

April 2025

Investment Objective:

The investment objective of the Fund is to generate long-term returns through investment in a portfolio of global companies whose share prices stand at a significant discount to estimated underlying net asset value.

HEADLINES

Introduction

In April the fund returned -0.1% vs. -2.5% for the benchmark, the MSCI AC World Index (£).

[Read more below](#)**Toyota Industries**

Akio Toyoda, Chairman of Toyota Motor, is attempting to take Toyota Industries (3.6% portfolio weight) private at an 40% reported premium to the undisturbed share price.

[Read more below](#)**Gerresheimer**

We provide an update on the investment in GXI.

[Read more below](#)

THE FUND

Fund Launch Date

17/04/24

A GBP NAV per share

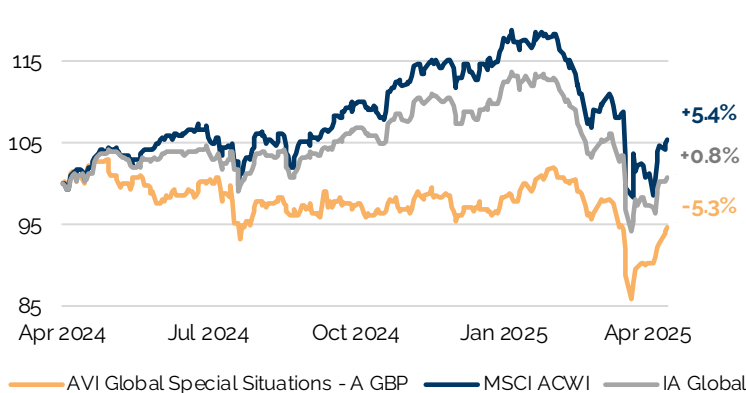
£94.67

Cash

4.1%

Net Performance (GBP)

	Month	3 Month	YTD	SI ¹
A GBP Share Class	-0.1%	-5.4%	-2.5%	-5.3%
MSCI ACWI	-2.5%	-10.4%	-6.6%	5.4%
IA Global	-2.0%	-11.0%	-6.6%	0.8%

NAV Total Return Since Inception (GBP)

Past performance does not predict future returns. All performance is shown in GBP, net of fees and including net dividends as at 30/04/2025. Returns may increase or decrease as a result of currency fluctuations. Source: Morningstar. Benchmark: MSCI® All Country World Total Return Index. The Fund is actively managed with reference to the MSCI® All Country World Total Return Index for performance comparison purposes. The portfolio is unconstrained by the benchmark and holdings may deviate significantly from those in the benchmark index. The fund was attributed the IA Global sector by The IA. The IA Global sector consists of The IA member UK based funds which invest at least 80% of their assets globally in equities. The use of the IA Global sector is purely indicative and should not be used as a benchmark. For further information on the The IA and its sectors, visit www.theia.org. ¹Share Class Launch Date 17th April 2024.

PORTFOLIO

Top Ten Holdings²

	%
News Corp A	7.7
D'leteren	7.5
Gerresheimer	6.2
Vivendi	5.5
Exor	5.4
Chrysalis Investments	5.3
Rohto Pharmaceutical	4.3
Dai Nippon Printing	4.1
Aker	4.1
Christian Dior	3.7
TOTAL	53.8
No of Holdings	31

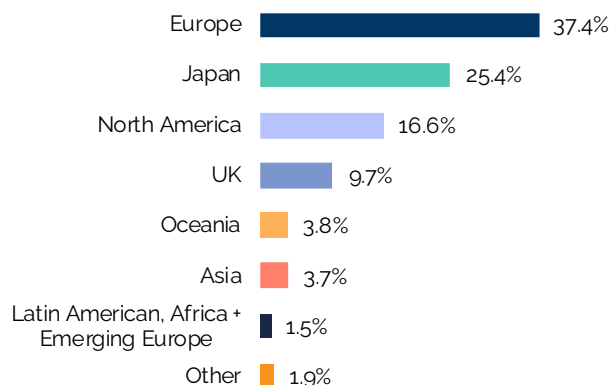
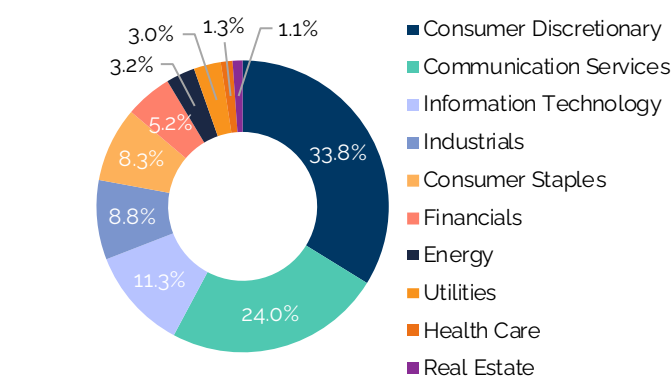
Contributors & Detractors (GBP)³

Largest Contributors	Monthly Con bps	% Weight ²
Toyota Industries	86	3.6
D'leteren	78	7.5
Rohto Pharmaceutical	34	4.3
Entain	29	3.6
Keisei Electric	26	2.5

Largest Detractors	Monthly Con bps	% Weight ²
Gerresheimer	-87	6.2
Christian Dior	-47	3.7
IAC	-30	Exited
Net Lease Office Properties	-23	3.1
Aker	-23	4.1

²Shown as % of Portfolio³Contributors and detractors from Facstet

PORTFOLIO (continued)

Look-through Geographic Exposure²Look-through Sector Exposure²²All figures shown as % of Portfolio

PERFORMANCE SUMMARY

	Share Class	NAV per share	Month	3 Month	YTD	SI ¹
GBP	A GBP	£94.67	-0.1%	-5.4%	-2.5%	-5.3%
	MSCI ACWI	-	-2.5%	-10.4%	-6.6%	5.4%
EUR	B EUR	€95.33	-1.8%	-7.0%	-5.2%	-4.7%
	MSCI ACWI	-	-4.1%	-11.9%	-9.3%	5.8%
GBP	B GBP	£94.97	-0.1%	-5.4%	-2.4%	-5.0%
	MSCI ACWI	-	-2.5%	-10.4%	-6.6%	5.4%
USD	B USD	\$101.67	3.4%	1.8%	4.1%	1.7%
	MSCI ACWI	-	0.9%	-3.6%	-0.4%	13.1%
GBP	B1 GBP ⁴	£94.89	-0.1%	-5.3%	-2.4%	-5.1%
	MSCI ACWI	-	-2.5%	-10.4%	-6.6%	5.4%

Past performance does not predict future returns. All performance is shown, net of fees and including net dividends as at 30/04/2025. Source: Morningstar. Benchmark: MSCI® All Country World Total Return Index. The Fund is actively managed with reference to the MSCI® All Country World Total Return Index for performance comparison purposes as well as for the purposes of calculating the performance fee. The performance of each share class is stated in the share class relevant currency as specified in the table. The performance of the benchmark has been converted into the currency of the relevant share class for comparison purposes. Returns may increase or decrease as a result of currency fluctuations. The portfolio is unconstrained by the benchmark and holdings may deviate significantly from those in the benchmark index. ¹Share Class Launch Date 17th April 2024. ⁴Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

MANAGER'S COMMENT

Introduction:

In April the fund returned -0.1% vs. -2.5% for the benchmark, the MSCI AC World Index (£).

Over the last three months, our relative performance has picked up, outperforming the index by some +500bps (GBP), as investors have become more cautious on so-called American exceptionalism. As markets are prone to doing, what started out as a kernel of truth was over-extrapolated and too richly reflected in prices. The technological advances of DeepSeek and President Trump's erroneous and damaging approach to trade policy, have served as catalysts to make investors wake up to this. With many global equity investors heavily overweight US equities (and the dollar), there is a long way for this trend to reverse, as investors appreciate (once again) the merits of diversification and the potential to own global businesses at considerably lower

valuation multiples. It is our expectation, that a focus on fundamentals, valuation and diversification are likely coming back in vogue.

Such a change in market environment, is a welcome tailwind for the overlooked and under-researched parts of the market upon which we focus. As we have said for some time now, discounts have widened considerably - with the portfolio weighted average discount moving from 31% at the end of April 2024 to 41% today. Such discounts have previously only been observed during times of intense market stress, such as the global financial crisis, Eurozone crisis and a handful of days during the COVID-2020 sell-off.

The combination of such wide discounts, the attractive nature of the underlying business we own and their growth prospects, as well as numerous potential corporate catalysts, bode well for future returns.

MANAGER'S COMMENT

Brief Market Commentary:

April saw considerable volatility in equity, bond and currency markets as investors have grappled with an erratic, uncertain and quickly changing global trade environment as instigated by President Trump.

Stock markets have subsequently rallied hard; whether this sustains or whether it evaporates into nothing more than a bear market rally remains to be seen, but there are clear risks to the latter.

In a macro driven world, we remain focused on the bottom-up fundamentals, and have embraced the volatility to add to new and existing names.

Toyota Industries (3.6% weight):

In the [January 2025 newsletter](#) we explain how the fund had increased its allocation to Japan, given the strong winds of governance reform change that were blowing and the highly attractive opportunity set for focussed and engaged shareholders.

Fast forward to April 2025, and it has been announced that Akio Toyoda, Chairman of Toyota Motor, is attempting to take Toyota Industries (3.6% portfolio weight) private, at a 40% reported premium to the undisturbed share price.

For decades, Toyota has epitomised "Japaneseness"; group companies, cross-shareholdings, lifetime employment, consensus decision-making and keeping closed ranks. Corporate governance naysayers have argued that it's been these very qualities that have kept companies like Toyota strong, leading the company to be seen by some as an "emblem of resistance to corporate governance reform".

Just as Ernest Hemingway described the process of how one goes bankrupt – "*gradually, then suddenly*" – so too is change in Japan, and the take-private offer should be seen as a culmination of many multi-year forces coming together.

Foreign shareholders have been an increasing presence on their register, a fact not lost on Akio Toyoda himself. As Chairman of Toyota Motor, he has felt the increasing heat from corporate governance reform, with his approval rating at Toyota's last AGM in 2024 falling to 72% from 96% in 2022.

External forces have also played a role, as even Toyota has not escaped the eye of the Tokyo Stock Exchange and METI. Cross-shareholdings have been a point of contention for group parent companies like Toyota, as have parent-child listed subsidiaries and persistently low valuations. METI's ongoing efforts to promote greater transparency and sophistication in takeover proposals also deserve commendation.

Then, of course, there are the activists. Since 2015, we at AVI have been encouraging management to unwind their cross-shareholdings and investment securities, which made up almost half of Toyota Industries' balance sheet assets. At the same time, AVI (across our Japan dedicated mandates) was also invested in Aichi Corp (since 2019), which was majority owned by Toyota Industries. Working with both companies, we sought to catalyse change in their ownership structures as part of a broader set of

recommendations. Our efforts with Aichi moved into the public sphere last year, when we launched a campaign entitled [Taking Aichi Higher](#). In March of this year, Toyota Industries and Aichi announced a sale and buyback that would bring Toyota Industries' controlling stake of 52% in Aichi down to 20%.

As we see it, the potential take-private transaction implicitly acknowledges, ratifies, and supports the mantra of both activists and Abenomics advocates. At the same time, the actions of Toyoda dissolve a symbolic bastion of resistance to the wave of corporate governance reform, opening the floodgates for that wave to spread its influence throughout the market. As such, we remain highly excited about the opportunity in Japan, with 31% of the portfolio invested there.

Gerresheimer (6.2% weight):

[Gerresheimer](#) detracted heavily over the month, as it was reported that KKR withdrew from the consortium assessing whether to take the business private. This led to a -15% one-day decline in the shares.

The past month has been a painful one for the stock and for us as shareholders. Despite that, we remain relatively sanguine. Q1 results (November year-end) were published during the month, and management reiterated guidance for the full year. The acquisition of Bormiloli is continuing to be integrated and steps are being taken to get the right legal structures in place for the separation of the Moulded Glass unit. We believe this is key to unlocking value, even if we understand the market's scepticism and frustration at management's execution and communication. The business will produce north of €5 per share of EPS in 2025 and we believe there are multiple steps that can be taken to help the market capitalise this at a much fairer multiple. We bought more shares over the month and own a little over 3.5% of the company (across our funds) and continue to engage with management.

RISK & REWARD

Fund Attributes

- High-conviction concentrated portfolio
- Actively managed with emphasis on Sum of the Parts (SOTP) valuations and exploiting discounts
- Global portfolio diversified across a range of sectors and geographies

Fund Risk

As a focused equity portfolio of between 35 and 45 investments, the fund can involve higher risk and higher volatility. The value of an investment can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as long term. Details on the risk factors are included in the fund's prospectus, available on our website.

ESG

ESG Integration

ESG is integrated into each stage of our investment process. AVI has eschewed a box-ticking approach to ESG and developed a proprietary ESG monitoring system.

Engagement is central to our strategy. Our ESG monitoring system helps to highlight areas where we can actively engage with portfolio companies to build resilience to sustainability risks, promote responsible attitudes, and enhance sustainable corporate value.

*For more information, AVI's ESG Report can be accessed on its website [here](#)

Article 6

This Fund has an Article 6 classification within the meaning of the Sustainable Finance Disclosure Regulation (SFDR). Engagement is central to delivering long term returns, and we integrate environmental, social and governance (ESG) factors into our risk management on an ongoing basis. As part of our engagement process, we monitor the climate-related risks of our portfolio companies within a bespoke system developed for AVI. However, the Fund does not have a sustainability objective.

Signatory of:



FUND DETAILS

AVI Global Special Situations Fund

Fund Launch Date	17 th April 2024
Base Currency	USD
Net Assets Value	USD36.2m / GBP27.1m
Cash	4.1%
IA Sector	Global
Fund Structure	UCITS
Fund Domicile	Ireland
Investment Manager	Asset Value Investors
Manager	Gateway Fund Services
Administrator/Transfer Agent	Société Générale
Dealing	Daily
Subscription Deadline	1 Business Day prior by 12PM
Dealing Information*	info@assetvalueinvestors.com

*Also available on all major platforms.

Share Classes

Share Class	OCF ⁵ (%)	ISIN	Ticker
A (GBP)	1	IE000JIDJD84	AVIGLSA ID
B (EUR)	0.8	IE0005EAPTK6	AVIGLSB ID
B (GBP)	0.8	IE0008Q72UI9	AVIGLBG ID
B (USD)	0.8	IE000DG5OgL7	AVIGLBU ID
B1 (GBP) ⁴	0.65	IE000U617EI1	AVIGLB1 ID

Benchmark: MSCI® All Country World Total Return Index

⁴Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

⁵Ongoing Charges Figure

Investment Manager – Joe Bauernfreund

AVI Ltd. +44 20 7659 4800 info@assetvalueinvestors.com

The share price can be found in AGSS - Asset Value Investors

Further information may be found on 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 Special Situations (the "Fund"). The contents of this message are not intended to constitute, and should not be construed as, investment advice. Potential investors in the Fund should seek their own independent financial advice. AVI neither provides investment advice to, nor receives and transmits orders from, investors in the Fund.

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