



**MIGO  
OPPORTUNITIES  
TRUST PLC**

# Changes to MIGO Opportunities Trust

*MIGO 2.0*

June 2025





# Charlotte Cuthbertson and Tom Treanor to co-manage MIGO

*Experienced and highly credible team with strong reputation*



**Charlotte  
Cuthbertson**  
Fund Manager



**Tom  
Treanor**  
Fund Manager

- 9 years of industry experience (8 of which with Nick Greenwood on MIGO)
- Existing co-manager on MIGO for 6 years

- 23 years of CEF industry experience (at AVI since 2011)
- Leads AGT's CEF investments and specialism in CEF activism and engagement

# 1. Portfolio Changes





## Revised Investment Approach

Potential high returns from exploiting market inefficiencies

.1

### Greater Conviction

Phased change to 10-15 core holdings  
Higher conviction positions move the needle

.2

### Increased activism & engagement

Engage aggressively yet constructively to unlock trapped value  
Use experience of activist playbook to do what other CEF investors can't or won't

.3

### More Event Driven Investments

Capitalise on expertise of CEF sector  
Seek to position portfolio to benefit from catalysts

.4

### Lower underlying equity exposure/more alternative assets

Lower equity market beta with returns driven from idiosyncratic events and inefficiencies

# A Investment Trust Sector Discounts

Asset Class	# of Trusts	Market Cap (£bn)	Net Assets (£bn)	Discount Opportunity (£bn)	Avg Disc. (%)
Equity Trusts	172	114	132	17	-12
Infrastructure	13	11	15	3	-26
Renewables	12	8	11	3	-31
Property	29	17	22	4	-25
Private Equity <sup>1</sup>	14	10	15	5	-36
Growth Equity	12	3	5	2	-39
Debt	23	6	7	1	-13
Hedge Fund	4	2	2	0	-12
Other	9	1	2	0	-26
<b>Total</b>	<b>290</b>	<b>213</b>	<b>235</b>	<b>21</b>	<b>-17</b>



# Transition to MIGO 2.0...

## Current Top 25 (31-Mar-25)

Holding	% Weight
PRS REIT	5.9%
Chrysalis Investments	5.4%
Baker Steel Resources Trust	4.7%
Oakley Capital Investments	4.3%
VH Global Energy Infrastructure	3.9%
Georgia Capital	3.9%
Life Science Reit	3.8%
VinaCapital Vietnam Opportunity	3.7%
Aquila European Renewables	3.7%
Phoenix Spree Deutschland	3.7%
Cordiant Digital Infrastructure	3.6%
River UK Micro Cap Limited	3.2%
Tufton Assets	3.1%
Real Estate Investors	3.0%
AVI Japan Opportunity Trust	2.7%
RTW Biotech Opportunities	2.6%
Schroder British Opportunities	2.5%
International Biotechnology	2.4%
Seraphim Space	2.3%
Augmentum Fintech	2.3%
Hansa Investment Co	2.2%
New Star Investment Trust	2.2%
Life Settlement Assets	2.1%
Tetragon Financial Group	2.1%
Ecofin US Renewable Infra	2.0%
Holdings 26-45	18.8%



## MIGO 2.0 - Stage One

Holding	% Weight
Holding 1	8.0%
Holding 2	8.0%
Holding 3	6.0%
Holding 4	6.0%
Holding 5	6.0%
Holding 6	5.0%
Holding 7	4.5%
Holding 8	4.5%
Holding 9	4.0%
Holding 10	4.0%
Holding 11	4.0%
Holding 12	4.0%
Holding 13	4.0%
Holding 14	4.0%
Holding 15	4.0%
Holding 16	3.0%
Holding 17	3.0%
Holding 18	3.0%
Holding 19	3.0%
Holding 20	3.0%
Holding 21	3.0%
Holding 22	3.0%
Holding 23	3.0%



## MIGO 2.0 - Final

Illustrative Holding	% Weight
Holding 1	14.0%
Holding 2	12.0%
Holding 3	10.0%
Holding 4	8.0%
Holding 5	7.0%
Holding 6	7.0%
Holding 7	6.0%
Holding 8	6.0%
Holding 9	5.0%
Holding 10	5.0%
Holding 11	4.0%
Holding 12	4.0%
Holding 13	4.0%
Holding 14	4.0%
Holding 15	4.0%

	Current	Stage One	Final
Number of Holdings	45	23	10-15
Top Ten % Weight	43%	56%	80%-100%



# Increase in Activism

- Activism and engagement will become a much larger part of the investment process
- Leverage off AVI's experience and standing in the sector

## Topics we engage on



Relationship building



Catalyse an event



Corporate governance



Shareholder communication



Capital allocation policy



Capital structure



Operational improvements

## Ideal Outcomes

1

Long-term shareholder value creation and alpha delivery

2

Improved alignment between management and shareholder interests

3

Better communication between the company and the market

4

Structural or strategic improvements



# Current Portfolio Examples of Step-up in Activism

## Example 1

- Long-term MIGO holding
- Trading on a wide discount
- Portfolio companies now reaching maturity
- AVI is one of the largest shareholders
- Letter recently sent to Board on capital allocation ahead of further step up in engagement

## Example 2

- Long-term MIGO holding
- Trust trading on a huge discount
- Suffers from a bloated cost structure and poor governance
- Assets should be attractive to external buyers
- Involved in activism with other shareholders to work towards company changes



# A Historic Engagement Case Studies

## Hipgnosis Songs Fund

- Mismanaged fund with weak oversight from Board
- Proprietary research confirmed valuation disconnect
- Extensive engagement with other shareholders
- Led public campaign to remove and replace directors
- Company sold at substantial premium to AVI in-price

## Aberdeen Private Equity Fund

- Undifferentiated fund of third-party private equity funds
- Sub-scale and trading at persistent discount
- Proprietary line-by-line research validated reported NAV
- Successfully pushed (in private) for sale of portfolio which was struck at premium to NAV

## Harbourvest Global Private Equity

- Scale player in fund of private equity funds sector
- Persistently wide discount to NAV
- Extensive (private) engagement with Board and Manger
- Introduction of more shareholder-friendly investment structure
- Buyback doubled in size
- Introduction of a continuation vote in May-26 sets up each-way bet

## 2. Corporate Changes





## Corporate Changes

Focused on  
manager  
alignment

**Tom Treanor appointed as co-manager  
and Nick Greenwood stepping down**

**Reduction of base fee and addition of  
performance fee**

**Introduce capital redemption facility to  
maintain NAV no higher than £150m**

# Charlotte Cuthbertson and Tom Treanor to co-manage MIGO



**Charlotte Cuthbertson**  
Fund Manager

- Fund manager for MIGO & AVI Worldwide Opportunities (AWWO) fund for 7+ years
- Joined AVI in 2023
- 9 years of industry experience



**Tom Treanor**  
Fund Manager

- Closed-end Fund Specialist & Fund Manager
- Joined AVI in 2011
- 23 years experience

*... with access to additional support from wider AVI Team*



**Scott Beveridge**  
Senior Analyst

- Property Specialist
- Joined AVI in 2005
- 22 years experience



**Ross McGarry**  
Analyst

- Closed-end fund analysis support
- Joined AVI in 2020
- 5 years Experience



# MIGO Positioning in London-listed CEF market

Wealth manager consolidation has led to a **demand for ever larger, ever more liquid funds**

## We foresee a bifurcated market consisting of:

1

**Large/liquid funds** – formed through mergers of undifferentiated funds

2

**Smaller specialists that make full use of the closed-end structure** to generate above-market returns in less efficient market areas:

- Specialist expertise
- Concentrated portfolios
- Use of gearing
- Need for strong discount controls and primary liquidity provision to mitigate lower secondary market liquidity
- Niche, hard to access, market sectors



# Inefficient Universe...

## Closed-end fund market ripe with inefficiencies

- Too many funds (~300 in London alone) to be fully covered by sell-side
- Diverse and complex range of asset classes too broad to be fully covered by sell-side
- Disproportionate share price impacts from non-fundamental sellers
- Corporate events can have substantial share price impacts and often slow to be fully priced in

## Those with right skill-set and experience can fully exploit these inefficiencies

- Knowledge of idiosyncrasies of market
- Deep understanding of what causes discounts and what removes them
- Relationships with other shareholders
- Experience of dealing with Boards
- Talent pool of directors to call upon when Boards need replacing
- Knowledge of legal framework
- How to exploit events

**But the opportunity set is capacity constrained...**



## ...But Capacity Constraints Key to Preserving Performance

- Too much capital will limit ability to be nimble and fully exploit opportunity set
- Avoid asset gathering

### Capital Redemption Mechanism

- Keep MIGO's NAV below **£150m**
- Operated at **Directors' discretion**
- Enables MIGO to **exploit fully the opportunity set** and deliver high and sustainable returns
- Ensure **each holding has a meaningful impact** on performance
- Provides **liquidity**

### Management fee structure

- **Incentivising performance** rather than growth in assets
- Change from base fee of 0.65% of market cap to: **0.35% on lower of market cap or NAV + performance fee of 15% in excess of SONIA +3% hurdle\***
- Total **fee cap of 2.5%** of lower of market cap or NAV
- 25% of **performance fees** reinvested in shares

**Note:** Any performance fees earned that exceed the 2.5% annual cap will be carried forward for up to three years. During that period, AVI would only receive the deferred amount if a performance fee is earned in a subsequent year and subject to the total fee for that year remaining below the cap.



## Conclusion

Changes can be summarised into three categories

1



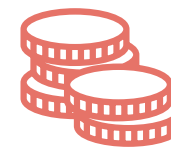
**Management team**

2



**Evolved investment  
process**

3



**New aligned fee  
structure**

We believe that these changes will allow MIGO 2.0 to flourish in a market that is ripe for outsized returns and give it a renewed purpose in a changed market



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