

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.

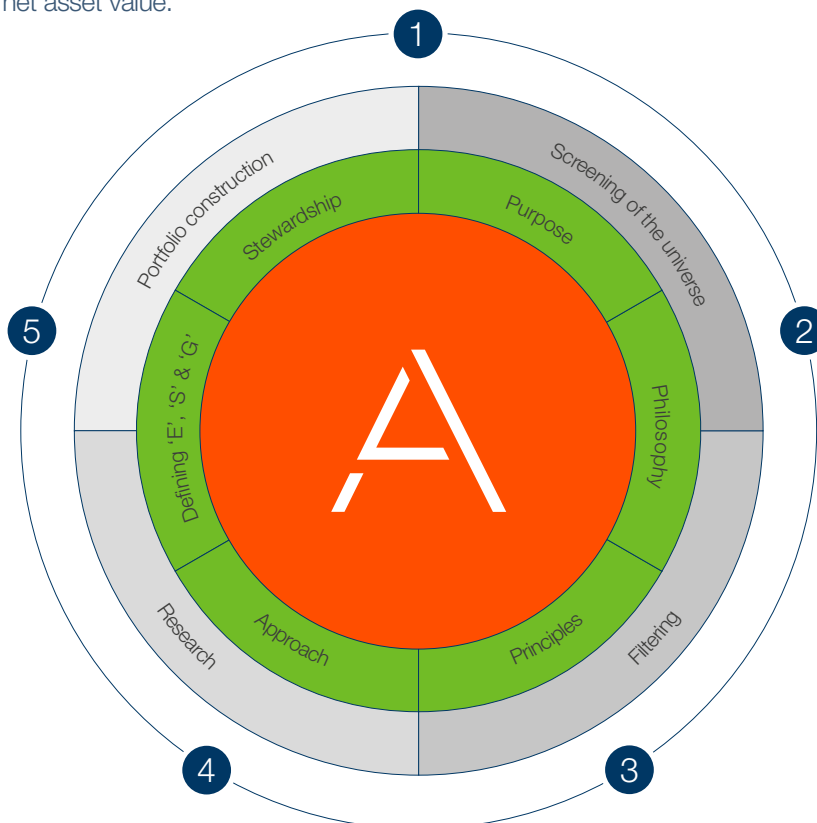
Looking for catalysts to narrow discounts

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.



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
- Closed-ended Funds
- Asset-backed Special Situations

PORTFOLIO BREAKDOWN BY AVI CLASSIFICATION*



	2024 %	2023 %
● Holding Companies	43	58
● Closed-ended Funds	31	25
● Asset-backed Special Situations	26	17

Source / AVI as at 30 September 2024

* Please refer to page 25 for more information about these classifications.

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 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

Daily monitoring of positions

Monthly investment meetings

Reassessment of positions

AVI'S RESPONSIBLE APPROACH

AVI believes that the integration of ESG and sustainability considerations into our investment strategy is not only integral to comprehensively understanding each investment's ability to create long-term value but is aligned with our values as responsible investors.

Aligned with the PRI

AVI is aligned with the UN-supported Principles for Responsible Investment (PRI)'s belief that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term responsible investment, and benefit the environment and society as a whole. AVI became a signatory to the PRI on 9 April 2021.

Active Ownership

AVI's ESG monitoring system helps to identify weaknesses in a company and empowers us to engage effectively where appropriate. Through constructive engagement, we encourage and expect investee companies to take meaningful action in remedying weaknesses in the context of long-term value creation.



© Website / Hipgnosis Songs Fund: Case Study

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 47 stocks held in the AGT portfolio.