

Strategic Report / Ten Largest Equity Investments


The top ten equity investments make up 60.7% of the net assets*, with underlying businesses spread across a diverse range of sectors and regions.

All discounts are estimated by AVI as at 30 September 2023, based on AVI's estimate of each company's net asset value.

* For definitions, see Glossary on pages 103 to 106.
** % of net assets.

View our investment platforms at: www.aviglobal.co.uk

60.7%**

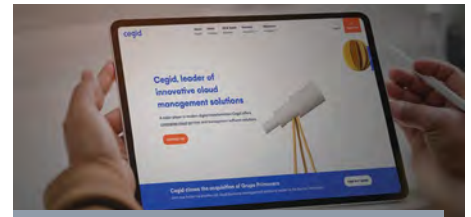



1. SCHIBSTED B

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £88.6m |
| % of net assets 8.6% | Discount -34% |

A Norwegian-listed holding company offering exposure to high-quality online classified businesses. This is split between unlisted Nordic assets and a listed stake in Adevinta, a company that was spun-out from Schibsted to pursue international growth and consolidation. The market applies an inordinately low implied valuation on the unlisted assets due to the structure. With potential for an upcoming corporate event, combined with prospects for significant improvements in monetisation and margins, we see considerable upside.

Source / Adevinta



2. OAKLEY CAPITAL INVESTMENTS

| | |
|--|----------------------------|
| Classification Closed-ended Fund | Valuation £78.7m |
| % of net assets 7.6% | Discount -32% |

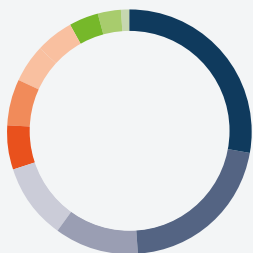
Oakley Capital Investments (OCI), is a London-listed closed-ended fund which invests in the private funds run by Oakley Capital, a UK-based private equity firm. OCI owns a portfolio of fast-growing businesses in the consumer, education, services, and technology sectors. Its process focuses on less intermediated markets and complex deals (e.g. carve-outs), which avoids the auction process, sourced by a network of entrepreneurs who believe in the Oakley philosophy. We believe that OCI's significant discount will narrow from continued NAV outperformance arising from realised exits, and the continued earnings growth of its portfolio.

Source / Cegid


DIVERSIFIED

Our portfolio contains broad diversification to sectors and companies.

Look-through Sector breakdown



- Communication Services: 28%
- Consumer Discretionary: 21%
- IT: 11%
- Financials: 10%
- Consumer Staples: 6%
- Energy: 6%
- Healthcare: 5%
- Industrials: 5%
- Materials: 4%
- Real Estate: 3%
- Utilities: 1%

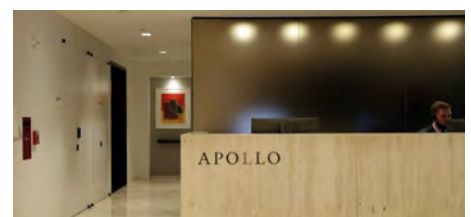


6. PRINCESS PRIVATE EQUITY

| | |
|--|----------------------------|
| Classification Closed-ended Fund | Valuation £64.2m |
| % of net assets 6.2% | Discount -29% |

London-listed closed-end fund managed by Swiss private equity manager Partners Group. Princess 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 forced a sell-off. We have since proactively engaged with the board on multiple matters.

Source / Partners Group AG



7. APOLLO GLOBAL MANAGEMENT

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £59.7m |
| % of net assets 5.8% | Discount -30% |

A value-orientated US-listed alternative asset manager with c. USD617bn of assets under management. Following its merger with Athene Insurance, Apollo has ambitious plans to grow its "Fixed Income Replacement Opportunity" offering within a USD40 trillion market.

Source / Apollo

50.3%**

7

8

9

10



3. KKR & CO

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £69.7m |
| % of net assets 6.8% | Discount -27% |

A US-listed alternative asset manager with c. USD519bn of assets under management. KKR is one of the largest companies in an industry with appealing structural characteristics, underpinned by valuable fee-related earnings.



4. AKER ASA

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £65.0m |
| % of net assets 6.3% | Discount -24% |

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.



5. FEMSA

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £64.5m |
| % of net assets 6.3% | Discount -28% |

FEMSA is a Mexican family-controlled holding company with roots dating back to the establishment of Mexico's first brewery in 1890. The bulk of the value lies in unlisted FEMSA Comercio, which primarily operates Oxxo-branded convenience stores across Mexico and Latin America. In 2023 the company completed a strategic review, simplifying its structure and generating considerable excess capital. We believe this will lead to a re-rating of the shares.

Source / Kohlberg Kravis Roberts & Co. L.P.



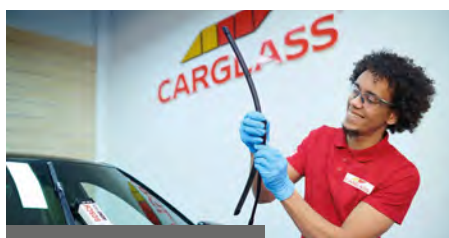
8. PANTHEON INTERNATIONAL

| | |
|--|----------------------------|
| Classification Closed-ended Fund | Valuation £53.7m |
| % of net assets 5.2% | Discount -38% |

Pantheon International is one of the oldest listed private equity vehicles and has built up a strong NAV performance track-record over several decades, thanks to its diversified portfolio of private equity funds owning high-quality companies with robust earnings growth. In August, the company announced a revised capital allocation policy, equating to 15% of shares outstanding, baking a substantial degree of NAV accretion into future returns.

Source / Pantheon International Plc.

Source / Aker Solutions



9. D'ITEREN GROUP

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £41.5m |
| % of net assets 4.0% | Discount -41% |

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. Belron boasts numerous scale advantages and benefits from tailwinds. Combined with the durable growth prospects for D'Ieteren's other assets, and the wide discount at which the company trades, we are excited about prospective returns.

Source / Belron

Source / Comunicación Corporativa FEMSA



10. CHRISTIAN DIOR

| | |
|--|----------------------------|
| Classification Holding Company | Valuation £40.3m |
| % of net assets 3.9% | Discount -15% |

Christian Dior's sole asset is a 41% stake in LVMH, the luxury goods conglomerate. We view LVMH as a highly attractive asset, with diverse exposure across Fashion & Leather, Wine & Spirits, Perfume & Cosmetics, Watches & Jewellery and Selective Retail. LVMH's collection of brands is unique and the rich cultural heritage underlying them is impossible to replicate. These factors drive strong demand, high pricing power and attractive margins. We see strong earnings upside from LVMH, as well as potential returns from the collapse of the holding structure.

Source / Getty images