

January 2026

**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 January 2026, the fund returned +2.8%

[Read more below](#)

## D'leteren

D'leteren shares returned +25% in January following reports that Belron is exploring an IPO later this year.

[Read more below](#)

## Toyota Industries

During the month we added to the position in Toyota Industries to make it our largest position at a 7.1% weight.

[Read more below](#)

## THE FUND

Fund Launch Date

17/04/24

A GBP NAV per share

£102.68

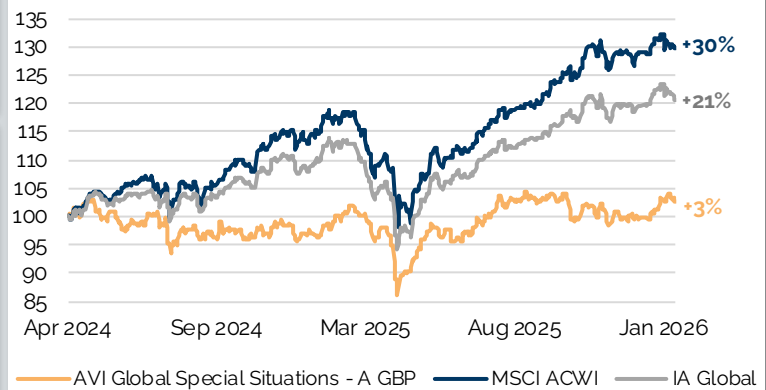
Cash

2.0%

## Net Performance (GBP)

Total Returns (%)	Month	3 Month	YTD	SI <sup>1</sup>
A GBP Share Class	2.8	0.8	2.8	2.7
MSCI ACWI	0.9	-0.4	0.9	29.7
IA Global	1.0	-0.3	1.0	20.8

## 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 31/01/2026. Returns may increase or decrease as a result of currency fluctuations. Source: Morningstar. Benchmark: MSCI® All Country World Net Total Return Index. The Fund is actively managed with reference to the MSCI® All Country World Net 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](http://www.theia.org). <sup>1</sup>Share Class Launch Date 17th April 2024.

## PORTFOLIO

## Top Ten Holdings

	% <sup>2</sup>
Toyota Industries	7.1
D'leteren	6.6
News Corp A	6.1
Exor	6.0
Mitsubishi Logistics	5.9
Jardine Matheson	5.9
Vivendi	4.7
Samsung C&T	4.5
Chrysalis Investments	3.5
Tokyo Gas	3.2
<b>TOTAL</b>	<b>53.5</b>
No of Holdings	36

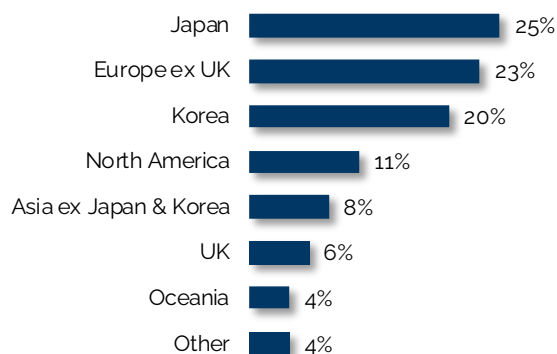
Contributors & Detractors (GBP)<sup>3</sup>

Largest Contributors	1M Contrib. bps	% <sup>2</sup>
D'leteren	141	6.6
Samsung C&T	74	4.5
Hyosung Corp	55	2.2
Mitsubishi Logistics	51	5.9
HD Hyundai	46	2.5

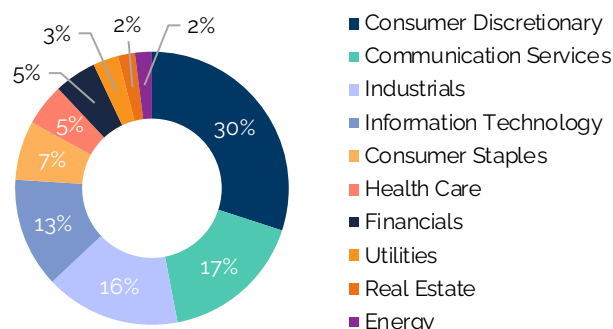
Largest Detractors	1M Contrib. bps	% <sup>2</sup>
Chrysalis Investments	-48	3.5
Christian Dior	-41	1.8
Entain	-36	1.4
Exor	-31	6.0
Gerresheimer	-16	1.0

<sup>2</sup>Shown as % of Net Asset Value. <sup>3</sup>Contributors and detractors from Factset

## PORTFOLIO (continued)

Look-through Geographic Exposure<sup>4</sup>

Figures may not total to 100 due to rounding.

Look-through Sector Exposure<sup>4</sup>Figures may not total to 100 due to rounding. <sup>4</sup>Shown as % of Portfolio

## PERFORMANCE SUMMARY

%	Share Class	NAV per share	Month	3 Month	YTD	SI <sup>1</sup>
GBP	A GBP	£102.68	2.8	0.8	2.8	2.7
	MSCI ACWI	-	0.9	-0.4	0.9	29.7
EUR	B EUR	€101.65	3.5	2.2	3.5	1.7
	MSCI ACWI	-	1.6	0.9	1.6	27.8
GBP	B GBP	£103.16	2.8	0.9	2.8	3.2
	MSCI ACWI	-	0.9	-0.4	0.9	29.7
USD	B USD	\$112.18	4.8	4.2	4.8	12.2
	MSCI ACWI	-	3.0	4.0	3.0	43.0
GBP	B1 GBP <sup>5</sup>	£103.27	2.8	0.9	2.8	3.3
	MSCI ACWI	-	0.9	-0.4	0.9	29.7

Past performance does not predict future returns. All performance is shown, net of fees and including net dividends as at 31/01/2026. Source: Morningstar. Benchmark: MSCI® All Country World Net Total Return Index. The Fund is actively managed with reference to the MSCI® All Country World Net 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. <sup>1</sup>Share Class Launch Date 17<sup>th</sup> April 2024. <sup>5</sup>Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

## MANAGER'S COMMENT

2026 has started off strongly, with the fund returning +2.8% in January vs 0.9% for the benchmark, the MSCI AC World Index (£).

D'leteren was the standout performer adding +141bps to NAV and we write about this below.

Other strong contributors included Samsung C&T (+74bps), Hyosung Corp (+55bps) and Mitsubishi Logistics (+51bps) – with share price returns of +26%, +33% and +10%, respectively.

At the other end, Chrysalis was a meaningful (-48bps) detractor, as the shares fell -6% on the last day of the month, following the publication of a disappointing NAV which revealed a further write-down at wefox (7% of NAV). We wrote last month about the proposed orderly realisation. With the shares trading at a 33% discount (36% ex-listed and cash), we see attractive returns from this discount unwinding.

In recent months, we have sought to improve the portfolio

balance and made a number of changes. Toyota Industries – which we discuss below – is now our largest position (7.1% weight), whilst we have meaningfully added to Jardine Matheson (5.9%) and Samsung C&T (4.5%).

To fund this, we have exited a number of smaller positions.

**D'leteren**

D'leteren shares returned +25% in January following reports that Belron (74% of NAV) is exploring an IPO later this year. We have long argued that a potential IPO of Belron should serve as the key catalyst for D'leteren's excessively wide discount to narrow and it is pleasing to see this start to come to fruition.

As we explained in a [recent newsletter](#), D'leteren had underperformed lately and investors seemed to be missing the wood from the trees in a focus on short-term and backward-looking issues.

## MANAGER'S COMMENT (continued)

The Belron IPO news appears to have provided a rude awakening and a quick revaluation of the situation.

As things stand D'leteren trades at a 40% discount to our estimated NAV (with Belron's carrying value pegged in-line with the 2024 minority shareholder transaction). The current valuation can be sliced in various ways but at current prices – taking the other assets at NAV – one is implicitly paying ~12x 2026 EV/EBIT for Belron whilst business services peers in the US trade >20x.

We added to the position in the Autumn – with the CFO also buying in the market and the company initiating a new buyback program. The shares have sharply re-rated, but we continue to see meaningful upside: the combination of attractive assets, a still wide discount, and a potential catalyst bode well for future returns.

### Toyota Industries

During the month, we added to the position in Toyota Industries to make it our largest position at a 7.1% weight.

As readers may remember, in the [June 2025 newsletter](#) we wrote that Akio Toyoda – through Toyota Fudosan – had made a 16,300 Yen per share offer to take Toyota Industries private “that severely undervalues Toyota Industries... suffice to say we do not believe this is a good or fair outcome for minority shareholders”. We publicly voiced and advanced this argument as a co-signatory to a public letter to the Toyota Industries board from the Asian Corporate Governance Association.

In recent weeks, we have been re-adding to the position as the likelihood of a higher offer has increased.

Today the shares change hands at 19,755 Yen per share, following pressure from the activist Elliott Management (who now owns a 6.7% stake) and with Toyota Fudosan having raised the offer price to 18,800 Yen per share. As with the original offer, there is little economic support for the begrudging +15% increase in the offer price, with Toyota Industries' listed securities portfolio up c.40% since the first offer.

As we assess the probabilities today, they appear quite asymmetric. Whilst they protest otherwise, having conceded the principle of raising the offer price, there is ample room for Toyota Fudosan to raise their offer closer to fair value (with book value ~21,000 Yen per share and our estimate of fair value ~26,000).

In a scenario where this doesn't occur, the downside to the revised offer is modest. There are of course left tail scenarios where a deal falls away entirely, but we believe Toyoda Fudosan are highly motivated to reach the required threshold after nearly a year of deal preparation. All told we expect that quite a few twists and turns are yet to come – but see further downside protection in the underlying asset quality and other standalone steps to unlock shareholder value – namely the unwinding of cross shareholdings.

More broadly, we view this an important test case for Japanese corporate governance reform – with ramifications well beyond the Toyota Group companies.

## RISK &amp; 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.

## FUND DETAILS

## AVI Global Special Situations Fund

Fund Launch Date	17 <sup>th</sup> April 2024
Base Currency	USD
Net Assets Value	USD41.9m / GBP30.5m
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*	<a href="mailto:info@assetvalueinvestors.com">info@assetvalueinvestors.com</a>

\*Also available on all major platforms.

## Share Classes

Share Class	OCF <sup>6</sup> (%)	ISIN	Ticker
A (GBP)	1.0	IE000JIDJD84	AVIGLSA ID
B (EUR)	0.8	IE0005EAPTK6	AVIGLSB ID
B (GBP)	0.8	IE0008Q72UI9	AVIGLBG ID
B (USD)	0.8	IE000DG5O9L7	AVIGLBU ID
B1 (GBP) <sup>5</sup>	0.65	IE000U617EI1	AVIGLB1 ID

Benchmark: MSCI® All Country World Net Total Return Index

<sup>5</sup>Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

<sup>6</sup>Ongoing Charges Figure

## Investment Manager – Joe Bauernfreund

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The share price can be found in [AGSS - Asset Value Investors](#)

Further information may be found on [www.assetvalueinvestors.com](http://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 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. Past performance is not an indicator of future results, and you may not get back the original amount invested.

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