December 2023

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 (AGT)'s NAV increased by +6.4% in December.

Read more below

Japan

2023 was a seminal moment in the long and winding road to unlocking the enormous value trapped in Japanese companies.

Read more below

Schibsted

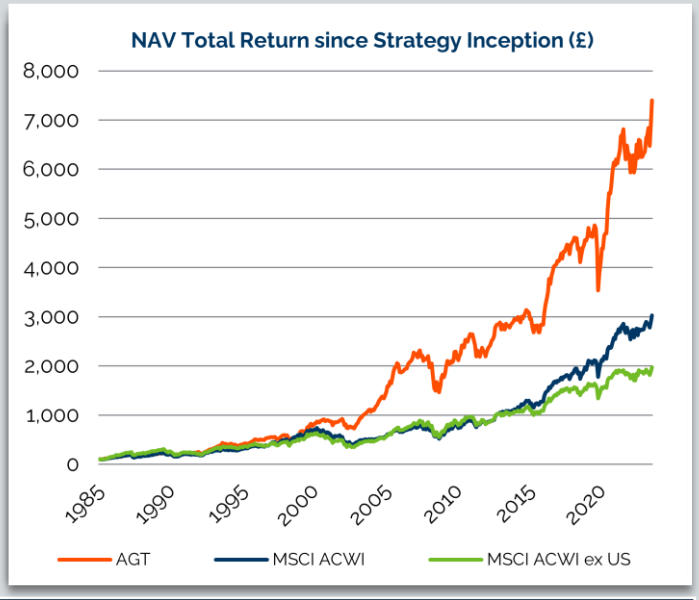
In December Schibsted took further significant steps to reduce the conglomerate discount at which it trades.

Read more below

THE FUND
(Figures to 31 December 2023)

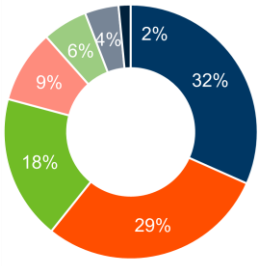
Share Price (pence)	NAV (pence)	Prem./Disc.
220.0	242.8	-9.4%

Total Return (£)	Month	CYTD	1Y	3Y	5Y	10Y
AGT NAV	6.4%	18.8%	18.8%	34.2%	80.0%	162.7%
MSCI ACWI	4.1%	15.3%	15.3%	26.8%	73.9%	178.6%
MSCI ACWI ex US	4.3%	9.1%	9.1%	12.3%	40.7%	89.2%

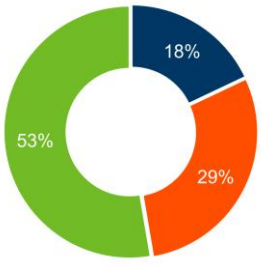


PORTFOLIO
(Holdings to 31 December 2023)

Look-Through Geographic Exposure (% of net assets)



Portfolio Exposure (% of portfolio)



Top Ten Equity Holdings

Holding	%
Oakley Capital Investments	7.6
KKR	5.9
FEMSA	5.9
Aker ASA	5.7
Princess Private Equity	5.7
Pantheon International	5.0
Hipgnosis Songs Fund	4.9
Schibsted B	4.8
Apollo Global	4.8
News Corp A	4.7
TOTAL	55.0

N.B. Brookfield Corporation is held via a long total return swap. A hedge is held against the position via a short total return swap on three of the listed underlyings (BAM, BIP, BEP), accounting for 59% of NAV. The weights shown reflect the notional exposure calculated from the shares underlying the swaps.

MANAGER'S COMMENT

AVI Global Trust (AGT)'s NAV increased +6.4% in December.

Performance was broad based but Oakley, Schibsted and Nihon Kohden were particularly strong, adding +75bps, +73bps and +67bps each. Symphony International was the greatest laggard, shaving off -14bps.

Japan

As long-term readers of our letters will know, seven years ago we became increasingly enamoured with the opportunity set in Japan where it was evident that the winds of change had begun to blow, and that the corporate governance reform agenda had gained critical momentum. This was not a consensus view, with Japan considered to be a perennially cheap, never changing, and largely irrelevant market for global investors.

Since then, AGT has consistently had about a quarter of its portfolio invested in Japan, and we have demonstrated an ability to generate attractive returns through an engaged and constructive activist approach. Since 2017 this had added +20% to AGT's NAV (£) and we have generated a JPY total return of +84%, versus +51% and +67% for the MSCI Japan Small and TOPIX, respectively.

In 2023 global investor interest in Japan increased as progress on corporate governance and shareholder reform continued unabated. In particular, the announcement at the start of the year that the Tokyo Stock Exchange (TSE) will require companies to disclose capital efficiency improvement plans, especially if trading below 1x book value, received considerable attention.

Then, at the end of November, news broke that Toyota Motors - one of Japan's last holdouts to reform its balance sheet - will partially unwind its cross shareholding in Denso. This was followed in December by the TSE's announcement that it will add further pressure by calling on the over 1,000 companies in parent-subsidiary relationships or that have listed or equity-affiliates to increase disclosure around their rationale for having listed subsidiaries and their efforts to ensure their independence.

The cascade of events in 2023 are, in our view, a seminal moment in the long and winding road to unlocking the enormous value trapped in Japanese companies. In recent months we have added new positions in Toyota Industries, Keisei Electric and Kyocera Corp, all of which are particularly exposed to this theme.

Schibsted

Despite us having written extensively about Schibsted last month, a further update is warranted.

In early December Schibsted positively surprised both us and the market with the announcement that that the Tinius Trust, the controlling shareholder, intends to acquire Schibsted's legacy News Media division for 5.4bn NOK and Schibsted's stake in Polaris Media for 0.8bn NOK. As well as this, the company intends to collapse the dual A-B share class structure. This is a significant positive development that should help reduce the conglomerate discount at which Schibsted trades and force investors to pay attention to the attractive qualities of Schibsted's Nordic Marketplace assets – which have hitherto been overlooked.

Using the price of the B shares which we own, Schibsted has a market cap of 62bn NOK. Pro-forma of the completion of the two transactions, deducting the value of the retained stake in Adevinta (16bn NOK), News Media (6.2bn NOK) and net cash and other adjustments (18bn NOK) implies the Nordic stub assets are trading at an implied value of 22bn NOK, or approximately 9.5x 2024 EBITDA.

Whilst this has increased from the low of ~6x (inclusive of News Media) earlier in 2023 we believe there is ample room for the shares to re-rate higher and the valuation gap to global classified ads peers to narrow under the simplified structure, with peers on average trading at 18x 2024 EBITDA. The combination of the potential multiple re-rating and strong earnings growth prospects provide for attractive upside. In the near term we believe that the returning of excess capital to shareholders is a key catalyst to drive the shares higher, with proceeds from the Adevinta and News Media sales just shy of 30bn NOK (48% market cap).

STATISTICS

Contributors / Detractors (in GBP)

Largest Contributors	1-month contribution bps	% Weight
Oakley Capital Investments	75	7.6
Schibsted ASA 'B'	73	4.8
Nihon Kohden	67	3.1
Long Brookfield Corp/Short Listed Underlyings	54	4.5
D'Ieteren	53	4.2

Largest Detractors	1-month contribution bps	% Weight
Symphony International Holdings	-14	2.4
Toyota Industries	-8	1.1
Princess Private Equity	-7	5.7
Entain	-3	0.9
Shiga Bank	-3	1.1

Fund Facts

Net Assets	£1,103.0m
Investment Manager	Asset Value Investors Limited
AGT Shares owned by the Manager**	2,078,576
Shareholder Services	Link Asset Services
Management Fee**	0.7% up to £1bn of assets, 0.6% > £1bn
Website	www.aviglobal.co.uk
Ticker Code	AGT.LN
ISIN	GB00BLH3CY60

Total Return (£%)	1m	1y	3y	5y	10y
Share Price TR[2]	6.8	19.2	29.9	75.5	163.2
Net Asset Value TR[1]	6.4	18.8	34.2	80.0	162.7
MSCI ACWI TR[1]	4.1	15.3	26.8	73.9	178.6
MSCI ACWI ex US TR[3]	4.3	9.1	12.3	40.7	89.2
FY* Total Return (£%)	**FYTD**	**2023**	**2022**	**2021**	**2020**
Price[1]	9.8	14.8	-10.1	35.8	1.2
Net Asset Value[1]	8.3	15.3	-7.3	36.2	0.0
MSCI ACWI[1]	6.3	10.5	-4.2	22.2	5.3
MSCI ACWI ex US[3]	5.1	10.1	-9.6	18.8	-1.8

Capital Structure	
Ordinary Shares	499,825,819
Shares held in Treasury	45,600,956
4.184% Series A Sterling Unsecured Note 2036	£30,000,000
3.249% Series B Euro Unsecured Note 2036	€30,000,000
2.930% Unsecured Note 2037	€20,000,000
1.380% Senior Unsecured Note 2032	¥8,000,000,000
LIBOR + 0.75% Revolving Credit Facility	¥4,500,000,000[5]
1.440% Unsecured Note 2033	¥4,500,000,000
Gross Assets/Gearing	
Gross Assets	£1,259.5m
Debt at fair value (gross)	£156.5m
Gearing (net)[4]	6.6%

1 Source: Morningstar. All NAV figures are cum-fair values.
2 Source: Morningstar. Share price total return is on a mid-to-mid basis, with net income re-invested.
3 From 1st October 2013 the lead benchmark was changed to the MSCI ACWI ex US (£) Index.
4 Fair value of net debt divided by net assets at fair value.
5 RCF capacity of ¥4,500,000,000.
* AVI Global Trust financial year commences on the 1st October. All figures published before the fiscal results announcement are AVI estimates and subject to change.
** Shares owned by AVI Ltd & AVI Employees

All return figures in GBP.

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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

IMPORTANT INFORMATION

All figures are as at the period under review unless otherwise stated. All sources Asset Value Investors Ltd ("AVI") unless otherwise stated. AVI is authorised and regulated by the Financial Conduct Authority of the United Kingdom (the "FCA") and is a registered investment adviser with the Securities and Exchange Commission of the United States. While AVI is registered with the SEC as an investment adviser, it does not comply with the Advisers Act with regard to its non-U.S. clients. This document does not constitute an offer to buy or sell shares in AVI Global Trust plc (the "Trust"). The contents of this message are not intended to constitute, and should not be construed as, investment advice. Potential investors in the Trust should seek their own independent financial advice. AVI neither provides investment advice to, nor receives and transmits orders from, investors in the Fund.