August 2025

Investment Objective: To achieve capital growth through a focused portfolio of investments, particularly in companies whose share prices stand at a discount to estimated underlying net asset value.

HEADLINES

Introduction

AVI Global Trust's (AGT) NAV increased by +0.3% in August.

Read more below

Jardine Matheson

In April, we reinitiated an investment in Jardine Matheson (JM), now 2.6% of AGT NAV.

Read more below

Korea

In August we travelled to Seoul to engage with portfolio companies, meet potential new ideas, and discuss the Korean opportunity set.

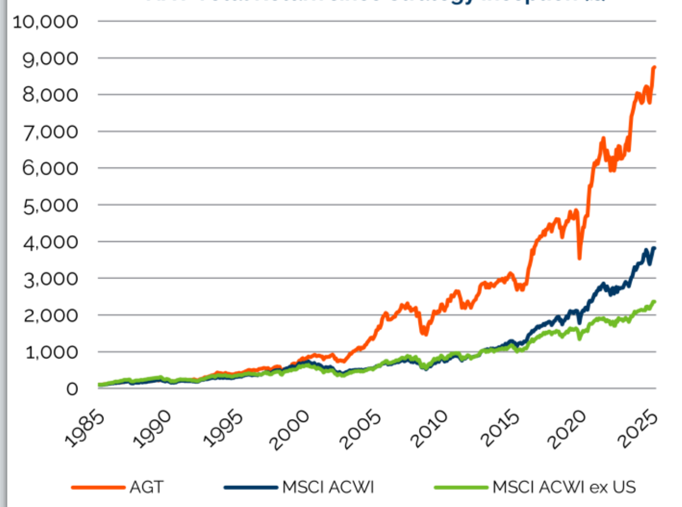
Read more below

THE FUND

Share Price (pence)	NAV (pence)	Prem./Disc.
262.0	281.1	-6.8%

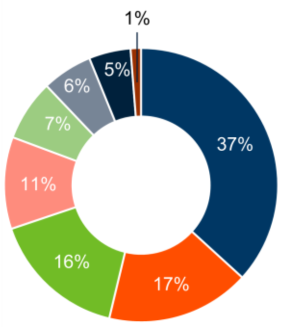
Total Return (£)	1M	CYTD	1Y	3Y	5Y	10Y
AGT NAV	0.3%	7.1%	11.3%	39.1%	88.1%	214.1%
MSCI ACWI	0.4%	6.0%	12.6%	40.3%	74.7%	226.2%
MSCI ACWI ex US	1.3%	12.8%	12.3%	31.5%	52.0%	131.0%

NAV Total Return since Strategy Inception (£)

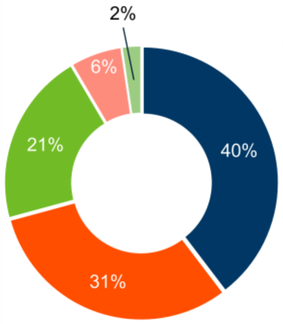


PORTFOLIO

Look-Through Geographic Exposure (% of net assets)



Portfolio Exposure (% of invested assets)



Top Ten Equity Holdings

Holdings	%
Chrysalis Investments	8.0
D'Ieteren	7.2
News Corp - USD 'A'	6.8
Vivendi	6.7
Oakley Capital Investments	5.4
Harbourvest Global PE	5.1
Aker	5.0
Partners Group PE	4.8
Gerresheimer	4.6
Cordiant Digital Infrastructure	4.5
TOTAL	58.1

MANAGER'S COMMENT

AVI Global Trust's (AGT) NAV increased by +0.3% in August.

Rohto Pharmaceutical (+59bps) was the top contributor during the month, as an encouraging set of earnings drove the shares up +16%. We discuss the situation further below. Other contributors over the month include D'Ieteren (+45bps) and Kyocera (+26bps).

Looking at the detractors, Vivendi (-58bps) was the largest after a strong performance in July on news that the AMF had obligated Bollore to make an offer for the company, followed by Entain (-56bps), which fell -14% as a solid H1 earnings report, where guidance was upgraded, was more than offset by media speculation around increases to UK gambling tax.

Rohto Pharmaceutical

Rohto is the largest skincare and eye-drop manufacturing company in Japan, yet trades at a significant discount to peers. AVI believes that Rohto's undervaluation can be explained by the lack of focus on its core businesses, misleading IR communication, and lower allocation to shareholder returns than its peers. Specifically, management needs to reallocate its R&D spending from low-profit business areas such as the prescription drug business and regenerative medicine business, towards its high-value, high market share product lines, such as skin care products.

In August, Rohto announced its FY2025 Q1 earnings, with revenue rising +20% YoY while operating profit fell modestly by -1% YoY, although this beat consensus guidance. Full-year guidance remained unchanged, with revenue forecast to grow by +8% YoY and operating profit to increase by +2%. The share price rose +14% in the day following the announcement.

In line with our suggestions, Rohto announced its first mid-term plan in March, which indicated management now views the core skincare and eye-drops businesses as long-term growth drivers. Positively, corporate governance is improving, and with a diverse Board in terms of experience, age, tenure and gender, we look forward to engaging further with the company on constructive suggestions to rectify the undervaluation.

Jardine Matheson

In April, we reinitiated an investment in Jardine Matheson (JM), now 2.6% of AGT NAV, the Hong Kong based holding company of the Keswick family, which currently trades at a -27% discount. Longer-term followers of AGT will remember that we have invested in JM and other parts of the group structure at various points over the last 25 years, and it is a name we know well.

The company's history dates back to 1832 as a leading trading house, heavily involved in goods like cotton, tea, and silk. Almost 200 years later, and now on the fifth generation of family control, the company has vastly expanded, with interests spread across property, hotels, retail, autos and financial services. Much of these are through controlling stakes in listed asset such as Hongkong Land (30% of NAV), Astra (via Jardine Cycle & Carriage (28% of NAV)), DFI Retail (14% of NAV) and Mandarin Oriental (9% of NAV).

The company, and wider Jardine group, are currently undergoing gradual but significant changes in their path to modernising as a holding company – in many ways aping changes we saw in European holding companies some twenty or so years ago – moving away from an owner-operator model, to one of an engaged shareholder.

Since Ben Keswick took over as Chairman in 2019, the owner-operator approach has changed with multiple portfolio companies appointing external candidates to senior leadership positions, with JM wanting to bring in highly experienced sector specialists to run the businesses, replacing long standing JM employees.

JM will move away from the direct, day to day management of the portfolio companies, focussing instead on board representation, reviewing growth strategies and capital allocation policies of the portfolio companies while allowing the experienced, professional management to run day-to-day operations.

With the new CEOs looking dispassionately at their businesses, we are starting to see positive developments, with strategic reviews initiated at Hongkong Land and Mandarin Oriental, focussing on simplifying their structures, and asset realisations at DFI.

At Hongkong Land, a pivot into asset management and a focus on mixed use projects in Asian gateway cities, while planning an exit from their build to sell residential business, should lead to a more stable, higher quality earnings stream and be rewarded with a higher multiple (and thus narrower discount). Execution is key here, with plans to recycle c. $10bn of assets already underway with the partial sale of Exchange Square in Hong Kong at a reported cap rate of 3.1%. The company has earmarked 20% of recycled capital for buybacks.

Mandarin Oriental's new CEO is turbo charging change, with a long string of new management contracts announced as they move to a capital light model, undertaking sale-leaseback transactions, with the first significant asset sale announced last year as they sold their Paris hotel for $383m.

We believe much of the real estate portfolio is available for sale-leaseback, none more so than the famous Causeway Bay site which nears practical completion. This was last valued at c. US$2bln vs Mandarin's US$2.6bln market cap, with JM being very clear this mixed-use commercial building has no place in Mandarin Oriental's portfolio.

MANAGER'S COMMENT

As they sell off their valuable real estate and hit their aim of 100 hotels under management, the company should screen much better on a return-on-equity basis, which we believe should lead to significant share price improvement.

DFI Retail has been through a process of portfolio realisations under the new CEO, Scott Price. Stakes in companies in which they did not have significant influence have been jettisoned such as Robinsons Retail and Yonghui, with the proceeds paying down debt and distributed to shareholders via a special dividend of US$600m of which JM received c. US$465m.

Further portfolio improvements are expected with Astra International embarking on a strategic review in the next year as they review their conglomerate structure and decide which assets (which range from autos, to property to mining) belong under the same roof.

There have also been significant and exciting changes at JM itself. Lincoln Pan has been appointed as incoming CEO from December, replacing the outgoing John Witt who oversaw many of the positive steps outlined above. Lincoln provides a wealth of private equity experience joining from PAG, where he built up their non-China business. Lincoln's appointment has been further bolstered by the hire of Ming Lu, formerly of KKR, to the Board to enhance their private equity and portfolio management capabilities.

We expect JM to be debt free in the short term, giving the new hires a clean slate to better align the portfolio to the new model and we expect Lincoln Pan and team to communicate their views in the coming months.

To date, it has been a successful investment for AGT, generating a total return of +36% in a little over four months. Looking ahead, with many portfolio companies undertaking measures that should lead to positive share price movements, we believe prospects for NAV growth are compelling.

Korea

Following on from our June and July newsletters, where we outlined the positive developments in Korea, in August we travelled to Seoul to engage with portfolio companies, meet potential new ideas, and discuss the Korean opportunity set with likeminded investors.

Our takeaway from the trip is that the direction of travel for Korea's corporate reform remains clear and the momentum will be difficult to stop. Corporate governance reform is continuing at pace and the third Commercial Act amendment for the mandatory cancellation of treasury shares is to be discussed during the September regular session.

Using AVI's proprietary screen, our Korea universe is both deep and over-capitalised, with over 600 companies that have a median NFV (cash + listed securities) of 71%. This universe is also under-researched and undervalued, with 81% of the universe completely uncovered by the sell-side, trading at a median PB of 0.7x.

Taken together with Korea's low foreign ownership levels, the market has an abundance of mis-priced opportunities that suit AVI's approach to investing and engagement. While we have learnt from Japan that progress is never linear and there will be bumps along the road, we remain excited by the opportunity in Korea.

Korean names currently make up 6.8% of AGT NAV, with a weighted average discount of -55%.

STATISTICS

Contributors / Detractors (in GBP)[5]

Largest Contributors	1-month contribution bps	% Weight
Rohto Pharmaceutical	59	4.2
D'ieteren	45	7.2
Kyocera Corp	26	2.8
Partners Group PE	25	4.8
Jardine Matheson	24	2.6

Largest Detractors	1-month contribution bps	% Weight
Vivendi	-58	6.7
Entain	-56	3.7
Chrysalis Investments	-32	8.0
Third Point Investors	-27	1.9
Amorepacific Holdings	-21	1.4

Fund Facts	
Net Assets	£1,150.4m
Investment Manager	Asset Value Investors Limited
AGT Shares owned by the Manager**	2,063,355
Company Secretary	MUFG Corporate Markets
Management Fee**	0.7% up to £1bn of assets, 0.6% > £1bn
Website	www.aviglobal.co.uk
Ticker Code	AGT.LN
ISIN	GB00BLH3CY60

Total Return (£%)	1m	1y	3y	5y	10y
Share Price[2]	1.2	13.9	47.7	99.1	239.1
Net Asset Value[1]	0.3	11.3	39.1	88.1	214.1
MSCI ACWI[1]	0.4	12.6	40.3	74.7	226.2
MSCI ACWI ex US[3]	1.3	12.3	31.5	52.0	131.0
FY* Total Return (£%)	**2025**	**2024**	**2023**	**2022**	**2021**
Share Price[1]	15.3	16.3	14.7	-10.8	40.2
Net Asset Value[1]	12.5	13.7	15.3	-7.3	36.2
MSCI ACWI[1]	12.4	19.9	10.5	-4.2	22.2
MSCI ACWI ex US[3]	11.6	14.1	10.1	-9.6	18.8

Capital Structure	
Ordinary Shares	436,519,755
Shares held in Treasury	21,873,084
4.18% Series A Senior Unsecured Note 2036	£30,000,000
3.25% Series B Senior Unsecured Note 2036	€30,000,000
2.93% Senior Unsecured Note 2037	€20,000,000
1.38% Senior Unsecured Note 2032	¥8,000,000,000
1.44% Senior Unsecured Note 2033	¥4,500,000,000
2.28% Senior Unsecured Note 2039	¥5,000,000,000
Gross Assets/Gearing	
Gross Assets	£1,311.5m
Debt at fair value (gross)	£145.8m
Gearing (net)[4]	9.1%

1 Source: Morningstar. All NAV figures are cum-fair values.
2 Source: Morningstar. Share price total return is on a mid-to-mid basis, with net income re-invested.
3 From 1st October 2023 the comparator benchmark was changed to the MSCI ACWI (£) Index. Prior to this, from 1st October 2013, the comparator benchmark was the MSCI ACWI ex US (£) Index.
4 Fair value of net debt divided by net assets at fair value.
5 Source: Factset
* AVI Global Trust financial year commences on the 1st October. All figures published before the fiscal results announcement are AVI estimates and subject to change.
** Shares owned by AVI Ltd & AVI Employees @ 31 August 2025
All return figures in GBP
All data is as of 31 August 2025 unless otherwise stated

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The share price can be found in The Financial Times.
ISIN: GB00BLH3CY60 Trading as: AGT:LN

Information may be found on the following websites:
www.aviglobal.co.uk
www.assetvalueinvestors.com