

May 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 May, the fund returned +2.6%

[Read more below](#)

Samsung CT & Korea

During the month we spent considerable time in Korea meeting companies and other investors, and we return with conviction that the opportunity is as compelling as it has been.

[Read more below](#)

Vivendi

We provide a further update on our investment in Vivendi.

[Read more below](#)

THE FUND

Fund Launch Date

17/04/24

A GBP NAV per share

£105.17

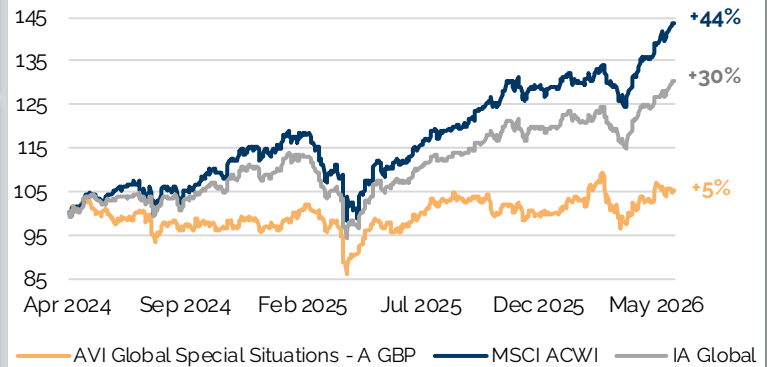
Cash

5.6%

Net Performance (GBP)

Total Returns (%)	Month	3 Month	YTD	SI ¹
A GBP Share Class	2.6	-3.7	5.2	5.2
MSCI ACWI	6.0	7.3	11.9	43.9
IA Global	5.0	4.7	9.1	30.4

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 31/05/2026. 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. ¹Share Class Launch Date 17th April 2024.

PORTFOLIO

Top Ten Holdings

	% ²
Exor	6.8
Mitsubishi Logistics	6.6
D'leteren	6.0
Jardine Matheson	5.9
Samsung C&T	5.0
News Corp A	5.0
Vivendi	4.9
Gabia	2.9
Chrysalis Investments	2.8
HD Hyundai	2.8
TOTAL	48.7
No. of Holdings	38

Contributors & Detractors (GBP)³

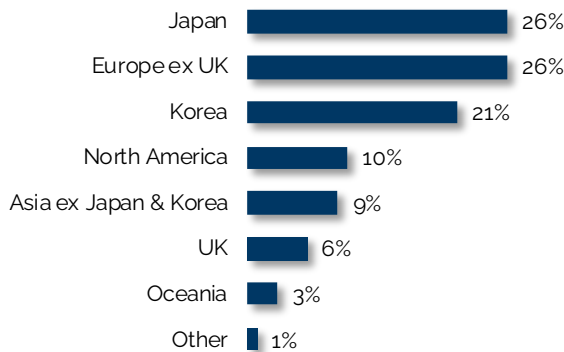
Largest Contributors	1M Contrib. bps	% ²
Samsung C&T	188	5.0
Vivendi	78	4.9
Kyocera Corp	56	2.6
Mitsubishi Logistics	42	6.6
Frasers Group	32	2.1

Largest Detractors	1M Contrib. bps	% ²
Amorepacific Holdings	-52	2.1
HD Hyundai	-38	2.8
Chrysalis Investments	-30	2.8
Youngone Holdings	-26	2.3
Daou Technology	-23	1.3

²Shown as % of Net Asset Value. ³Contributors and detractors from Factset

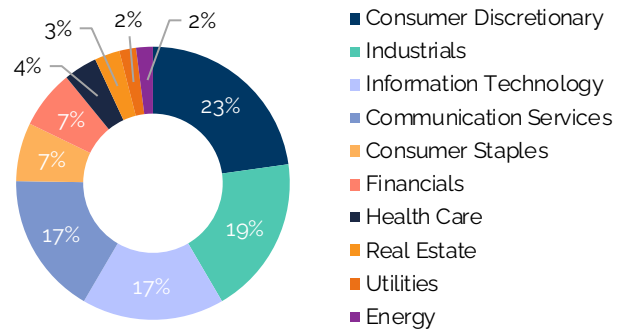
PORTFOLIO (continued)

Look-through Geographic Exposure⁴



Figures may not total to 100 due to rounding.

Look-through Sector Exposure⁴



Figures may not total to 100 due to rounding. ⁴Shown as % of Portfolio

PERFORMANCE SUMMARY

%	Share Class	NAV per share	Month	3 Month	YTD	SI ¹
GBP	A GBP	£105.17	2.6	-3.7	5.2	5.2
	MSCI ACWI	-	6.0	7.3	11.9	43.9
EUR	B EUR	€104.33	2.3	-2.2	6.2	4.3
	MSCI ACWI	-	5.7	8.8	12.9	41.9
GBP	B GBP	£105.73	2.6	-3.6	5.3	5.7
	MSCI ACWI	-	6.0	7.3	11.9	43.9
USD	B USD	\$112.94	1.7	-3.4	5.6	12.9
	MSCI ACWI	-	5.2	7.5	12.1	55.7
GBP	B1 GBP ⁵	£105.90	2.6	-3.6	5.4	5.9
	MSCI ACWI	-	6.0	7.3	11.9	43.9

Past performance does not predict future returns. All performance is shown, net of fees and including net dividends as at 31/05/2026. 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. ¹Share Class Launch Date 17th April 2024. ⁵Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

MANAGER'S COMMENT

AVI Global Special Situations ("AGSS") NAV increased by +2.6% in May.

Samsung C&T was the standout performer, adding +188bps to NAV with a share price return of +45%. Vivendi (+78bps) and Kyocera (+56bps) also contributed strongly.

At the other end of the ledger, Amorepacific was the largest detractor, shaving off -52bps followed by Hyosung Corp which – suffering the newsletter curse – detracted (-38bps) from returns. Chrysalis (-30bps) also detracted.

Korea

We introduced the position in Samsung C&T in the [December 2025 newsletter](#). Since then, the shares have risen +81%, as a +72%

increase in the NAV has been complemented by a narrowing of the discount to 55% from 57%.

In May alone the stock rose +45%, adding +188bps to AGSS' NAV. As we will come onto, it is interesting and notable that our other Korean holdings did not register positive returns over the month.

Central to this, has been Samsung Electronics ("SEC") which accounts for 61% of Samsung C&Ts NA and returned +42% over the month.

The semiconductor industry has historically been a deeply cyclical one. The vicissitudes and resulting mergers and bankruptcies have taken the world from c.30 DRAM players to just three today: Samsung Electronics, SK Hynix and Micron.

MANAGER'S COMMENT (continued)

Against this constrained supply the advent of AI has sent demand parabolic, with a memory super-cycle driven by accelerating High Bandwidth Memory ("HBM") demand, pushing memory prices higher. One metric which illustrates the immense magnitude of this earnings inflection is the upward revision to Samsung's 2026 consensus EBIT, where the sell-side had initially been modelling c. +137% YoY growth at the start of 2026, with expectations since revised up c.+700% YoY. In \$ terms, expectations for EBIT in 2026 have gone from \$72bn to \$230bn – and that's even after recent labour negotiations that resulted in an average \$400k profit bonus per employee.

The market is increasingly convinced that this memory upcycle may prove more durable than previous ones. Supply-demand analysis points to persistent DRAM and NAND undersupply extending through at least 2028. This leverage has in turn led to binding long-term agreements ("LTAs") across the sector, where rather than just being volume-based, contracts have embedded fixed price protections, enhancing earnings visibility, reducing cyclicity and improving through cycle returns on capital. In turn investors are debating whether these developments warrant such companies to be valued on an earnings basis – as opposed to a price to book basis. At c.6x 2026e PE there is certainly room for SEC to continue to re-rate, particularly as investors appreciate the advancements the company has made in HBM.

That said, we do not believe the leopard can entirely change its spots. The industry remains cyclical and prone to great booms and busts and even with improved LTA contracts the current super cycle will at some point turn. Calling when this will be is of course the billion (trillion!?) dollar question and one the many market participants are trying to figure out.

Turning to Samsung C&T itself, the persistently wide 55% discount at which the shares trade reflects management's inaction over the discount and a historically unambitious approach to capital allocation. We continue to believe that the company can do more to replicate the success of peers in closing their discounts, and this remains a core focus of our ongoing engagement with management.

In terms of the wider Korean opportunity set, over the month the KOSPI achieved a new all-time high of 8,000, returning +29%. However, this headline price performance increasingly tells the story of SEC and SK Hynix. The two memory companies now account for c.53% of the index and have driven the bulk of this year's gains. Strip them out and the rest of the market delivered only modest single-digit returns in May. Similar patterns are observed in our recent Korea performance, and really this serves as an allegory for the wider market.

The broader Korean market remains deeply undervalued, with two thirds of all KOSPI constituents still trading below book value, far higher than in markets such as Japan, Europe or the US. The Korea discount has not yet been eliminated so much as masked by the memory cycle.

Unlocking the next leg of performance will require the government and regulator to push further on the Value-Up agenda, from more

prescriptive capital allocation and governance disclosures to enforcement of the new anti-stock price suppression framework and mandatory tender-offer rules – which together could catalyse a broader re-rating of the many high-quality Korean businesses that remain chronically overlooked by global investors.

During the month we spent considerable time in Korea meeting companies and other investors, and we return with conviction that the opportunity is as compelling as it has been at any point in our time following this market.

Vivendi

We last wrote about Vivendi in the [March newsletter](#), yet it warrants a quick update. Since then, the stock is up +32%, as a +19% increase in the NAV has been buoyed by a narrowing of the discount to 43% from 49% (a return of +11%).

As we wrote at the time, in April UMG (86% of NAV) was subject to a proposed transaction from Pershing Square ("PS") at an ostensible +78% premium, by way of a proposed merger with Pershing Square SPARC Holdings, a blank cheque acquisition company. In May it was announced that Bolloré – and in-turn the UMG board – have rejected this proposal. With that said, we do believe the PS offer highlights UMG's deep undervaluation -their public presentation articulated the reasons for this well and provided sensible remedies too. Whilst the transaction itself has been rejected, UMG management appear to be heeding some of the advice, announcing plans to monetise half its stake in Spotify, having doubled the buyback from €500m to €1bn, and making some improvements to financial disclosure. The board's statement rejecting the PS offer highlighted that adjusted EBITDA had grown nearly +70% since IPO. The share price however is some -14% from where it closed on the day of the IPO. We believe the onus is on management – and Bolloré – to prove they can unlock shareholder value. Post month-end this feels particularly acute with the news that PS have exited their position in UMG entirely in an accelerated book build, with UMG buying back €250m of stock. We believe their sale speaks to the level of deep frustration at the status quo – which we share.

Turning to Vivendi, the discount contracted 500bps to 43% in the last two weeks of May. The proximate cause relates to an ongoing legal battle pertaining as to whether Vincent Bolloré held de-facto control of Vivendi at the time of the 2024 split, and as such whether he should be obligated to make a mandatory offer for the company (which we have discussed [here](#) and [here](#)). We expect an outcome from the trial in early July this year, but court reports suggest important new evidence has come to light and the Advocate General has [reportedly](#) argued in favour of the notion of Bolloré being in control. The market has started to price some possibility of a more favourable outcome for Vivendi minorities. We expect there to be many twists and turns – and potentially appeals yet – but we believe at a 43% discount, investors are placing a fairly low probability on a mandatory fair value take private offer.

The combination of the still wide discount and the significant potential upside from UMG provide the ingredients for attractive returns from here.

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.

¹For 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 th April 2024
Base Currency	USD
Net Assets Value	USD44.5m / GBP33m
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 ⁶ (%)	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) ⁵	0.65	IE000U617E11	AVIGLB1 ID

Benchmark: MSCI® All Country World Net Total Return Index

⁵Performance fee share class - 0.40% management fee + 10% outperformance of benchmark

⁶Ongoing Charges Figure - figure shown reflects maximum charge. The actual OCF may be lower and may fluctuate over time. See KIID for details

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"), 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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