

June 2025

Investment Objective: To outperform SONIA* plus 2% over the longer term, principally through exploiting the pricing of closed-end funds.

HEADLINES

Introduction

June was another good month for MIGO with its NAV up +4.6%, building on last month's +6.8% return.

[Read more below](#)

SDCL Efficiency Income

The largest contributor was SDCL Energy Efficiency Income (SEIT), an investment company focussed on energy efficiency and decentralised energy generation projects.

[Read more below](#)

A More Activist Approach

MIGO adopting a higher conviction approach with an increasing focus on engagement and activism.

[Read more below](#)

THE TRUST

Share Price (pence)

369.0

NAV p/s (pence)

382.8

Prem./ (Disc.)

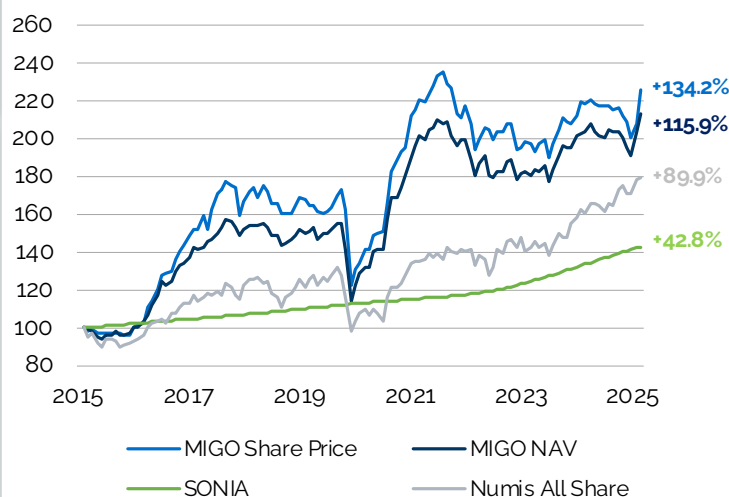
(3.6)%

Net Performance (GBP)

	Month	1Y	5Y	10Y
Share Price	8.8%	3.8%	62.4%	134.2%
NAV p/s	4.6%	4.7%	61.3%	115.9%
SONIA*	0.5%	7.0%	26.4%	42.8%
Numis All Share**	0.7%	12.0%	64.0%	89.9%

All performance shown net of fees in GBP Total Return as of 30 June 2025. Source: Morningstar. *SONIA +2% Sterling Overnight Interbank Average administered by the Bank of England. **Deutsche Numis All Share index including investment companies Total Return.

Performance over 10 Years (GBP)



PORTFOLIO

Top Ten Holdings

	% ¹
Chrysalis Investments	6.1
Baker Steel Resources Trust	5.6
PRS REIT	5.2
VH Global Energy Infrastructure	5.0
SDCL Efficiency Income	4.8
Oakley Capital Investments	4.6
Abrdn European Logistics	4.4
GCP Asset Backed Income Fund	4.1
Gresham House Energy Storage	4.0
Aquila European Renewables	4.0
Total	47.8
No. of Holdings	39

Contributors/Detractors (GBP)²

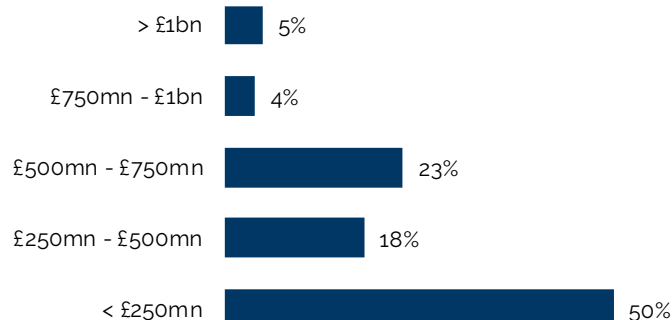
Largest Contributors	1M Contrib. bps	% ¹
SDCL Efficiency Income	115	4.8
Baker Steel Resources Trust	67	5.6
Chrysalis Investments	52	6.1
VH Global Energy Infrastructure	48	5.0
Gresham House Energy Storage	44	4.0
Largest Detractors	1M Contrib. bps	% ¹
PRS REIT	-38	5.2
US Solar Fund	-11	2.0
Life Settlement Assets	-11	1.7
Harbourvest Global PE	-10	3.1
GCP Asset Backed Income Fund	-6	4.1

¹Shown as % of Net Asset Value

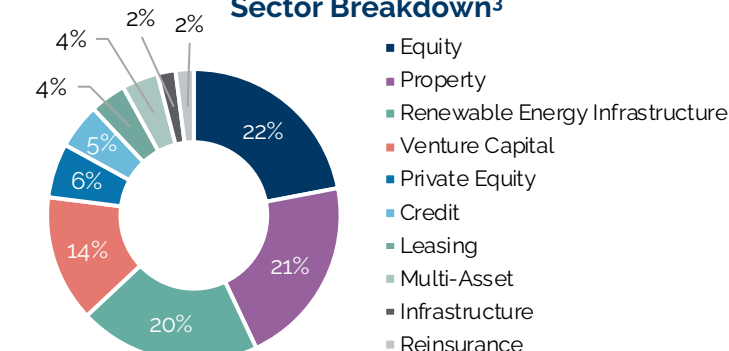
²Contributors and detractors from Facstet

PORTFOLIO (continued)

Market Cap Breakdown³



Sector Breakdown³



³Shown as % of Portfolio

MANAGER'S COMMENT

MIGO NAV up +4.6%

June was another good month for MIGO with its NAV up +4.6%, building on last month's +6.8% return. This compared favourably to broad equity indices (MSCI ACWI up +2.8%; MSCI ACWI Small Cap up +3.2%) despite the strategy having no exposure to any of the MAG7 companies that dragged these indices up (MAG7 index up +4.2%).

Idiosyncratic corporate events were, again, the key driver of returns.

SDCL Efficiency Income

The largest contributor was SDCL Energy Efficiency Income (SEIT), an investment company focussed on energy efficiency and decentralised energy generation projects. SEIT listed on the London market in late 2018 and was a huge success story, with the consistent premium to NAV allowing the company to increase its share count ten-fold over the following years with regular secondary issuance. The share price peaked in mid-22 as interest rates began to rise - our initial purchase of SEIT took place in Apr-25 at a share price -62% down from its highs, a discount to NAV of 48% and at a covered dividend yield of 13%.

While SEIT typically appears alongside renewable energy funds in broker lists and AIC publications, its assets have different characteristics from those of this peer group. In contrast to peers, SEIT has very limited exposure to power price risk, and the platform nature of its investments allows for active management and investment to drive higher returns. Being in a true peer group of one has its disadvantages, however, and the added complexity of its portfolio has meant that its shares have traded at a wider discount than renewable energy focussed investment companies.

In response, SEIT has adopted the same playbook as other funds in the broader alternative asset sector: sell assets (and in doing so prove out carrying values), pay down short-term debt, and buy back shares. Notwithstanding the sale of a solar portfolio last year above carrying value, this has proved harder to achieve in practice against a backdrop of deferred central bank interest rate cuts and macroeconomic and geopolitical instability. Reported strong interest in SEIT's largest asset, Onyx, fell away in the wake of the risk aversion triggered by "Liberation Day", and the revised plan for this asset is to now bring on board equity co-investors instead.

SEIT's share price had already begun recovering by the time its results were released in late-June, but comments from the Chair that *"the status quo is clearly unsustainable and so the Board is*

considering all strategic options to deliver value for all shareholders in an effective and efficient manner" gave an additional boost to the share price which ended June up +28% over the month, leaving the shares trading on a 39% discount to estimated NAV.

Gresham House Energy Storage

Gresham House Energy Storage (GRID) is a recent addition to the portfolio. The shares were up +18% in June in anticipation of near-term announcements due on (i) a third-party co-investment at carrying value in one of their assets; (ii) long-term contracts for energy supply; and (iii) a refinancing and re-introduction of a dividend. The first of these duly came in late-June, and the second just after month-end. Despite the strong run and the need for more clarity on the details of the long-term contracts and around capital allocation plans, we continue to see scope for further upside given its pipeline of high-returning augmentation projects (to increase battery duration) and from the potential for corporate activity.

Tetragon Financial

In Nov-24, we initiated a position in Tetragon Financial (TFG). TFG is a multi-asset focused investment company with a diversified portfolio of CLO equity, hedge funds, private equity and real estate investments in addition to (mostly controlling) stakes in several asset management businesses. While TFG trades at an astonishingly large discount to NAV (>60% at the time of purchase) despite a strong NAV performance record, we had long ago concluded it had all the hallmarks of a value trap likely to languish at a wide discount due to the high and misaligned fee structure and the lack of any voting rights for non-management shareholders.

However, media reports around the potential for a sale of their investment in Equitix, an alternative asset management firm with \$14bn of AUM focussed on the infrastructure sector, piqued our interest. Our view was that any transaction was likely to see Equitix valued at a premium to its reported carrying value, and that the size of the inflow from a sale (noting Equitix accounted for 31% of TFG's NAV) would be such that we would likely see a large buyback or tender offer with the proceeds. The risks to the investment case were that either no transaction occurred at all, or that only a minority stake would be sold with proceeds insufficient to fund a return of capital. Mitigating these risks were that we were acquiring the shares at a deep discount to NAV and at a level that we felt failed to account for the potential upside.

MANAGER'S COMMENT (continued)

In mid-June, TFG announced the sale of a 14.6% stake in Equitix to Hunter Point Capital (who were also acquiring a 1.5% stake from Equitix's management). The transaction occurred at a +37% uplift to carrying value, more than validating a very large portion of TFG's NAV. We took the view, however, that the lack of a full exit meant there is unlikely to be a material return of capital in the near term and that there is a risk the shares drift back in that vacuum. The shares were up +18% over the month and we sold our entire position for a +19% ROI and a +55% IRR (in local currency, reduced to +13% and +37% respectively in GBP).

PRS REIT gave back some of its gains on the last day of the month as only one bidder emerged from its comprehensive sales process. We will report more on this holding in next month's newsletter. There were no other detractors of any note.

Change of co-manager and new portfolio approach

MIGO's board has been notified by Asset Value Investors Limited ("AVI"), its AIFM and investment manager, that Nick Greenwood wishes to step back from his role as MIGO's co-manager after over 20 years' involvement with the Company.

The board has agreed with AVI that, effective from 18 June 2025, Charlotte Cuthbertson will be joined in co-managing MIGO by Tom Treanor, Director and Fund Manager at AVI. Charlotte and Tom will continue to be supported by AVI's wider 11-strong

research team. Nick remains an AVI employee and will become a consultant to the team.

More focused and activist approach

The board and AVI have concurrently decided to implement a higher conviction approach to managing MIGO, to align with the current opportunities in the investment trust sector. This will see MIGO's portfolio concentrating over time to focus on 10-15 core holdings. MIGO currently has 40 holdings in total. The board and AVI believe that larger stakes in a more targeted investment company portfolio will enable more influential engagement with boards, aiming to accelerate superior returns from the wide discount opportunities in the sector.

Performance-driven fee structure and capital return mechanism

To align MIGO shareholders' interests with this more targeted approach, the board has agreed a revised fee structure with AVI. This will reduce the management fee to 0.35% per annum on the lower of MIGO's market capitalisation and net asset value (NAV) (currently 0.65% per annum on market capitalisation) and add a performance fee of 15% of NAV total returns in excess of a SONIA + 3% hurdle, subject to a high watermark. More details can be found [here](#).

STATISTICS

Performance Summary (GBP)

Total Returns (%)	1M	1Y	3Y	5Y	10Y
Share Price	8.8	3.8	17.8	62.4	134.2
NAV p/s	4.6	4.7	18.3	61.3	115.9
SONIA +2%*	0.5	7.0	21.0	26.4	42.8
Numis All Share**	0.7	12.0	35.6	64.0	89.9

CY Total Returns (%)	CYTD	2024	2023	2022	2021
Share Price	4.8	5.7	2.6	-10.9	25.3
NAV p/s	4.7	6.4	2.9	-12.7	23.7
SONIA +2%*	3.3	7.4	1.8	3.4	17.1
Numis All Share**	9.3	9.7	3.6	-2.5	2.1

All performance shown net of fees in GBP Total Return as of 30 June 2025. Source: Morningstar. *SONIA +2% Sterling Overnight Interbank Average administered by the Bank of England. **Deutsche Numis All Share index including investment companies Total Return.

Trust Details

Capital Structure	
Ordinary Shares	18,910,363
Shares held in Treasury	-
Credit facility ⁴	£10m
Gross Assets/Net Gearing	
Gross Assets	£82.4m
Gearing (net) ⁵	8.0%
Fund Facts	
Launch Date	06-Apr-04
Net Assets	£72.4m
Investment Manager	Asset Value Investors Limited
Shareholder Services	Link Asset Services
Annual Management Fee	0.65%
Ticker Code	MIGO.LN
ISIN	GB0034365949

⁴The amount drawn as at 30 June 2025 is £10m. Cost of borrowing is SONIA +1.45% on any drawn balance and 0.72% on any undrawn balance

⁵Net gearing at fair value

Investment Managers – Tom Treanor & Charlotte Cuthbertson

AVI Ltd. +44 20 7659 4800

The share price can be found in [London Stock Exchange](#)
ISIN: GB0034365949 Trading as: [MIGO](#)

Information may be found on the following websites:

www.migoplco.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"), reference number 119270 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 MIGO Opportunities Trust (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.