AVI GLOBAL TRUST

AVI
Asset Value Investors

AGT

August 2026

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 +4.0% in August 2026.

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 TRUST

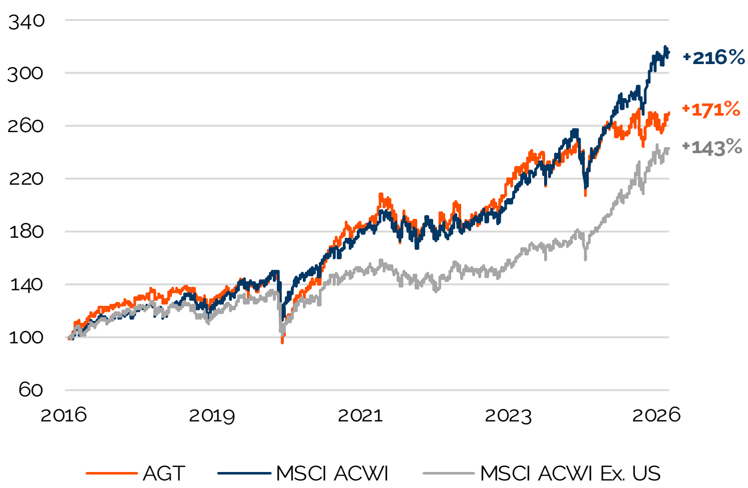
Share Price (pence)	NAV p/s (pence)	Prem./(Disc.)
265.5	288.5	(8.0)%

Net Performance (GBP)

Total Returns (%)	Month	1Y	5Y	10Y
NAV p/s[1]	4.0	4.3	45.7	170.8
MSCI ACWI[2]	1.9	21.9	70.2	215.8
MSCI ACWI ex US[2]	1.8	26.9	58.8	142.6

All performance shown net of fees in GBP Total Return as at 31/08/2026
[1]Net Asset Value cum-fair. [2]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.
Source: Morningstar, S&P Capital IQ

NAV Total Return over 10 years (GBP)



Source: Morningstar, S&P Capital IQ as at 31/08/2026

PORTFOLIO

Top Ten Holdings

	%[3]
D'Ieteren	6.9
Samsung C&T	6.2
Mitsubishi Logistics	5.9
News Corp A	5.3
Harbourvest Global PE	5.3
Chrysalis Investments	5.1
Jardine Matheson	5.0
Exor	4.7
Vivendi	4.2
Mitsui OSK Lines	3.9
TOTAL	**52.5**
No. of Holdings	39

Contributors/Detractors (GBP)[4]

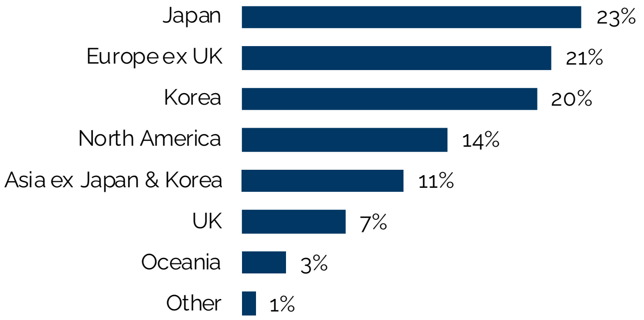
Largest Contributors	1M Contrib. bps	%[3]
Samsung C&T	81	6.2
Mitsui OSK Lines	60	3.9
News Corp A	53	5.3
Rohm	40	3.8
Bio-Rad Laboratories	36	2.3

Largest Detractors	1M Contrib. bps	%[3]
Jardine Matheson	-64	5.0
Mitsubishi Logistics	-38	5.9
Symphony	-24	1.9
Youngone Holdings	-13	1.4
Christian Dior	-12	1.7

[3]All Figures shown as % of Net Asset Value
[4]Contributors and detractors from Factset

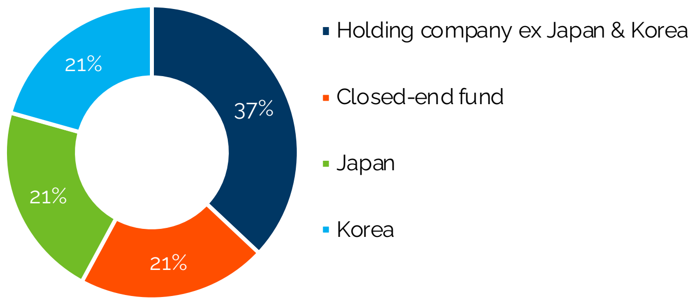
PORTFOLIO (continued)

Look-through Geographic Exposure[5]



Figures may not total to 100 due to rounding.

Portfolio Exposure[5]



Figures may not total to 100 due to rounding. [5]Shown as % of Portfolio

MANAGER'S COMMENT

AVI Global Trust's (AGT) NAV increased by +4.0% in August.

Samsung C&T was the top contributor (+81bps) as strong share price performance (+14%) was boosted by an appreciation of the Won against Sterling (+4.3%) Other strong contributors included Mitsui O.S.K Lines (+60bps), News Corp (+53bps) and Rohm (+40bps).

In terms of detractors the most notable one was Jardine Matheson (-64bps). 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 (-38bps) and Symphony International (-24bps) 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 15 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). 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,

MANAGER'S COMMENT (continued)

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 AGT'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.

AVI GLOBAL TRUST

Asset Value Investors

STATISTICS

Performance Summary (GBP)

Total Returns (%)	1M	1Y	3Y	5Y	10Y
Share Price[6]	4.7	3.1	41.8	48.4	184.6
NAV p/s[1]	4.0	4.3	36.5	45.7	170.8
MSCI ACWI[2]	1.9	21.9	63.4	70.2	215.8
MSCI ACWI ex US[2]	1.8	26.9	62.4	58.8	142.6
FY Total Returns (%)[7]	**YTD**	**2025**	**2024**	**2023**	**2022**
Share Price[6]	3.1	15.3	16.3	14.7	-10.8
NAV p/s[1]	4.4	12.4	13.7	15.3	-7.3
MSCI ACWI[2]	17.2	16.8	19.9	10.5	-4.2
MSCI ACWI ex US[2]	22.1	16.0	14.1	10.1	-9.6

All performance shown net of fees in GBP Total Return and as at 31/08/2026
[1] Net Asset Value cum-fair
[2] 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.
[6] Share price total return is on a mid-to-mid basis, with net income re-invested
[7] Financial Year End 30th September
Source: Morningstar, S&P Capital IQ

Trust Details

Capital Structure	
Ordinary Shares	416,509,755
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	£1,268.6m
Debt at fair value (gross)	£129.9m
Gearing (net)[8]	0.1%
Fund Facts	
Launch Date	1-Jul-1889
Base Currency	GBP
NAV at Fair	£1,138.6m
Investment Manager	Asset Value Investors Limited
Value Owned by AVI[9]	£6,346,962
Registrar	Equiniti Limited
Management Fee	0.7% up to £1bn of assets, 0.6% > £1bn
Ticker Code	AGT.LN

[8] Fair value of net debt divided by net assets at fair value
[9] Value owned by AVI Ltd & AVI Ltd employees as at 31/08/2026

Investment Manager – Joe Bauernfreund

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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