



# Annual Report 2025

AVI Global Trust plc (AGT or the Company) was established in 1889. The Company's investment objective is to achieve capital growth through a focused portfolio of investments, particularly in companies whose shares stand at a discount to estimated underlying net asset value.

Net assets:

**£1.1 billion\***

(2024: £1.1bn)

Launch date:

**1 July 1889**

Annualised NAV total return since 1985†:

**11.6%\*\***

(2024: 11.6%)

Ongoing Charges Ratio†:

**0.85%\*\*\***

(2024: 0.87%)

## Awards



AIC Shareholder Communication Awards 2024 • Winner

Best Report and Accounts (Generalist)



Citywire Investment Trust Awards 2023 • Winner  
Global Equities



Investment Week Investment Company of the Year Awards 2023 • Winner  
Global

## Retail Investors Advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) in the UK to ordinary retail investors in accordance with the Financial Conduct Authority rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the Financial Conduct Authority's restrictions which apply to non-mainstream investment products because they are shares in an authorised investment trust. The Company is an Alternative Investment Fund (AIF) under the European Union's Alternative Investment Fund Managers' Directive (AIFMD). Its Alternative Investment Fund Manager (AIFM) is Asset Value Investors Limited (AVI, or the Investment Manager). Further disclosures required under the AIFMD can be found on the Company's website: [www.aviglobal.co.uk](http://www.aviglobal.co.uk).

## ISAs and SIPPs

The Company's shares are eligible for Stocks & Shares ISAs and Self-Invested Personal Pensions.

\* As at 30 September 2025.

\*\* Source: Morningstar, performance period 30 June 1985 to 30 September 2025, total return net of fees, GBP. The current approach to investment was adopted in 1985.

\*\*\* As at 30 September 2025, includes: management fee, marketing and administration costs.

† For all Alternative Performance Measures and other definitions refer to the Glossary on pages 110 to 114.



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We maintain a corporate website containing a wide range of information of interest to investors and stakeholders:

[www.aviglobal.co.uk](http://www.aviglobal.co.uk)



@AVIGlobalTrust



AVIGlobalTrust



AVIGlobalTrust



@AVIglobaltrust



# Financial Highlights

## PERFORMANCE SUMMARY

- Net asset value (NAV) per share total return was +12.4%
- Share price total return of +15.4%
- Final ordinary dividend of 3.00p, and total dividend increased to 4.50p

	30 September 2025	30 September 2024
<b>Net asset value per share (total return) for the year<sup>†</sup></b>	<b>+12.4%</b>	<b>+13.7%</b>
<b>Share price total return for the year<sup>†</sup></b>	<b>+15.4%</b>	<b>+16.3%</b>
<b>Comparator Benchmark</b> MSCI All Country World Index (£ adjusted total return)	<b>+16.8%</b>	<b>+19.9%</b>
<b>Discount<sup>†</sup></b> Share price discount (difference between share price and net asset value) <sup>2†</sup> Share price discount: High Low	 <b>6.7%</b>  <b>11.1%</b> <b>6.2%</b>	 <b>9.0%</b>  <b>12.3%</b> <b>6.3%</b>
	Year to 30 September 2025	Year to 30 September 2024
<b>Earnings and Dividends</b>		
Investment income	£35.44m	£29.76m
Revenue earnings per share <sup>†</sup>	5.07p	4.20p
Capital earnings per share <sup>†</sup>	22.93p	27.45p
Total earnings per share	28.00p	31.65p
Ordinary dividends per share	4.50p	3.75p
<b>Ongoing Charges Ratio<sup>†</sup></b> Management, marketing and other expenses (as a percentage of average shareholders' funds)	<b>0.85%</b>	<b>0.87%</b>
<b>2025 Year's Highs/Lows</b>	<b>High</b>	<b>Low</b>
Net asset value per share	281.2p	223.1p
Net asset value per share (debt at fair value) <sup>†</sup>	284.8p	226.1p
Share price <sup>†</sup> (mid market)	265.5p	202.0p

## Buybacks

During the year, the Company purchased and cancelled 28,650,000 Ordinary Shares, representing 5.9% of the issued capital as at the start of the year (2024: 20,112,011 purchased).

## <sup>†</sup> Alternative Performance Measures

For all Alternative Performance Measures included in this Strategic Report, please see definitions in the Glossary on pages 110 to 114.

- 1 As per guidelines issued by the AIC, performance is calculated using net asset values per share inclusive of accrued income and debt marked to fair value.
- 2 As per guidelines issued by the AIC, the discount is calculated using the net asset value per share inclusive of accrued income and debt marked to fair value.



# Financial Highlights continued

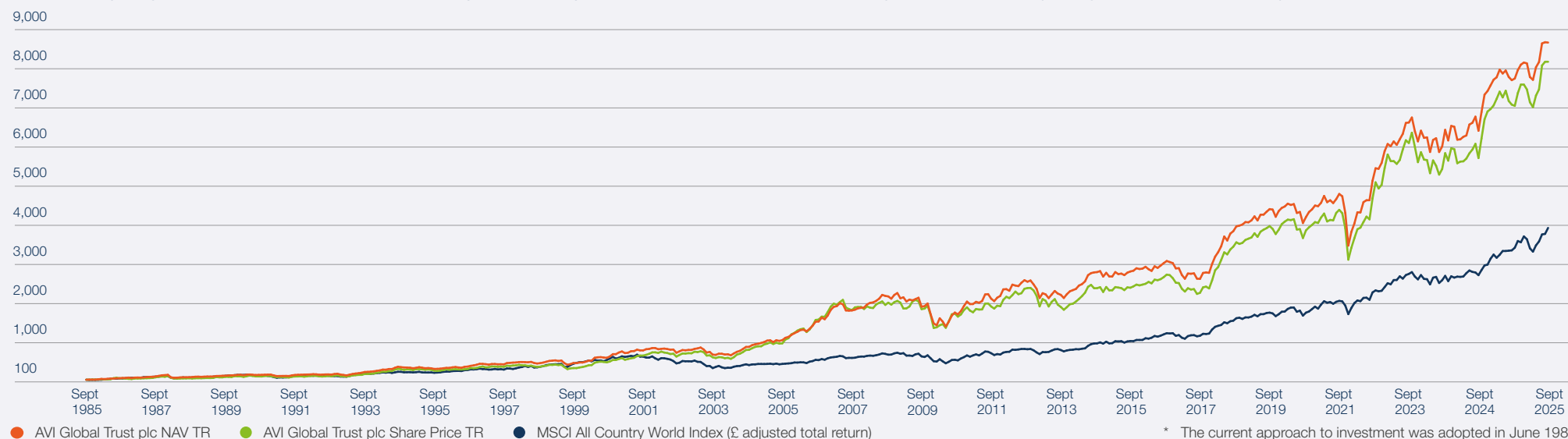
## Historical record

Year ended 30 September	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenue profit for the year £'000	21,767	18,942	20,041	16,302	14,289	10,134	21,169	16,933	12,603	18,747
Revenue earnings per share (p) <sup>†</sup>	5.07	4.20	4.19	3.24	2.74	1.87	3.82	2.97	2.09	2.86
Ordinary dividends per share (p) <sup>†</sup>	4.50	3.75	3.50	3.30	3.30	3.30	3.30	2.60	2.40	2.34
Special dividend per share (p) <sup>†</sup>	–	–	0.20	–	–	–	–	–	–	0.56
Net assets £'000	1,145,692	1,112,725	1,031,018	969,508	1,133,222	883,605	938,941	941,680	903,229	843,973
Basic net asset value per share (p) <sup>†*</sup>	277.13	251.71	223.08	197.27	221.95	167.43	170.52	168.39	155.52	134.10

<sup>†</sup> The figures where appropriate have been restated for the share split, which took effect on 17 January 2022, when each existing 10p share was replaced by five new 2p shares, in order to be comparable on a like-for-like basis.

\* Debt at par value.

## The Company's net asset value and share price compared to the MSCI All Country World Index (£ adjusted total return)\*



\* The current approach to investment was adopted in June 1985.



# Finding Compelling Opportunities

## OUR PURPOSE

The Company is an investment trust. Its investment objective is to achieve capital growth through a focused portfolio of mainly listed investments, particularly in companies whose shares stand at a discount to estimated underlying net asset value.

## OUR CORE VALUES

### Unique

A unique portfolio investing in holding companies, closed-ended funds and asset-backed special situations unlikely to be found in other funds.

### Diversified

A select portfolio of 45 stocks, but with broad diversification of sectors and companies as a result of the holding structures which give exposure to multiple underlying companies.

### Engaged

Seeking out good quality, misunderstood companies and engaging to improve shareholder value.

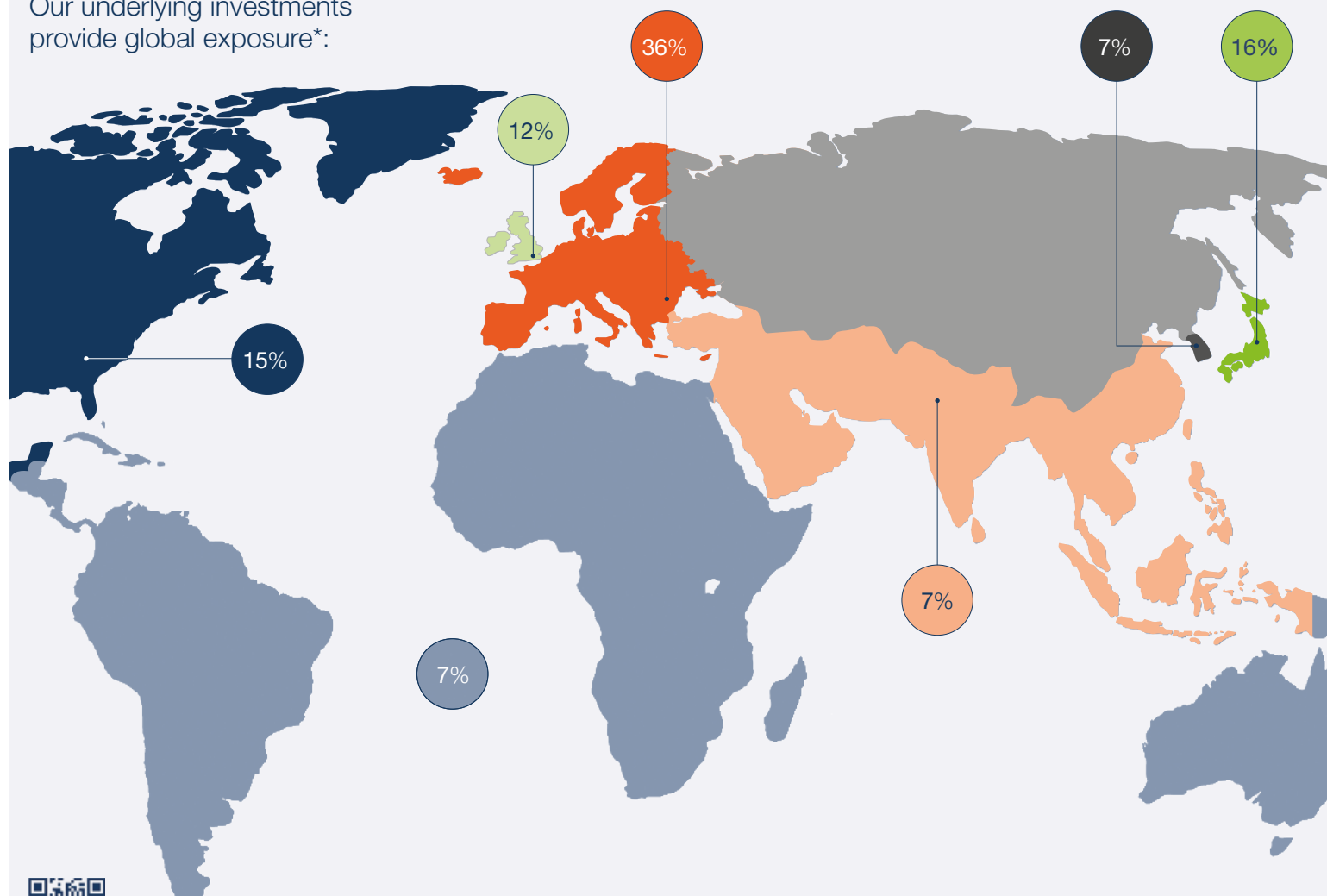
### Active

Finding complex, inefficient and overlooked investment opportunities.

### Global

Bottom-up stock picking, seeking the best investment opportunities across the globe.

Our underlying investments provide global exposure\*:



@AVIglobaltrust / What is AVI Global Trust?

\* AGT's geographic look through exposure. Methodology explained on page 05.



# Finding Compelling Opportunities continued

## GLOBAL EXPOSURE\*



	2025** %	2024** %
United Kingdom	12	11
North America	15	22
Europe	36	34
Asia	7	8
Japan	16	18
South Korea	7	-
Other	7	7

\* Geographic lookthrough exposure based on location of companies' underlying assets, rather than country of listing. Please see the full definition in the Glossary on page 111.

\*\* Figures are rounded to the nearest integers.

## KEY PERFORMANCE INDICATORS (KPIs)

The Company uses KPIs as an effective measurement of the development, performance or position of the Company's business, in order to set and measure performance reliably. These are net asset value total return, share price discount to net asset value and the Ongoing Charges Ratio.

Net asset value total return\*<sup>2</sup>:

**+12.4%** (2024: +13.7%)

3 Years	+47.3%
10 Years	+225.3%

Ongoing Charges Ratio\*<sup>2</sup>:

**0.85%** (2024: 0.87%)

2025	0.85%
2024	0.87%

Discount\*<sup>1</sup> (as at year-end):

**6.7%** (2024: 9.0%)

2025 high	11.1% (2024: 12.3%)
2025 low	6.2% (2024: 6.3%)

Read more about our KPIs and Principal Risks on **pages 16 to 21 of the Annual Report**

## OTHER KEY STATISTICS

Net asset value per share<sup>1#</sup>:

**280.87p** (2024: 253.81p)

Number of investments<sup>1</sup>:

**45** (2024: 40)

Estimated percentage added to net asset value per share from buybacks<sup>2</sup>:

**+0.6%<sup>2</sup>** (2024: 0.4%)

Top 10 investments<sup>1</sup>:

**56.6%** (2024: 57.2%)

1 As at 30 September 2025.

2 For the period to 30 September 2025.

\* For all Alternative Performance Measures included in this Strategic Report, please see definitions in the Glossary on pages 110 to 114.

† Percentage of net assets.

# Debt at fair value.

## Capital Structure

As at 30 September 2025, the Company's issued share capital comprised 435,284,755 Ordinary Shares of 1p each, of which 21,873,084 were held in treasury and therefore the total voting rights attached to Ordinary Shares in issue were 413,411,671.

As at 6 November 2025 it comprised 434,234,755 Ordinary Shares, 21,873,084 of which were held in treasury, and therefore the total voting rights attached to Ordinary Shares in issue were 412,361,671.

## Annual General Meeting

The Company's Annual General Meeting ("AGM") will be held at 11.00am on Friday, 19 December 2025 at 11 Cavendish Square, London W1G 0AN. Shareholders will be able to submit questions to the Board and AVI ahead of the AGM and answers to these, as well as AVI's presentation, will be made available on the Company's website. Please refer to the Notice of AGM on pages 104 to 108 for further information and the resolutions which will be proposed at this meeting.

The Company is also pleased to be able to offer facilities for shareholders to join the AGM virtually, should they wish to do so. Please note, shareholders joining the AGM virtually will not be able to vote on the day but may ask questions via a messaging function. Further information, including how to register your vote in advance of the day, is provided in the AGM notice on page 106.





## Strategic Report / The Investment Manager at a Glance

# At a Glance

### INVESTMENT PHILOSOPHY

The investment philosophy employed by Asset Value Investors (AVI), the manager of AVI Global Trust, strives to identify durable businesses that are growing in value, trading at discounted valuations, with catalysts to unlock and grow value.

**01.** Investing in companies trading at a discount to their net asset value

**02.** Identifying good-quality underlying assets with appreciation potential at compelling values

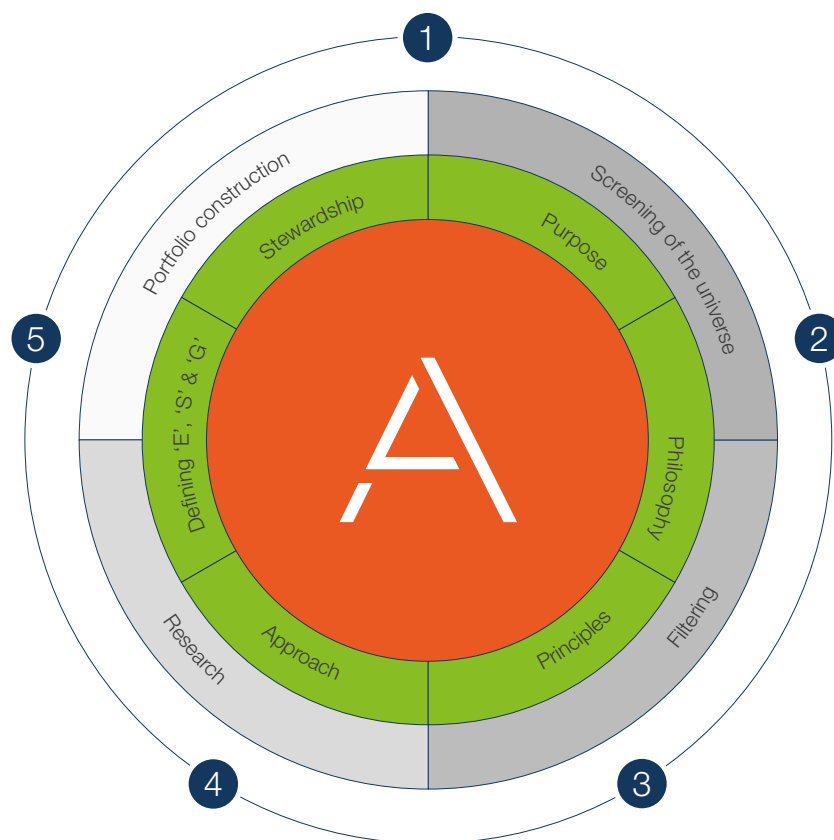
**03.** Focusing on bottom-up stock picking

**04.** Looking for catalysts to narrow discounts

**05.** Focusing on balance sheet strength

### HOW WE INVEST

AVI aims to achieve long-term capital growth by investing in a diversified portfolio of companies whose shares are trading at a discount to their estimated net asset value.



Read more about it on our website  
[www.aviglobal.co.uk](http://www.aviglobal.co.uk)

### WHAT DOES AVI INVEST IN?

AVI follows a unique strategy of investing in quality assets typically held through structures that tend to attract discounts; these types of companies are:

#### Holding Companies

Corporations that primarily own equity stakes in other businesses rather than producing goods or services themselves.

#### Closed-ended Funds

Investment funds that raise a fixed pool of capital by issuing shares at launch, which then trade on exchanges like stocks.

#### Asset-backed Special Situations

Investments in distressed, unusual, or opportunistic situations where the downside is protected by underlying hard assets (real estate, net cash, investment securities, etc.).

### PORTFOLIO BREAKDOWN BY AVI CLASSIFICATION\*

	2025 %	2024 %
● Holding Companies	48	43
● Closed-ended Funds	31	31
● Asset-backed Special Situations	21	26



Source / AVI as at 30 September 2025

\* Please refer to page 27 for more information about these classifications.



# At a Glance continued

## STRATEGY

The Company's strategy is to seek out-of-favour companies whose assets are misunderstood by the market or under-researched, and which trade significantly below the estimated value of the underlying assets.

A core part of this strategy is active engagement with management, in order to provide suggestions that could help narrow the discount and improve operations, thus unlocking value for shareholders.

## INVESTMENT APPROACH

The Company's assets are managed by AVI. AVI aims to deliver superior returns and specialises in finding companies that, for a number of reasons, may be selling on anomalous valuations.

The Investment Manager has the flexibility to invest around the world and is not constrained by any fixed geographic or sector weightings. There is no income target and no more than 10% of the Company's investments may be in unlisted securities. Over the past five years, there has been an average of 46 stocks held in the AGT portfolio.

## HOW WE MANAGE PORTFOLIO RISK

AVI's value investment process strives to identify and mitigate downside risks in all market environments.

AVI's risk management approach uses a variety of qualitative and quantitative processes. This includes bottom-up research to establish a company's fundamental value. The portfolio holdings are monitored on an ongoing basis, and AVI's in-house order management system contains an automatic alert system which alerts the Investment Manager to any breaches of built-in risk parameters.

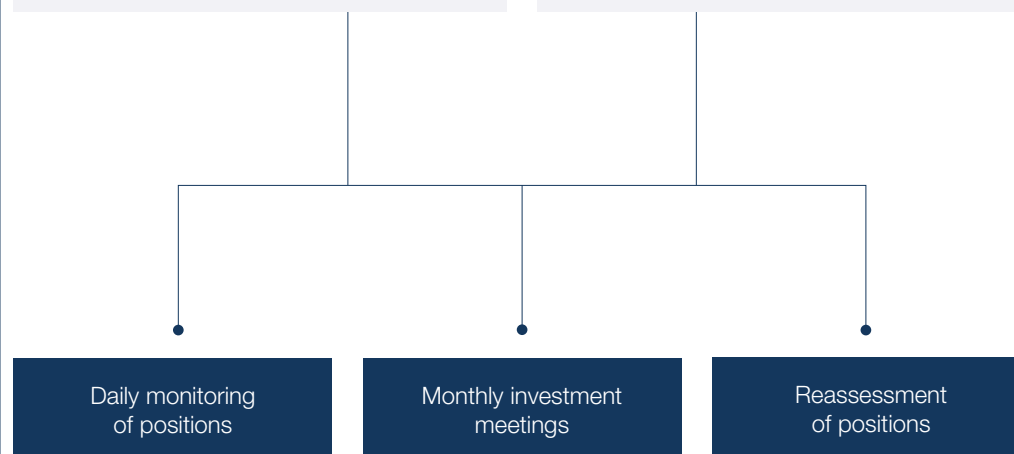
The investment management team holds regular meetings discussing the portfolio, with a view to reassess, sell or buy securities, and to discuss the current cash position, as well as sector and geographic weighting.

### Stock-specific Risk

- Business risk
- Balance sheet risk
- Shareholder analysis
- Regular meetings with management

### Portfolio/Market Risk

- Currency risk
- Geographical concentration risk
- Sector concentration risk
- Stock concentration risk
- Liquidity risk
- Political risk



## AVI'S RESPONSIBLE APPROACH

AVI considers the integration of ESG and sustainability factors into our investment strategy as essential; both for gaining a comprehensive understanding of each investment's potential to generate long-term value and for upholding our values as responsible investors.

### Aligned with the PRI

AVI is aligned with the UN-supported Principles for Responsible Investment (PRI)'s view that a sustainable and economically efficient global financial system is essential for long-term value creation. Such a system promotes responsible, long-term investment and delivers benefits to society and the environment. AVI became a signatory to the PRI on 9 April 2021.

### Active Ownership

AVI's ESG monitoring framework enables us to identify potential weaknesses within a company and equips us to engage effectively where appropriate. Through constructive dialogue, we encourage and expect our investee companies to take meaningful steps to address these issues in support of long-term value creation.



Source / Galeanu Mihai via iStock

Read more about Wacom on page 31.




AGT  
AVI GLOBAL TRUST

**GRAHAM KITCHEN**

Independent Non-Executive Chairman



## Overview of the year

The NAV return for the accounting year was +12.4%, whilst the share price total return was +15.4%, both compared with +16.8% for our comparator benchmark.

As I reported at the half year stage, from the end of September last year to mid-February this year the share price and NAV followed a generally upward trend with relatively low volatility, as markets were unusually calm. This was then undone by growing concerns over moves by the United States to become more protectionist and isolationist in its dealings with the rest of the world. It all came to a head just after the end of our interim reporting period when President Trump announced a sweeping range of tariffs on imports to the United States. A period of uncertainty and high volatility in share prices followed before markets stabilised and moved upwards over the summer.

As well as being volatile, market returns, as measured by benchmark indices, continue to be dominated by a small group of largely technology related companies as investors seek to value the potential returns offered by artificial intelligence. While market returns have been heavily affected by a focus on a few companies alongside geopolitics and the potential effect on economic growth, our Investment Manager continues to adhere resolutely to their focus on investing in companies whose assets and future potential are undervalued by their share price. There continues to be no shortage of interesting situations in the portfolio, as set out in their report.



## Over five years, our net asset value total return has been +86.0%.

In particular, having had success in Japan in recent years, AVI are now turning their attention to a growing opportunity in South Korea, which is already manifesting in some holdings in the portfolio.

In assessing the performance of our Investment Manager our view remains that long-term returns are the best measure, and this is particularly true for a manager seeking to produce positive returns without being influenced by market indices and fashion. Over five years, our net asset value total return has been +86.0%, compared with +81.2% for our comparator benchmark index.

## Revenue and dividends

Revenue earnings for the year were 5.07 pence per share. The Company paid an interim dividend of 1.50 pence per share in May 2025, an increase of 0.30 pence per share compared with last year. We are proposing a final dividend of 3.00 pence per share, an increase of 17.6% compared with the 2.55 pence per share paid last year. Assuming that shareholders approve the final dividend at this year's AGM, total dividends for the year will be 4.50 pence, an increase of 20.0% compared with the previous year.

The Board recognises that a dividend which is steady and able to rise over time is attractive to many shareholders and, while we do aim



to grow the dividend over the long term, I will repeat my previous statement that the portfolio is managed primarily for capital growth.

## Share price rating and marketing

AGT has a substantial marketing budget and the Board works closely with AVI as it seeks to generate demand for AGT shares. Each month AVI produces an informative factsheet which is available on our website and I encourage you to register to receive these when they are published. The website contains a wealth of information on the investments in the portfolio and I also encourage you to visit it regularly for up-to-date information. AVI is very active in traditional and social media as we seek to promote our investment proposition to a growing investor base.

The Board is pleased to note that we have continued to experience an increase in the number of shares owned by retail investment platforms, which account for four of our top five shareholders, the other being a large wealth manager.

The investment trust industry came under a lot of pressure during the year under review, as many trusts experienced wide share price discounts to their underlying NAV, leaving them vulnerable to corporate action. We continue to use share buybacks when AGT's share price discount is unnaturally wide and when the Board believes that buying back shares is in the best interests of shareholders. This is also an approach that our Investment Manager encourages for many of our investee companies. There are periods when, working closely with our brokers, we buy back shares on most working days. During the year under review, 28.7 million shares were bought back,



## Strategic Report / Chairman's Statement continued

representing 5.9% of the shares in issue as at the start of the period. Share buybacks benefit shareholders by limiting the discount at which they could sell shares if they so wish. Buying back shares at a discount also produced an uplift in the NAV per share, to the benefit of continuing shareholders, of approximately 0.6%.

The Board believes that the discount can close steadily over time and it is gratifying to note that over the year under review a narrowing discount contributed to the share price total return of +15.4%.

### The Board

Our policy continues to be that Directors will retire at or before the AGM following the ninth anniversary of their appointment. Accordingly, Calum Thomson, who joined the Board in April 2017, plans to retire at the AGM next year, in December 2026. As part of our succession planning, Anja Balfour has agreed to take over the role of Senior Independent Director from Calum with effect from this year's AGM, which will be held on 19 December. Shareholders' views on best practice will continue to be taken into full consideration when the Board recruits Calum's successor.

### Annual General Meeting

I am pleased to be able to invite all shareholders to attend our AGM at The King's Fund, 11 Cavendish Square in London on Friday 19 December 2025. We do recognise that some shareholders may be unable to attend the AGM, and we are therefore pleased to be able to offer facilities for shareholders to join the AGM virtually. Whilst shareholders joining the AGM virtually will not be able to vote on the day, they will be able to ask questions via a messaging function. If you are unable

to attend in person or via video and have any questions about the Annual Report, the investment portfolio or any other matter relevant to the Company, please write to us either via email at [agm@aviglobal.co.uk](mailto:agm@aviglobal.co.uk) or by post to MUFG Corporate Governance Limited, 19th Floor, 51 Lime Street, London EC3M 7DQ. If you are unable to attend the AGM in person, I urge you to submit your proxy votes in good time for the meeting, following the instructions enclosed with the proxy form. If you vote against any of the resolutions, we would be

very interested to hear from you so that we can understand the reasons behind any objections.

### Outlook

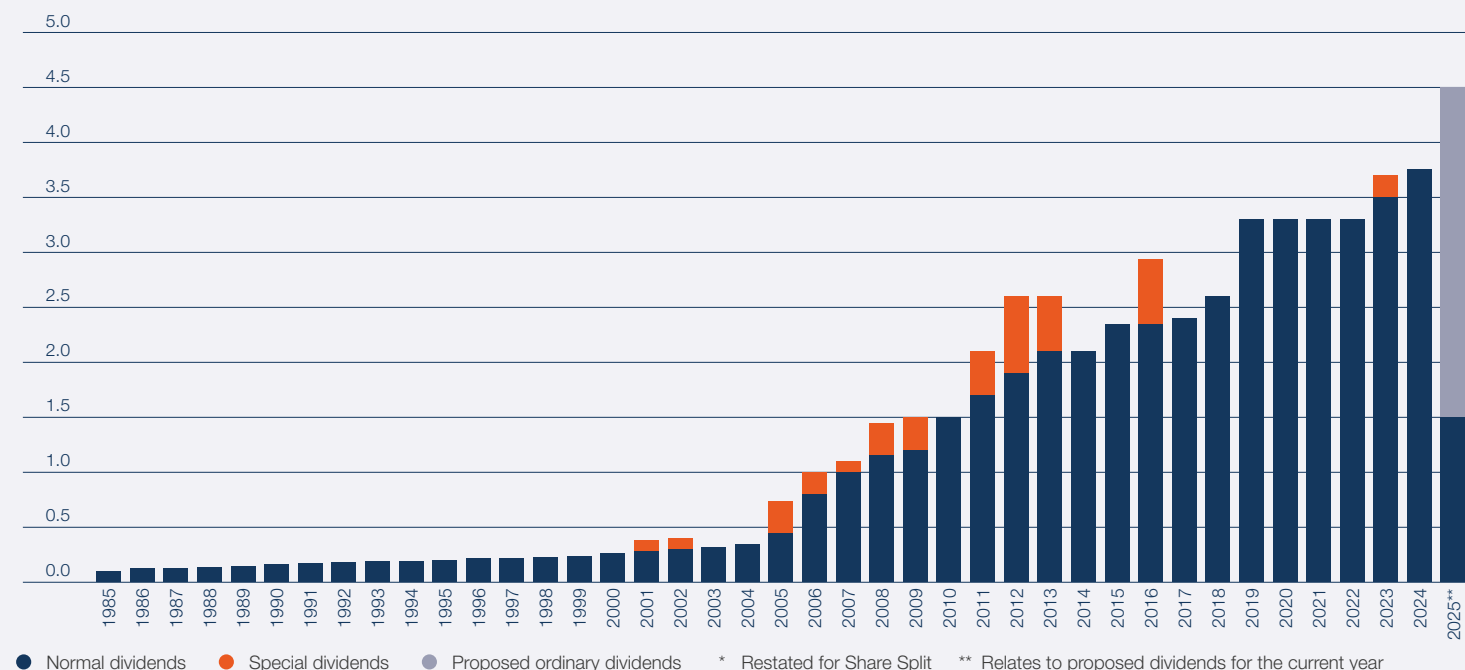
The geopolitical background is likely to remain unpredictable and this will inevitably lead to periods of volatility in markets, as will economic uncertainty. In this context your Board continues to encourage our Investment Manager to do what they do best in seeking undervalued companies in situations where there is the realistic prospect of improvement.

We are encouraged by the value that AVI perceive in our portfolio and believe that continuing to find and unlock value is the key to extending their successful track record over the long term.

**Graham Kitchen**  
Chairman

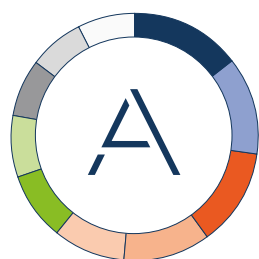
11 November 2025

### Dividend track record (£)\*



## Strategic Report / Ten Largest Investments

The top ten investments make up 56.6% of the net assets\*, with underlying businesses spread across a diverse range of sectors and regions.



● Chrysalis Investments: 8.3%
● News Corp: 7.2%
● Vivendi: 7.2%
● D'Ieteren Group: 6.5%
● HarbourVest Global Private Equity: 5.3%
● Oakley Capital Investments: 5.1%
● Cordiant Digital Infrastructure: 4.5%
● Rohto Pharmaceutical: 4.2%
● Partners Group Private Equity: 4.2%
○ Aker ASA: 4.1%

All discounts are estimated by AVI as at 30 September 2025, based on AVI's estimate of each company's net asset value.

\* For definitions, see Glossary on pages 110 to 114.



### 03. Vivendi Holding Company

% of net assets  
7.2%

Valuation  
£82.1m

Discount  
-42%

In December 2024 Vivendi split into 4 companies, to simplify the group structure, aiming to reduce the record sum-of-the-parts\* discount. Vivendi today is essentially a mono-holding company for Universal Music Group, which we believe to be a highly attractive asset with few comparable alternatives.

Source / Trio Images via Getty Images



### 01. Chrysalis Investments Closed-ended Fund

% of net assets  
8.3%

Valuation  
£95.3m

Discount  
-29%

Chrysalis Investments is a London-listed closed-ended fund which invests in late-stage private companies. The shares still trade at close to a 30% discount, despite Chrysalis' top three portfolio companies representing 71% NAV / 100% of its market cap, and the company having conducted a large buyback over FY25\*.

Source / Klarna Group PLC



### 04. D'Ieteren Group Holding Company

% of net assets  
6.5%

Valuation  
£74.1m

Discount  
-49%

A seventh-generation Belgian family-controlled holding company whose crown jewel asset is a 50% stake in Belron, the global no.1 operator in the Vehicle Glass Repair, Replacement and Recalibration industry.

Source / Belron Group SCA



### 02. News Corp Holding Company

% of net assets  
7.2%

Valuation  
£82.2m

Discount  
-40%

The Murdoch family-controlled holding company that was established in current form in 2013. A 62% listed stake in Australian-listed REA Group accounts for the bulk of News Corp's market cap and masks an attractive collection of unlisted assets. In particular Dow Jones, a crown jewel asset that successfully evolved the Wall Street Journal into a thriving digital consumer and Professional Information business.

Source / SOPA Images via Getty Images

# HVPE

### 05. HarbourVest Global Private Equity Closed-ended Fund

% of net assets  
5.3%

Valuation  
£60.8m

Discount  
-34%

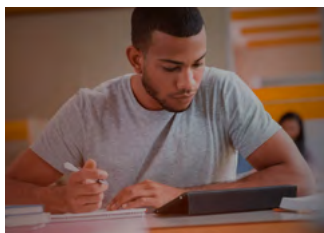
HarbourVest Global Private Equity was established to invest into HarbourVest's managed funds, offering investors access to private market assets. AGT first invested in the fund at an unduly wide -41% discount to NAV, and continue to proactively engage with the board and management.

Source / HarbourVest Global Private Equity





## Strategic Report / Ten Largest Investments continued



### 06. Oakley Capital Investments Closed-ended Fund

% of net assets

5.1%

Valuation

£58.2m

Discount

-26%

Oakley Capital Investments ("OCI") is a London listed closed-ended fund which invests in the private funds run by Oakley Capital, a UK-based private equity firm. OCI owns a portfolio of fast-growing businesses in the consumer, education, services, and technology sectors.

Source / IU Group



### 07. Cordiant Digital Infrastructure Closed-ended Fund

% of net assets

4.5%

Valuation

£52.2m

Discount

-29%

Cordiant Digital Infrastructure is a London-listed closed-ended fund which invests in various infrastructure assets such as data centres, telecom towers, and fibre-optic asset businesses predominantly in Emerging Europe. We invested into Cordiant at an unduly wide 40% discount driven by a rising yield environment and an unfair read-across from problems at its closest peer.

Source /  
Cordiant Digital Infrastructure Limited



### 09. Partners Group Private Equity Closed-ended Fund

% of net assets

4.2%

Valuation

£47.7m

Discount

-25%

London-listed closed-end fund managed by Swiss private equity manager Partners Group, which invests in global buyouts on a co-investment basis alongside Partners' direct investing programmes. We invested following lethargic returns, concerns over governance, and suspension of the dividend which triggered a sell-off. We have since proactively engaged with the board on multiple matters.

Source / Partners Group / Forterrio



### 10. Aker ASA Holding Company

% of net assets

4.1%

Valuation

£47.5m

Discount

-12%

Aker is a Norwegian holding company with investments principally in oil & gas, renewables & green tech, marine-related activities and industrial software. Its largest asset is Aker BP, a Norwegian oil company. Aker has a history of active portfolio management, dealmaking and value creation, with a track record of strong shareholder returns since Initial Public Offering (IPO) in 2004.

Source / Aker Solutions ASA



### 08. Rohto Pharmaceutical Asset-backed Special Situation

% of net assets

4.2%

Valuation

£48.0m

Discount

-51%

Rohto is a Japan-based manufacturer and marketer of cosmetics products and functional foods. Despite the company's superior operational efficiencies and profit margins versus peers, it trades at a heavy discount due to an unclear equity story, poor shareholder communication and inefficient capital allocation. AVI believes that constructive engagement with management can help drive long-term value creation, in turn leading to a re-rating in the shares.

Source /  
Rohto Pharmaceutical Co., Ltd.

## DIVERSIFIED

Our portfolio contains broad diversification to sectors and companies.

Lookthrough sector  
breakdown\*:



- Communication Services: 22%
- Consumer Discretionary: 24%
- Consumer Staples: 6%
- Energy: 3%
- Financials: 6%
- Healthcare: 8%
- Industrials: 7%
- IT: 9%
- Real Estate: 4%
- Utilities: 2%
- Other: 10%

\* % of net assets. Data may not sum to 100% due to rounding.



## Strategic Report / Investment Portfolio

As at 30 September 2025

Company	Portfolio classification	% of investee company	IRR (% , £) <sup>1</sup>	ROI (% , £) <sup>2</sup>	Cost £'000 <sup>3</sup>	Valuation £'000	% of net assets
Chrysalis Investments	Closed-ended Fund	15.4%	33.5%	48.6%	64,150	95,332	8.3%
News Corp	Holding Company	1.0%	13.7%	25.1%	65,652	82,183	7.2%
Vivendi	Holding Company	3.1%	nm	16.7%	71,213	82,103	7.2%
D'Ieteren Group	Holding Company	1.0%	20.6%	32.6%	50,512	74,089	6.5%
HarbourVest Global Private Equity	Closed-ended Fund	2.9%	18.9%	20.5%	49,577	60,759	5.3%
Oakley Capital Investments	Closed-ended Fund	6.1%	21.1%	138.4%	21,555	58,164	5.1%
Cordiant Digital Infrastructure	Closed-ended Fund	7.0%	42.2%	54.6%	36,385	52,236	4.5%
Rohto Pharmaceutical	Asset-backed Special Situation	1.6%	-17.0%	-18.4%	59,930	47,968	4.2%
Partners Group Private Equity	Closed-ended Fund	7.7%	17.0%	40.7%	44,486	47,740	4.2%
Aker ASA	Holding Company	1.1%	16.5%	89.1%	38,161	47,465	4.1%
Top ten investments					501,621	648,039	56.6%
Gerresheimer AG	Holding Company	4.1%	nm	-48.2%	84,637	43,765	3.8%
Entain	Holding Company	0.8%	3.6%	4.6%	39,681	42,404	3.7%
Mitsubishi Logistics	Asset-backed Special Situation	1.7%	nm	7.4%	38,162	40,192	3.5%
Dai Nippon Printing	Asset-backed Special Situation	0.5%	11.3%	16.3%	30,461	34,494	3.0%
Kyocera	Asset-backed Special Situation	0.2%	2.6%	2.8%	32,541	32,657	2.8%
Jardine Matheson Holdings	Holding Company	0.2%	nm	42.1%	22,600	31,647	2.8%
GCP Infrastructure Investments	Closed-ended Fund	4.5%	22.4%	36.2%	26,088	27,550	2.4%
Samsung C&T	Holding Company	0.2%	nm	5.9%	24,596	26,018	2.3%
EXOR	Holding Company	0.2%	9.9%	36.4%	20,528	25,568	2.2%
Christian Dior	Holding Company	0.0%	15.7%	67.7%	19,954	25,000	2.2%
Top twenty investments					840,869	977,334	85.3%



## Strategic Report / Investment Portfolio continued

As at 30 September 2025

Company	Portfolio classification	% of investee company	IRR (% , £) <sup>1</sup>	ROI (% , £) <sup>2</sup>	Cost £'000 <sup>3</sup>	Valuation £'000	% of net assets
Tokyo Gas	Asset-backed Special Situation	0.2%	nm	12.3%	20,746	23,608	2.1%
Wacom	Asset-backed Special Situation	4.0%	-3.4%	-9.3%	24,203	22,371	1.9%
Symphony International Holdings	Closed-ended Fund	15.7%	4.4%	27.6%	26,636	21,944	1.9%
Toyota Industries	Asset-backed Special Situation	0.1%	19.5%	25.0%	16,296	20,323	1.8%
Frasers Group	Holding Company	0.6%	-6.9%	-10.3%	21,920	20,136	1.7%
Amorepacific Holdings	Holding Company	1.5%	nm	-16.6%	20,315	16,899	1.5%
Net Lease Office Properties	Holding Company	5.0%	nm	0.0%	17,402	16,200	1.4%
HD Hyundai	Holding Company	0.2%	nm	20.1%	11,309	13,558	1.2%
Bolloré	Holding Company	0.1%	-5.0%	-6.9%	14,569	12,207	1.1%
Kokuyo	Asset-backed Special Situation	0.5%	nm	23.2%	8,616	10,397	0.9%
<b>Top thirty investments</b>					1,022,881	1,154,977	100.8%
Malibu Life Holdings	Closed-ended Fund	2.4%	nm	46.9%	8,299	9,953	0.9%
Abrdn European Logistics Income	Closed-ended Fund	7.0%	9.9%	14.4%	8,466	9,377	0.8%
Youngone Holdings	Holding Company	0.9%	nm	2.8%	8,545	8,661	0.8%
Youngone Corporation	Holding Company	0.6%	nm	7.1%	7,884	8,363	0.7%
Hyosung Corporation	Holding Company	0.9%	nm	-1.9%	6,527	6,394	0.6%
SK Kaken	Asset-backed Special Situation	0.8%	-5.8%	-31.2%	8,463	5,468	0.5%
Cuckoo Holdings	Holding Company	0.9%	nm	0.3%	5,245	5,220	0.4%
Cuckoo Homesys	Holding Company	1.4%	nm	-5.6%	4,739	4,476	0.4%
VEF	Holding Company	2.1%	-1.1%	-2.7%	4,014	3,631	0.3%
JPEL Private Equity	Closed-ended Fund	18.4%	20.3%	104.9%	1,219	3,118	0.3%
<b>Top forty investments</b>					1,086,282	1,219,638	106.5%

<sup>1</sup> Internal Rate of Return. Calculated from inception of AGT's investment. Refer to Glossary on pages 110 to 114. Where it is not possible to report a meaningful figure for the IRR, due to the investment having been held less than 12 months, this is indicated as "nm".

<sup>2</sup> Return on investment. Calculated from inception of AGT's investment. Refer to Glossary on pages 110 to 114.

<sup>3</sup> Cost. Refer to Glossary on pages 110 to 114.





## Strategic Report / Investment Portfolio continued

As at 30 September 2025

Company	Portfolio classification	% of investee company	IRR (% , £) <sup>1</sup>	ROI (% , £) <sup>2</sup>	Cost £'000 <sup>3</sup>	Valuation £'000	% of net assets
Gabia	Holding Company	1.0%	nm	3.1%	1,811	1,863	0.2%
Better Capital (2009) <sup>†</sup>	Closed-ended Fund	17.4%	22.0%	29.0%	1,962	1,783	0.1%
Third Point Investors CVR <sup>†</sup>	Closed-ended Fund	–	–	–	1,058	1,055	0.1%
Third Point Investors Private Investments <sup>†</sup>	Closed-ended Fund	–	-7.7%	-16.3%	563	463	0.0%
Ashmore Global Opportunities – GBP <sup>†</sup>	Closed-ended Fund	–	95.0%	154.4%	7	101	0.0%
<b>Equity investments at fair value</b>					1,091,683	1,224,903	106.9%
Other net current assets less current liabilities						82,048	7.2%
Non-current liabilities						(161,259)	-14.1%
<b>Net assets</b>						1,145,692	100.0%

1 Internal Rate of Return. Calculated from inception of AGT's investment. Refer to Glossary on pages 110 to 114. Where it is not possible to report a meaningful figure for the IRR, due to the investment having been held less than 12 months, this is indicated as "nm".

2 Return on investment. Calculated from inception of AGT's investment. Refer to Glossary on pages 110 to 114.

3 Cost. Refer to Glossary on pages 110 to 114.

<sup>†</sup> Level 3 investment (see note 15).

## Strategic Report / Investment Portfolio continued

### REVISITING VIVENDI

The names Bolloré and Vivendi will sound familiar to long-term followers of AVI Global.

Having re-established a position in Bolloré in 2023, in 2024 we reinitiated a position in Vivendi.

At the time, Vivendi had just emerged from a process in which the historic sprawling media conglomerate split itself into four separately listed business: Canal+, Havas, Louis Hachette and Vivendi.

The last piece – Vivendi – remained home to a 10% listed stake in Universal Music Group (“UMG”), which accounted for c.90% of NAV, as well as a small collection of other (almost entirely) listed assets, and net debt. We started to build a position on the day of the split in December 2024, and continued to add to the position throughout 2025 such that Vivendi is now your company’s third largest position at 7.2% of NAV.

In July 2025, the French Market Regulator (the “AMF”) ruled that Bolloré is deemed to have effective control of Vivendi and as such is obligated to make a mandatory offer within six months. This follows an April 2025 court ruling that asked the AMF to revisit the case and the circumstances of the Vivendi split in 2024. In turn, Vivendi and Bolloré are currently appealing the Court of Cassation, and Bolloré has also appealed the AMF ruling itself. It is our understanding that the appeals processes should run until December 2025 and that a dual-track process of cooperation with the AMF will occur in the interim.

The AMF ruling states that, in the event of an offer, Bolloré must offer a “fair price”, with two key areas of debate being the treatment of central corporate costs and whether or not a “fair” holding company discount is warranted.

We do not intend to profess any great precision into exactly how these two issues will be treated but instead highlight the 2017 at-NAV offer from the Arnault family for Christian Dior SE as a case study for the AMF ensuring fair value is offered.

All told we believe the prospects for a buyout offer that is at or close to NAV is meaningfully higher than they were just a short while ago – which all else equal should result in a narrower discount.

In the meantime, we garner exposure to UMG – a high-quality business that has underperformed its potential in stock market terms since its 2021 IPO and now trades at less than 20x PE (net of listed stakes). As we look into 2026, with the benefit of streaming 2.0 deals and faster growth, there is a strong case that the market will start to reward this with a higher multiple, reflective of the company’s unique asset base and its potential to sustain growth over the long-term underpinned by greater monetisation of music assets.

In many ways, Vivendi can be thought of as a quintessential AVI stock: 1) through UMG it offers exposure to a high quality and growing business, where we think that the prospects for NAV growth are appealing; 2) it trades at an inordinately wide discount of more than 40%; 3) there are firm catalysts that have the potential to narrow the discount and unlock value.

These ingredients make us optimistic for prospective returns.







# Key Performance Indicators

The Company's Board of Directors meets regularly and at each meeting reviews performance against a number of key measures.

In selecting these measures, the Directors considered the key objectives and expectations of typical investors in an investment trust such as the Company.

## NAV total return\*

The Directors regard the Company's NAV total return as being the overall measure of value delivered to shareholders over the long term. Total return reflects both the net asset value growth of the Company and also dividends paid to shareholders. The Investment Manager's investment style is such that performance may deviate materially from that of any broad-based equity index. The Board considers the most useful comparator to be the MSCI All Country World Index. Over the year under review, the benchmark increased by +16.8% on a total return basis and over ten years it has increased by +13.2% on an annualised total return basis.

A full description of performance and the investment portfolio is contained in the Investment Review, commencing on page 26.

## Discount\*

The Board believes that an important driver of an investment trust's discount or premium over the long term is investment performance. However, there can be volatility in the discount or premium. Therefore, the Board seeks shareholder approval each year to buy back and issue shares, with a view to limiting the volatility of the share price discount or premium.

During the year under review, no shares were issued and 28.7m shares (2024: 20.1m) were bought back and cancelled (representing 5.9% of the issued capital as at the start of the year), adding an estimated +0.6% to net asset value per share to the benefit of continuing shareholders. The shares were bought back at a weighted average discount of 8.6% (2024: 9.6%).

## Ongoing Charges Ratio\*

The Board continues to be conscious of expenses and aims to maintain a sensible balance between good service and costs.

In reviewing charges, the Board's Management Engagement Committee reviews in detail each year the costs incurred and ongoing commercial arrangements with each of the Company's key suppliers. The majority of the Ongoing Charges Ratio is the cost of the fees paid to the Investment Manager. This fee is reviewed annually.

For the year ended 30 September 2025, the Ongoing Charges Ratio was 0.85%, down very slightly from 0.87% in the year to 30 September 2024. These running costs in monetary terms amounted to £9.5m in 2025 (2024: £9.6m).

The Board notes that the UK investment management industry uses various metrics to analyse the ratios of expenses to assets. In analysing the Company's performance, the Board considers an Ongoing Charges Ratio which compares the Company's own running costs with its assets. In this analysis the costs of servicing debt and certain non-recurring costs are excluded. These are accounted for in NAV total return and so form part of that KPI. Further, in calculating a KPI the Board does not consider it relevant to consider the management fees of any investment company which the Company invests in, as the Company is not a fund of funds and to include management costs of some investee companies but not of others may create a perverse incentive for the Investment Manager to favour those companies which do not have explicit management fees.

NAV total return\*:

**+12.4%**

1 Year	+12.4%
10 Years (Annualised)	+12.5%

Discount, year-end\*:

**6.7%**

2025	6.7%
2024	9.0%

Ongoing Charges Ratio\*  
(year ended 30 September):

**0.85%**

2025	0.85%
2024	0.87%

\* For all Alternative Performance Measures included in this Strategic Report, please see definitions in the Glossary on pages 110 to 114.



# Principal and Emerging Risks

When considering the total return of the investments, the Board must also take account of the risk which has been taken in order to achieve that return.

There are many ways of measuring investment risk, and the Board takes the view that understanding and managing risk is much more important than setting any numerical target.

In managing an investment trust we face different types of risk and some are more acceptable than others. The Board believes that shareholders should understand that, by investing in a portfolio of equity investments invested internationally and with some gearing, they accept that there may be some loss in value, particularly in the short term. That loss in value may come from market movements and/or from movements in the value of the particular investments in our portfolio. We aim to keep the risk of loss under this particular heading within sensible limits, as described below. On the contrary, we have no tolerance for the risk of loss due to, for example, theft or fraud.

The Board looks at risk from many different angles, an overview of which is set out on the following pages. The Directors carry out regular reviews of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The Board confirms that a robust assessment of these risks has been carried out during the year under review.

The approach to monitoring and controlling risk is not rigid. The Board aims to think not only about the risks that it is aware of and has documented, but also of emerging and evolving risks.

The Board believes that managing risk is the task of everyone involved in the management of the Company: the Board, the Investment Manager, the Administrators and other service providers all have a role in thinking about risk, challenging perceptions and being alert to emerging risks. The objective of these assessments is not to be prescriptive, but to understand levels of risk and how they have changed over time. The purpose of this focus is to ensure that the returns earned are commensurate with the risks assumed.

The Board has assessed the risks which the Company faces under a number of headings. Pressure on the discount, a previously identified principal risk, remained high during the year.

This was partly due to heightened geopolitical and macroeconomic risk. In considering emerging risks, the Board is also aware that demand for shares in investment trusts and shares in companies listed on the London Stock Exchange in general has been subdued, with no indication that this situation will improve in the near future. During the year under review the Board, through its Audit Committee, considered the risk of a cyber attack destabilising the Company, its Manager, or one of its other key suppliers. A summary of the key risks and mitigating actions is set out in the table on the following pages. Shareholders should be aware that no assessment of this nature can be guaranteed to predict all possible risks; the objective is to assess the risks and determine mitigating actions.



# Principal and Emerging Risks continued

Principal Risks	Risk Tolerance and Mitigating Actions	Risk Level / Movement
<p><b>Loss of value – portfolio performance</b></p> <p>The market or the Company's portfolio could suffer a prolonged downturn in performance.</p> <p>There will be periods when the investment strategy underperforms in comparison to its benchmark and its peer group, and when this results in a decline in value.</p>	<p>The Board accepts that there is a risk of loss of value by investing in equities, particularly in the short term. The Board monitors performance at each Board meeting, and reviews the investment process thoroughly at least annually.</p> <p>The Investment Manager has a clear investment strategy, as set out in the Investment Review. Conventional wisdom holds that the most effective way of reducing risk is to hold a diversified portfolio of assets. The Company typically holds 25–35 core positions. It is important to note that, in line with its investment objective, the Company's holdings are mostly in stocks which are themselves owners of multiple underlying businesses. Thus, the portfolio is more diversified on a look-through basis than if it were invested in companies with a single line of business. This diversification is evident at country, sector and currency levels. A key element of the Investment Manager's approach is to consider the way in which the portfolio is balanced and to ensure that it does not become overly dependent on one business area, country or investment theme.</p> <p>The Company, through the Investment Manager's compliance function and the Administrator's independent checks, has a robust system for ensuring compliance with the investment mandate.</p>	<p>— —</p>
<p><b>Geopolitical and macroeconomic</b></p> <p>The net asset value will be affected by general market conditions which in turn can be affected by extraneous events such as the Russian invasion of Ukraine in 2022, or the potential for continuing conflict in the Middle East.</p> <p>Moves by the United States to become more protectionist and isolationist in its dealings with the rest of the world continue to create uncertainty and high volatility in share prices. Macroeconomic uncertainty, driven by the potential for increased and continuing trade disputes between the US and its trading partners or the continued impact of Brexit, can heighten the previously identified risk of higher levels of inflation, cause supply chain disruption and impact interest rate movements.</p> <p>The Directors' assessment of risk under this heading was already classified as high and it remains high.</p>	<p>Geopolitical tensions have significantly impacted global trade since the Russian invasion of Ukraine in 2022 and have been heightened by the protectionist actions of the US government. The impact of continued conflict and trade disputes continues to create environments which have not been experienced in developed economies for many years. As markets do not operate in a vacuum, this can in turn affect asset valuations.</p> <p>The Investment Manager carries out thorough, regular and detailed analyses of investee companies, and takes full account of the likely effects of the macroeconomic environment, the ongoing conflicts in Ukraine and the Middle East and tension over international trade when reviewing the investment portfolio and potential investments. The portfolio is well diversified at country, sector and currency levels. The Company has no investments in Russia, Ukraine, Palestine or Israel. While the valuation of the portfolio is likely to be affected by general market movements, the underlying assets are well diversified by geography and type of company.</p>	<p>⬆ —</p>

\* The value of long-term debt is marked to its fair value for the purpose of measuring investment performance but, as required by the relevant accounting standards, all debt is recognised on the balance sheet at amortised cost.



# Principal and Emerging Risks continued

Principal Risks	Risk Tolerance and Mitigating Actions	Risk Level / Movement
<b>Gearing</b> <p>While potentially enhancing returns over the long term, the use of gearing makes investment returns more volatile and exacerbates the effect of any fall in portfolio value.</p> <p>There are covenants attached to the Loan Notes; in extreme market conditions, these could be breached and require early repayment, which could be expensive.</p>	<p>The Board decided to take on borrowing because it believes that the Investment Manager will produce investment returns which are higher than the cost of debt over the medium to long term and, therefore, that shareholders will benefit from gearing.</p> <p>In taking on debt, we recognise that higher levels of gearing produce higher risk. While gearing should enhance investment performance over the long term, it will exacerbate any decline in asset value in the short term. It is possible (but, on the basis of past returns, it is considered unlikely) that the investment returns will not match the borrowing cost over time, and therefore the gearing will be dilutive. The Board manages this risk by setting the Company's gearing at a prudent level, and the covenants are set at levels with substantial headroom.</p> <p>In common with other investment trusts, we also mark the value of debt to its estimated fair value for the purposes of measuring investment performance as part of the Key Performance Indicators*, which makes the value ascribed to the debt subject to changes in interest rates and so makes our published NAV per share more volatile than would otherwise be the case. However, if we continue with the debt to maturity, it will be repaid at its par value, notwithstanding any changes in fair value over its life. The values of loans denominated in currencies other than Sterling will fluctuate with currency movements and, if the exchange rate of those currencies relative to Sterling increases, then in isolation this will have the effect of reducing NAV per share. However, we have certain assets denominated in the same overseas currencies as these tranches of debt, which would increase in value in Sterling terms if the exchange rates increase, enabling us to offset the debt position by creating a natural hedge.</p>	<div> <div>—</div> <div>—</div> </div>
<b>Foreign exchange</b> <p>The portfolio has investments in a number of countries, and there is a risk that the value of local currencies may decline in value relative to Sterling.</p>	<p>Foreign exchange risk is an integral part of a portfolio which is invested across a range of currencies. This risk is managed by the Investment Manager mainly by way of portfolio diversification, but the Investment Manager may, with Board approval, hedge currency risk.</p> <p>The Company did not engage in any currency hedging during the year under review and has not done so in recent years. However, as described above, borrowing in foreign currencies provides a natural hedge against currency risk in situations where the Company holds investments denominated in the borrowed currency. As at 30 September 2025, the Company had €50m (£44m) of borrowing and investments denominated in Euros whose value exceeded that of this borrowing. Furthermore, the Company had ¥17.5bn (£88m) of borrowing and investments denominated in Japanese Yen whose value exceeded that of this borrowing. In addition the Company had a loan of £30m, the primary currency of the Company, and holds investments denominated in GBP of a greater value.</p>	<div> <div>—</div> <div>—</div> </div>

## Risk Level Key:

High
 Medium
 Low

## Movement Key:

Increased
 Stable
 Decreased





# Principal and Emerging Risks continued

Principal Risks	Risk Tolerance and Mitigating Actions	Risk Level / Movement
<b>Liquidity of investments</b> While the investment portfolio is made up predominantly of liquid investments, there is a possibility that individual investments may prove difficult to sell at short notice.	The Investment Manager takes account of liquidity when making investments and monitors the liquidity of holdings as part of its continuing management of the portfolio. The liquidity and concentration of AVI's holdings across all of its managed portfolios are monitored and reported at regular Board meetings.  It is important to note that the potential for the return of capital from investee companies by means of special dividends and the partial or full redemption of shares is a key element of the Investment Manager's strategy, and so trading on a stock exchange is not the only source of liquidity in the portfolio.	— —
<b>Key staff</b> Management of the Company's investment portfolio and other support functions rely on a small number of key staff.	The Investment Manager and key suppliers have staff retention policies and contingency plans. The Board's Management Engagement Committee reviews all of its key suppliers at least once per year.	— —
<b>Discount rating</b> The shares of investment trusts frequently trade at a discount to their published net asset value. The value of the Company's shares will be subject to the interaction of supply and demand, prevailing net asset values and the general perceptions of investors. The share price will accordingly be subject to unpredictable fluctuations, and the Company cannot guarantee that the share price will appreciate in value.  The Company may become unattractive to investors, leading to pressure on the share price and discount. This may be due to any of a variety of factors, including investment performance or regulatory change.	Any company's share price is affected by supply and demand for its shares and fluctuations in share price are a risk inherent in investing in the Company. In seeking to mitigate the discount, the Board looks at both supply and demand for the Company's shares.  The Board seeks to manage the risk of any widening of the discount by regularly reviewing the level of discount at which the Company's shares trade. If necessary and appropriate, the Board may seek to limit any significant widening through measured buybacks of shares. During the year under review, in common with most of the investment trust sector, the Company's shares traded at a persistent discount and share buybacks were continued to mitigate the pressure on the share price rating.  The Investment Manager has a comprehensive marketing, investor relations and public relations programme which seeks to inform both existing and potential investors of the attractions of the Company and the investment approach. We have a marketing budget to meet third-party costs in marketing our shares.	^ —



# Principal and Emerging Risks continued

Principal Risks	Risk Tolerance and Mitigating Actions	Risk Level / Movement
<b>Outsourcing</b> The Company outsources all of its key functions to third parties, in particular the Investment Manager, and any control failures or gaps in the systems and services provided by third parties could result in a financial loss or damage to the Company.	The Board insists that all of its suppliers (and, in particular, the Investment Manager, the Custodian, the Depositary, the Company Secretary, the Administrator and the Registrar) have effective control systems which are regularly reviewed.  The Board assesses thoroughly the risks inherent in any change of supplier, including the internal controls of any new supplier.	
<b>ESG</b> There is increasing focus on investment companies' role in influencing investee companies' approach to climate change and broader ESG issues.	The Board maintains a strategic overview of the portfolio, including ESG criteria. Management of the portfolio, including the integration of ESG considerations into portfolio construction, is delegated to AVI, the Investment Manager. As a responsible steward of assets, AVI fully supports policies and actions implemented by its portfolio companies to support a sustainable environment. AVI engages actively with its portfolio companies, and looks to understand how each company approaches stewardship of the environment, as well as seeking to identify any unacceptable practices that are detrimental to the environment or climate.	

## Risk Level Key:

High Medium Low

## Movement Key:

Increased Stable Decreased

The principal financial risks are examined in more detail in note 15 to the financial statements on pages 80 to 86.



## Strategic Report / Section 172 Statement

Section 172 of the Companies Act 2006 (Companies Act) states that: A Director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the following six items.

Further, the Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they have discharged their duties under section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of “members as a whole”. The Board’s approach is described under “Stakeholders” on the next page. Its views are set out in the table:

Matters for the Board to consider	Approach taken by the Board
(a) the likely consequences of any decision in the long term	In managing the Company, the aim of the Board and of the Investment Manager is always to ensure the long-term sustainable success of the Company and, therefore, the likely long-term consequences of any decision are a key consideration.  In managing the Company during the year under review, we acted in the way which we considered, in good faith, would be most likely to promote the Company’s long-term sustainable success and to achieve its wider objectives for the benefit of our shareholders as a whole, having had regard to our wider stakeholders and the other matters set out in section 172 of the Companies Act.
(b) the interests of the company’s employees	The Company does not have any employees.
(c) the need to foster the company’s business relationships with suppliers, customers and others	The Board’s approach is described under “Stakeholders” starting on the next page.
(d) the impact of the company’s operations on the community and the environment	The Board takes a close interest in ESG issues and sets the overall strategy. As management of the portfolio is delegated to the Investment Manager, the practical implementation of policy rests with AVI. A description of AVI’s ESG policy is set out on pages 28 to 31.
(e) the desirability of the company maintaining a reputation for high standards of business conduct	The Board’s approach is described under “Culture and Values” on this page.
(f) the need to act fairly as between members of the company	The Board’s approach is described under “Stakeholders” on the next page.

### Culture and Values

The Directors’ overarching duty is to promote the success of the Company for the benefit of investors, with due consideration of other stakeholders’ interests. The Company’s approach to investment is explained in the Investment Manager’s Review. The Directors aim to achieve a supportive business culture combined with constructive challenge and to provide a regular flow of information to shareholders and other stakeholders.

The Company has a number of policies and procedures in place to assist with maintaining a culture of good governance, including those relating to diversity, bribery (including the acceptance of gifts and hospitality), tax evasion, conflicts of interest, and dealings in the Company’s shares.

The Board assesses and monitors compliance with these policies regularly through Board meetings and the annual evaluation process. The Board seeks to appoint the most appropriate service providers for the Company’s needs and evaluates the services on a regular basis. The Board considers the culture of the Investment Manager and other service providers through regular reporting and by receiving regular presentations, as well as through ad hoc interaction.


The Board also seeks to control the Company’s costs, thereby enhancing performance and returns for the Company’s shareholders. The Directors consider the impact on the community and environment. The Board and Investment Manager work closely together in developing and monitoring the Company’s approach to environmental, social and governance matters.



## Strategic Report / Stakeholders





In line with the Companies (Miscellaneous Reporting) Regulations 2018, during the year under review the Board considered in detail which individuals and organisations should be regarded as stakeholders.

Its views are set out in the table below:

Stakeholders	Why they are important	Board Engagement
 Shareholders	<p>As the Company is an investment trust, its shareholders are, in effect, also its customers.</p> <p>Continued shareholder support and engagement are critical to the existence of the Company and to the delivery of the long-term strategy.</p>	<p>The Company has a large number of shareholders, including professional and private investors. Over the years, the Company has developed various ways of engaging with its shareholders, in order to gain an understanding of their views. These include:</p> <ul style="list-style-type: none"> <li>✓ <b>Annual General Meeting</b> The Company welcomes attendance from shareholders at AGMs. At the AGM, the Investment Manager always delivers a presentation and all shareholders have an opportunity to meet the Directors and ask questions;</li> <li>✓ <b>Information from the Investment Manager</b> The Investment Manager provides written reports with the annual and interim results, as well as monthly Factsheets which are available on the Company's website. Their availability is announced via the stock exchange;</li> <li>✓ <b>Investor Relations updates</b> At every Board meeting, the Directors receive updates on the share trading activity, share price performance and any shareholders' feedback, as well as any publications or comments in the press;</li> <li>✓ <b>Working with external partners</b> The Board receives regular updates from the Corporate Broker and also engages some external providers, such as communications advisers, to obtain a detailed view on specific aspects of shareholder communications;</li> <li>✓ <b>Feedback from shareholders</b> The Board values the feedback and questions that it receives from shareholders and takes note of individual shareholders' views in arriving at decisions which are taken in the best interests of the Company and of shareholders as a whole. The Chairman welcomes meetings with major shareholders, as well as enquiries and feedback from all shareholders. The Chairman can also be contacted via email at <a href="mailto:chair@aviglobal.co.uk">chair@aviglobal.co.uk</a> or by letter to the Company's registered office. The Chairman, the Senior Independent Director or any other member of the Board can be contacted via either the Company Secretary or the Corporate Broker, both of which are independent of the Investment Manager.</li> </ul> <p>Recent examples of decisions resulting from feedback from shareholders and discussions of proposals to enhance shareholders' best interests were:</p> <ul style="list-style-type: none"> <li>• the Share Split which was completed in January 2022;</li> <li>• cancellation of some of the shares held in treasury in February 2022 and January 2025;</li> <li>• the change of comparator benchmark in 2023; and</li> <li>• the change to the Company's stated Investment Policy at the AGM in 2024.</li> </ul>



## Strategic Report / Stakeholders continued

Stakeholders	Why they are important	Board Engagement
 <b>Lenders</b>	The Company has raised capital in the form of debt from a small group of lenders. Although the Company is not dependent on debt funding to maintain its operations, continued support from lenders is important to maintain the financial stability of the Company and flexibility in the investment portfolio.	<p>All of the Company's debt is subject to contractual terms and restrictions. We have an established procedure to report regularly to our lenders on compliance with debt terms.</p> <p>It is our policy that all interest and repayments of principal will continue to be made in full and on time.</p>
<b>Service Providers</b>		
 <b>The Investment Manager</b>	The Investment Manager's performance is critical for the Company to deliver its investment strategy and meet its objective.	<p>Maintaining a close and constructive working relationship with the Investment Manager is crucial as the Board and the Investment Manager aim to continue to achieve long-term returns in line with the Company's investment objective. The Board seeks to:</p> <ul style="list-style-type: none"> <li>✓ Encourage open discussion with the Investment Manager;</li> <li>✓ Ensure that the interests of shareholders and of the Investment Manager are aligned and adopt a tone of constructive challenge;</li> <li>✓ Draw on Board members' individual experience to support the Investment Manager in the sound, long-term development of investment strategy and, where relevant, the Investment Manager's business and resources.</li> </ul>
 <b>The Administrator and Company Secretary</b>	The Administrator and Company Secretary are key to the effective running of the Company.	<p>The Board recognises that the Company is the largest client of the Investment Manager, and so the long-term success of the Investment Manager is closely aligned to that of the Company. During the year under review the Board commissioned a detailed review of the Investment Management agreement with the aim of ensuring that the agreement complies with current best practice. The revised agreement was signed in July 2025.</p> <p>The Company Secretary attends all Board and Committee meetings.</p>
 <b>Other key service providers</b>	The Company has a number of other key service providers, each of which provides a vital service to the Company and ultimately to its shareholders. While all service providers are important to the operations of the Company, in this context the other key service providers are the Broker, the Custodian, Depositary and Registrar.	<p>The Management Engagement Committee undertakes an annual review of the key service providers, encompassing performance, level of service and cost. Each provider is an established business and each is required to have in place suitable policies to ensure that they maintain high standards of business conduct, treat customers fairly and employ corporate governance best practice.</p> <p>Our policy is that all bills and expense claims from suppliers are paid in full, on time and in full compliance with the relevant contracts.</p>



## Strategic Report / Responsible Business

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) ISSUES

Both the Board and AVI recognise that social, human rights, community, governance and environmental issues have an effect on its investee companies.

The Board firmly supports AVI in its belief that good corporate governance will help to deliver sustainable long-term shareholder value. AVI is an investment management firm that invests on behalf of its clients and its primary duty is to produce returns for its clients. AVI seeks to exercise the rights and responsibilities attached to owning equity securities in line with its investment strategy. A key component of AVI's investment strategy is to understand and engage with the management of public companies. AVI's Environmental, Social and Governance Policy, which is summarised on pages 28 to 31, recognises that shareholder value can be enhanced and sustained through the good stewardship of management and boards. It therefore follows that in pursuing shareholder value AVI will implement its investment strategy through proxy voting and active engagement with management and boards. AVI is also aligned with the UN-supported Principles for Responsible Investment (PRI), reflecting its commitment to responsible and sustainable investment practices.

The Company is an investment trust and so its own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions-producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. As discussed on page 60, as an investment trust without employees, the Company is not required to report against the TCFD framework.

The Company has no employees. The Company's principal suppliers, which are listed on page 115 of this report, have confirmed that they comply with the provisions of the UK Modern Slavery Act 2015.

The Directors do not have service contracts. There are five Directors, three male and two female. Further information on the Board's Diversity policy and the policy on recruitment of new Directors is contained on pages 54 to 55.

## FUTURE STRATEGY

The Board and the Investment Manager have long believed in their focus on investment in high-quality undervalued assets and that, over time, this style of investment has been well rewarded.

The Company's overall future performance will, inter alia, be affected by: the Investment Manager's decisions; investee companies' earnings, corporate activity, dividends and asset values; and by stock market movements globally. Stock markets are themselves affected by a number of factors, including: economic conditions; central bank and other policymakers' decisions; political and regulatory issues; and currency movements.

The Company's performance relative to its peer group and benchmark will depend on the Investment Manager's ability to allocate the Company's assets effectively, and manage its liquidity or gearing appropriately. More specifically, the Company's performance will be affected by the movements in the share prices of its investee companies in comparison to their own net asset values. The overall strategy remains unchanged.

## Approval of Strategic Report

The Strategic Report has been approved by the Board and is signed on its behalf by:

**Graham Kitchen**  
Chairman

11 November 2025