AVI GLOBAL SPECIAL SITUATIONS

AVI Asset Value Investors

AGSS

This is a marketing communication.
Please refer to the Prospectus and the Key Investor Information Document (KIID).

August 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 August, the fund returned +4.4%.

Read more below

Current Environment

The current environment is throwing up a lot of ideas in a variety of different markets.

Read more below

Mitsui O.S.K Lines

We discuss a new position in Mitsui O.S.K Lines – shares in which rose +18% in August

Read more below

THE FUND

Fund Launch Date

17/04/24

A GBP NAV per share

£109.87

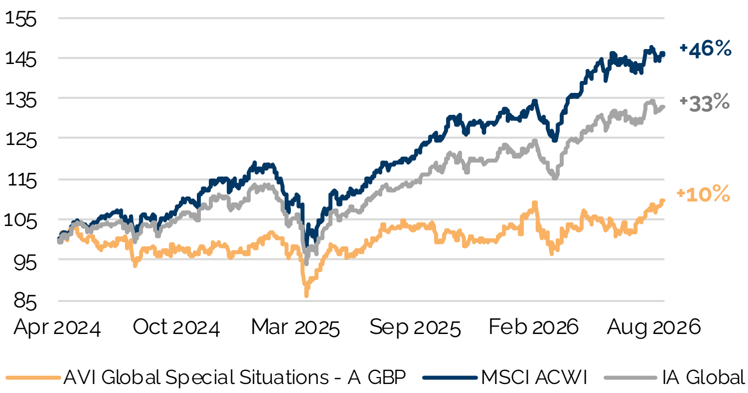
Cash

4.0%

Net Performance (GBP)

Total Returns (%)	Month	3 Month	YTD	SI[1]
A GBP Share Class	4.4	4.5	9.9	9.9
MSCI ACWI	1.9	1.3	13.4	45.8
IA Global	2.1	1.8	11.0	32.8

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 31/08/2026. 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 IA and its sectors, visit www.theia.org. [1]Share Class Launch Date 17th April 2024.

PORTFOLIO

Top Ten Holdings

	%[2]
Exor	5.7
Samsung C&T	5.5
D'Ieteren	5.5
Mitsubishi Logistics	5.4
Jardine Matheson	4.6
News Corp A	4.2
Rohm	4.0
Vivendi	3.6
Hyosung Corp	3.3
Mitsui OSK Lines	3.3
TOTAL	**45.1**
No. of Holdings	41

Contributors & Detractors (GBP)[3]

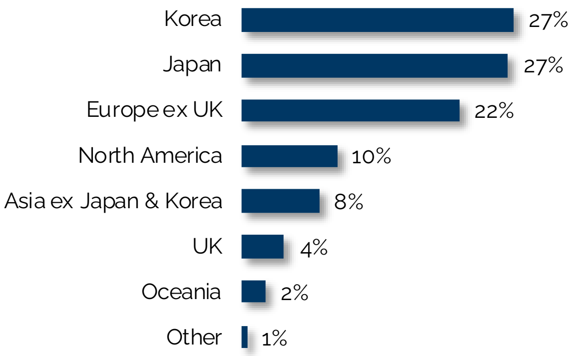
Largest Contributors	1M Contrib. bps	%[2]
Samsung C&T	74	5.5
Mitsui OSK Lines	53	3.3
Aker	49	2.3
Rohm	46	4.0
News Corp A	42	4.2

Largest Detractors	1M Contrib. bps	%[2]
Jardine Matheson	-59	4.6
Mitsubishi Logistics	-35	5.4
Christian Dior	-22	3.1
Youngone Holdings	-19	1.9
Nelnet	-9	0.9

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

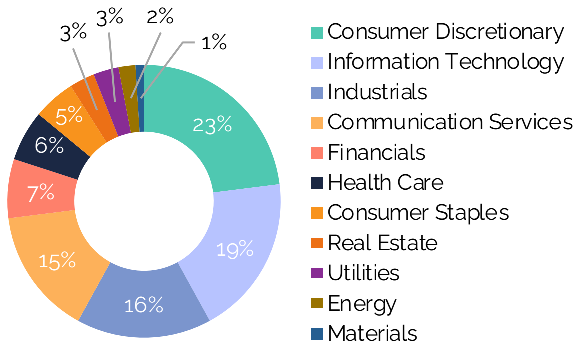
PORTFOLIO (continued)

Look-through Geographic Exposure[4]



Figures may not total to 100 due to rounding.

Look-through Sector Exposure[4]



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

PERFORMANCE SUMMARY

%	Share Class	NAV per share	Month	3 Month	YTD	SI[1]
GBP	A GBP	£109.87	4.4	4.5	9.9	9.9
	MSCI ACWI	-	1.9	1.3	13.4	45.8
EUR	B EUR	€110.28	4.3	5.7	12.3	10.3
	MSCI ACWI	-	1.7	2.4	15.6	45.3
GBP	B GBP	£110.51	4.4	4.5	10.1	10.5
	MSCI ACWI	-	1.9	1.3	13.4	45.8
USD	B USD	$118.88	5.3	5.3	11.1	18.9
	MSCI ACWI	-	2.7	1.9	14.3	58.7
GBP	B1 GBP[5]	£110.73	4.4	4.6	10.2	10.7
	MSCI ACWI	-	1.9	1.3	13.4	45.8

Past performance does not predict future returns. All performance is shown, net of fees and including net dividends as at 31/08/2026 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. [1]Share Class Launch Date 17th April 2024. [5]Performance fee share class - 0.40% management fee + 10% outperformance of benchmark.

MANAGER'S COMMENT

AVI Global Special Situations ("AGSS") NAV increased by +4.4% in August 2026, compared to a +1.9% rise in our comparator benchmark, the MSCI ACWI (£).

Samsung C&T was the top contributor (+74bps) as strong share price performance (+15%) was boosted by an appreciation of the Won against Sterling (+4.3%) Other strong contributors included Mitsui O.S.K Lines (+53bps), Aker (+49bps) and Rohm (+46bps).

In terms of detractors the most notable one was Jardine Matheson (-59bps). The shares have now de-rated substantially from a mid-20s discount earlier in the year to 41% currently. We have been adding to the position and believe one seller in particular has been weighing on the price. Mitsubishi Logistics (-35bps) and Christian Dior (-22bps) were the other detractors.

As noted in previous newsletters the current environment is throwing up a lot of ideas in a variety of different markets. In Korea we have been adding to new and existing names such that at the time of writing we now have 16 Korean holdings; and we are increasingly enamoured about the opportunities for bottom-up engagement-focused investors in the mid-and-lower market cap part of the Korean market.

Elsewhere in recent months we have established new positions in Mitsui O.S.K Lines ("MOL") – the Japanese shipping company and Bio-Rad Labs, the US life sciences tools & diagnostics business that owns a listed stake in Sartorius AG. Both have performed well over relatively short holding periods. We write about Mitsui O.S.K below and will discuss Bio-Rad in a future newsletter.

Mitsui O.S.K Lines

Formed in 1964, MOL is one of Japan's "big three" shipping companies alongside Nippon Yusen (NYK) and Kawasaki Kisen (K-Line).

MANAGER'S COMMENT (continued)

Today the group provides global marine transportation, storage, and integrated logistics across dry bulk, tankers, LNG/LPG carriers, car carriers, and offshore/energy-related vessels. MOL owns one of the world's largest overall shipping fleets, operating over 500 vessels directly across these segments. As well as this, MOL also owns a 31% stake in Ocean Network Express (ONE), the container-shipping joint venture formed in 2017 with NYK and K-Line, which operates roughly 200 additional container ships and ranks among the world's top container carriers.

Shipping is notoriously cyclical and capital intensive with long asset life cycles. As such – with earnings prone to wild swings – investors often value such companies on book values. AVI's *raison d'être* is to find assets where, for one reason or another, the value and quality has been obfuscated. In the case of MOL we believe this to be quite literal and the investment thesis rests on the persistent gap between MOL's book value and the fair value of its underlying assets.

The company's fleet of over 500 vessels sits on the balance sheet in Yen at historic cost, but Yen weakness combined with a buoyant second-hand ship market means the fleet is now estimated to be worth 2-3x book. Because ships are typically USD-denominated assets financed and depreciated in Yen, a decade of currency depreciation plus post-Covid write-downs has left accounting values far divorced from replacement or resale value. Second-hand vessel prices, especially for LNG carriers, VLCCs and capesize bulkers, remain well above pre-Covid levels amid tight shipbuilding capacity, reinforcing the scale of unrecognised latent gains sitting on MOL's balance sheet.

As well as this, there is also significant value in the form of Daibiru, MOL's real estate arm – a company we know well having launched an activist campaign in 2021 entitled [Stop Exploiting Daibiru]. At cost, this stake accounted for approximately a quarter of MOL's market cap when we started building the position, however we believe this understates the true potential value. Daibiru currently generates returns of only around 1.3% on its property portfolio, well below what could be achieved were the portfolio housed in a REIT structure. We believe relisting it today, amid favourable real-estate valuations, could realise a multiple of that purchase price. Together, the fleet and Daibiru mean MOL's true net asset value has been heavily discounted by the market: even with a reported price-to-book ratio of around 0.8x at the time of position initiation, the price-to-NAV was closer to 0.5x.

Three forces have converged which we believe will narrow this gap and which led us to build the position. First, a public activist disclosed a stake in March 2026, and has pushed management toward greater capital discipline, including consideration of a sale-and-leaseback structure that would crystallise the fleet's fair value into a listed vehicle, and a potential Daibiru relisting. Second, MOL's own "Blue Action 2035" long-term plan entered its second phase on 31 March 2026, shifting emphasis from "transformation and expansion" toward "value realisation", with a raised ROE target of over 10%, a roughly 40% total payout ratio (progressive dividends plus flexible buybacks), and around JPY230bn earmarked specifically for future shareholder returns from real estate liquidation. Third, governance reforms, such as increased equity-based executive compensation with clawbacks, willingness to exit sub-hurdle businesses, and closer monitoring of segment-level ROE and cash flow all signal a shift toward shareholder-friendly capital allocation.
Latterly the company is also experiencing an upswing in the operating environment. In August in particular we have seen a rally in container spot rates, driven by severe port congestion (c.11% of the global container fleet tied up in queues, the worst since 2022), continued Red Sea/Hormuz rerouting, and tariff-driven frontloading of US-bound cargo. Continued strength in dry bulk and tankers added further support, with MOL's growing Very Large Cargo Carriers (VLCCs) and LPG fleet a particular beneficiary.

The underlying driver is the effective closure of the Strait of Hormuz, which Iran has largely blocked since February 2026 following US and Israeli military strikes, at one point stranding around 20,000 mariners and 2,000 vessels. As of early September, the strait remains, in effect, shut to routine commercial transit, with only around five to six vessels a day passing through versus a normal baseline of roughly 85 pre-crisis flow.

This matters for MOL because when a major shipping route shuts down, vessels have to take longer, more expensive detours, which sharply reduces the effective global supply of ships available and pushes up the price that companies charge to move cargo (freight rates). This has fed directly into estimate upgrades well ahead of what management had budgeted, with MOL's original FY2026 guidance assuming Hormuz normalisation by July, meaning the company continues to capture windfall economics into September. We note that FY3/27 net income estimates for MOL have been revised up some +35% YTD as a result.

Following August's rally, the discount to our estimated NAV has narrowed from c.-50% to c.-39% and we have taken some small profits in the name following month-end. Nonetheless, we continue to see further upside for MOL over the medium term, as we expect MOL's LNG fleet to become a materially larger earnings contributor over time. This, together with a targeted 40% payout ratio, buyback flexibility, and c. JPY230bn of planned real estate and asset recycling proceeds over the next five years, underpins our conviction that MOL can continue re-rating from its undemanding 0.8x reported book value today.

Asset Value Investors

In early August it was announced that AGSS's investment manager – Asset Value Investors ("AVI") – is to be acquired by Pacific Asset Management ("Pacific"), the London-based multi-boutique asset manager and part of the Pinnacle Investment Management group, subject to certain conditions including regulatory approval. The transaction represents the next stage in AVI's development, providing the business with an enhanced platform from which to grow while preserving the core elements of the firm.

AVI will continue to operate under its own brand as an independent investment boutique, with no changes to its investment teams, philosophy, decision-making or the management of its investment trusts and funds.

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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 Risks

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	17th April 2024
Base Currency	USD
Net Asset Value	USD49.9m / GBP36.7m
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	IE000U617EI1	AVIGLB1 ID

Benchmark: MSCI® All Country World Net Total Return Index

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

[6] Ongoing 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

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The share price can be found in *AGSS - Asset Value Investors*

Further information may be found on www.assetvalueinvestors.com