

	1m	1y	3y	SI
Share Price TR	6.9%	5.7%	14.0%	24.2%
Net Asset Value TR	6.7%	5.8%	14.3%	27.8%
MSCI Jap Small Cap	2.1%	4.1%	1.8%	11.3%
Calendar Year Net Returns	YTD	2022	2021	2020
Price	5.2%	-4.5%	12.4%	-0.7%
Net Asset Value	5.2%	-4.5%	12.4%	-0.7%
MSCI Jap Small Cap	5.3%	-4.3%	12.3%	-1.2%

Capital Structure

Ordinary Shares	140,836,702
Shares held in Treasury	250,000
TONAR + 1.15% Revolving Credit facility	¥2,930,000

Gross Assets/Gearing

Gross Assets	£182.0m
Debt at fair value (gross)	£15.7m
Gearing (net)	-0.6%

All performance shown in GBP Total Return

* 23 October 2018 Start Date

** 25% of Management Fee to be reinvested in shares of AJOT

*** Shares owned by AVI Ltd & AVI employees

Investment Manager – Joe Bauernfreund

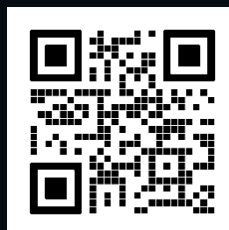
AVI Ltd. +44 20 7659 4800 info@ajot.co.uk

The share price can be found in The Financial Times.
ISIN: GB00BD6H5D36 Trading as: AJOT:LN

Information may be found on the following websites:

www.ajot.co.uk

www.assetvalueinvestors.com



IMPORTANT INFORMATION

All figures are as at the period under review unless otherwise stated. All sources Asset Value Investors Ltd ("AVI") unless otherwise stated. AVI is authorised and regulated by the Financial Conduct Authority of the United Kingdom (the "FCA") and is a registered investment adviser with the Securities and Exchange Commission of the United States. While AVI is registered with the SEC as an investment adviser, it does not comply with the Advisers Act with regard to its non-U.S. clients. This document does not constitute an offer to buy or sell shares in AVI Global Trust plc (the "Trust"). The contents of this message are not intended to constitute, and should not be construed as, investment advice. Potential investors in the Trust should seek their own independent financial advice. AVI neither provides investment advice to, nor receives and transmits orders from, investors in the Fund.