

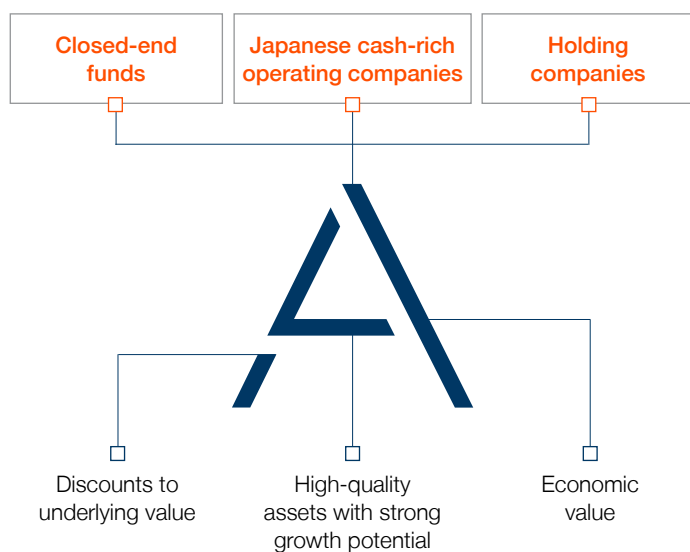
COMPANY PURPOSE


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.

BUSINESS MODEL

STRATEGY

Our 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. Often, we engage actively with management in order to provide suggestions for improvements that we believe could help narrow the discount or improve operations, thus releasing value for shareholders.



 Read more about our Responsible Business on page 15 of the Annual Report

INVESTMENT APPROACH

As an investment trust, one of the Company's most important relationships is with the Investment Manager.

The Company's assets are managed by Asset Value Investors Limited ('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. No more than 10% of the Company's investments may be in unlisted securities.

 AVI's investment philosophy is described in more detail on page 21 of the Annual Report

 The Company's Investment Policy is set out on page 46 of the Annual Report

OTHER KEY STATISTICS

NET ASSET VALUE PER SHARE*

30 September 2020

837.13p

30 September 2019

852.61p

NUMBER OF INVESTMENTS

43

(of which 15 are held in Japanese Special Situations – see pages 18 and 19)

* For definitions, see Glossary on pages 95 to 98.



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, discount to net asset value and ongoing expenses.

NAV TOTAL RETURNS TO 30 SEPTEMBER 2020*

1 Year

0.0%

10 Years (Annualised)

6.9%

DISCOUNT*

30 September 2020

9.3%

30 September 2019

10.9%

ONGOING EXPENSES RATIO*

2020

0.89%

2019

0.85%



Read more about our KPIs and Principal Risks on pages 8 to 11 of the Annual Report

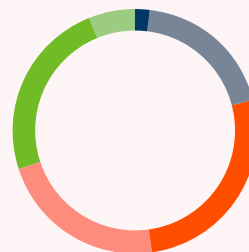


GLOBAL

Our investments are distributed throughout the world.



LOOK-THROUGH COUNTRY EXPOSURE*



	2020* %	2019 %
United Kingdom	2	1
North America	19	17
Europe	27	28
Asia	22	18
Japan	24	26
Latin America, Africa & Emerging Europe	6	10

* Based on location of companies' underlying assets, rather than country of listing.

TOP TEN INVESTMENTS REPRESENT

52.4%

of portfolio*

ESTIMATED PERCENTAGE ADDED TO NET ASSET VALUE PER SHARE FROM BUYBACKS*

2020

0.5%

2019

0.1%

* For definitions, see Glossary on pages 95 to 98.