

December 2025

Investment Objective: To achieve capital growth through investing in a focused portfolio of over-capitalised small-cap Japanese equities. Asset Value Investors will leverage its three decades of experience investing in asset-backed companies to engage with company management and help to unlock value in this under-researched area of the market.

HEADLINES

Synchro Food – Successful EGM

The EGM was highly successful, with AVI's Head of Japan Research, Kaz Sakai, appointed to the board as an independent director. Two internal directors were dismissed.

[Read more below](#)

Broadmedia – AVI Tender Offer

AVI announced its intention to increase its combined stake across client funds from c.29% to c.40% via tender offer, at a price of 2,200 Yen per share, a 29% premium to the undisturbed share price.

[Read more below](#)

Aoyama – Earnings Revised Down

AZN revised its revenue guidance downwards by -11% for FY2025 due to revenue from transactions at Advantage Club, AZN's real estate co-ownership platform, being pushed to later periods.

[Read more below](#)

THE TRUST

Share Price (pence)

172.0

NAV p/s (pence)

174.7

Prem./(Disc.)

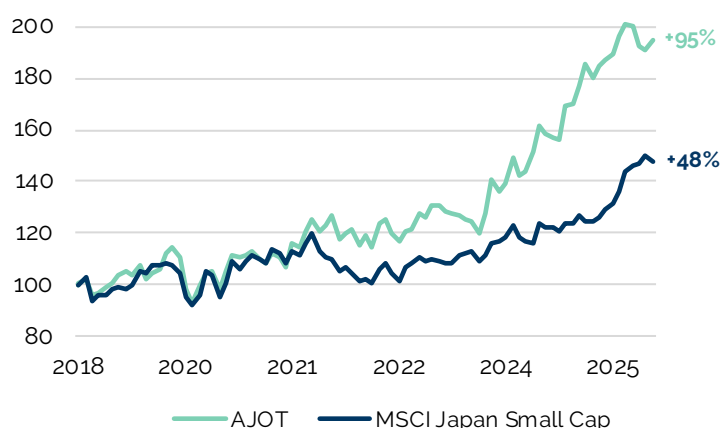
(1.6)%

Net Performance

	Total Returns (%)	Month	1Y	3Y	5Y
GBP	NAV p/s	1.9	14.7	60.5	72.4
	MSCI Japan Small Cap	-1.1	19.8	36.1	33.0
JPY	NAV p/s	3.9	22.8	113.2	157.6
	MSCI Japan Small Cap	0.8	28.4	80.8	98.6

All performance shown net of fees total returns as of 31/12/2025
Source: Morningstar

NAV Total Return Since Inception (GBP)



Source: Morningstar as of 31/12/2025

PORTFOLIO

Top Ten Holdings

	% ¹
ETFs*	14.3
Mitsubishi Logistics	7.5
Kurabo Industries	7.3
Eiken Chemical	6.0
Raito Kogyo	6.0
Sharingtechnology	5.9
Atsugi	5.9
Wacom	5.8
Synchro Food	5.5
Rohto Pharmaceutical	5.4
TOTAL	69.6
No of Holdings	31

*The ETF holdings aggregate two TOPIX ETFs. These are held separately within the portfolio and provide passive exposure to the Japanese equities market.

Contributors/Detractors (GBP)²

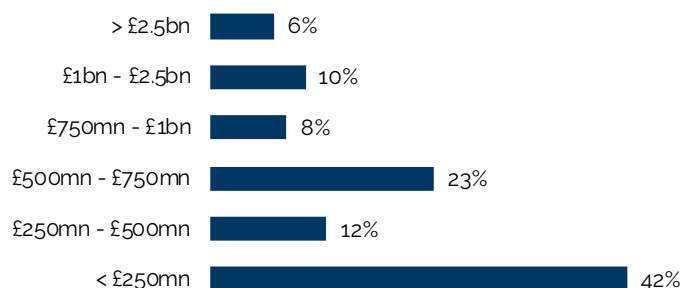
Largest Contributors	1M Contrib. bps	% ¹
Synchro Food	84	5.5
Broadmedia	66	4.2
Kurabo Industries	55	7.3
Sharingtechnology	52	5.9
Sanyo Shokai	25	3.1

Largest Detractors	1M Contrib. bps	% ¹
Aoyama Zaisan Networks	-72	3.1
Wacom	-35	5.8
Eiken Chemical	-30	6.0
Raito Kogyo	-10	6.0
Next Funds TOPIX ETF	-6	7.1

¹All Figures shown as % of Net Asset Value. ²Contributors and detractors from Factset.

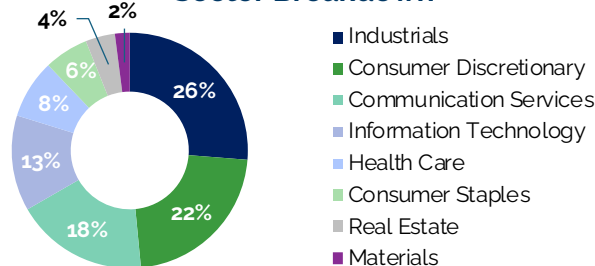
PORTFOLIO (continued)

Market Cap Breakdown³



Figures may not total to 100 due to rounding.

Sector Breakdown³



Figures may not total to 100 due to rounding. ³Shown as % of listed Portfolio. Unlisted holdings which represent 3.1% of NAV as at 31/12/2025 have been excluded from analysis. ETFs are excluded as temporary holdings following the transfer from Fidelity Japan Trust and do not reflect AJOT's long-term strategy.

MANAGER'S COMMENT

AJOT's NAV returned +1.9% (in GBP) and +3.9% (in JPY) over the month, while the benchmark returned -1.1% (in GBP) and +0.8% (in JPY).

The two largest contributors to performance over the month were Synchro Food (+22% share price), which approved the appointment of AVI's Head of Japan Research, Kaz Sakai, to the Board as an independent director, and Broadmedia (+21%), in which AVI announced its intention to acquire an additional c.11% of shares via tender offer. Meanwhile, Aoyama Zaisan Networks (-16%) was the most significant detractor as it revised FY2025 revenue guidance downwards.

The team continues to allocate capital received following completion of the transaction with the Fidelity Japan Trust in late November 2025, to both new and longstanding portfolio names. As of year-end, well over half of the capital received has been deployed. Meanwhile, the weights of ETFs received to provide temporary market exposure continue to reduce, accounting for 14% of NAV at year-end.

We are excited by the opportunity to utilise additional firepower following the merger with FJV to enhance our constructive engagement strategy with portfolio companies. AJOT is a major shareholder involved in AVI's constructive engagement strategy, building meaningful stakes to unlock value by driving improvements in business operations alongside traditional themes of capital efficiency, governance, and investor relations. Moving into 2026, our constructive engagement strategy remains unchanged, and we look forward to unlocking substantial corporate value in our portfolio companies.

As a reminder, the Financial Service Agency (FSA) is currently conducting a review of the Corporate Governance Code (last reviewed in June 2021) with a desire to see improved capital efficiency through companies both reinvesting excess cash into their core business and increasing shareholder returns. We look forward to seeing the results of this review in 2026 as corporate reform in Japan continues to accelerate.

Synchro Food (3963) – AVI Head of Japan Research appointed as outside director at EGM

Synchro Food was the largest contributor over the month, adding +84bps to performance as its share price rose by +22%.

Synchro Food operates a service matching platform for restaurants in Japan, with much of its sales coming from job listings. The company operates "Inshokuten.com" which provides an end-to-end business platform for restaurants, including supplier search, accountant search, interior design, food truck support and bulk ordering services.

The EGM requested by AVI was held by Synchro Food on December 26th 2025, having initially received our request on October 2nd 2025, a week after LIM Japan Event Master Fund had made a separate EGM request. The results of the EGM were highly positive, with AVI's Head of Japan Research, Kaz Sakai, successfully appointed to the board as an independent director. Additionally, internal directors Morita and Nakagawa were both dismissed, with both a new CEO and Chairman stepping up consequently.

Added to the portfolio in March 2025, the company accounted for 5.5% of AJOT's NAV at year-end. We see significant upside through our constructive engagement and to month-end, our investment has generated an ROI of +28% for an IRR of +78% (in JPY).

Broadmedia (4347) – AVI tender offer to increase stake to c.40%

Broadmedia was the second largest contributor over the month, adding +66bps to performance as its share price rose by +21%.

As a reminder, Broadmedia mainly engages in online education and IT service businesses. It is a leading player in Japan running online-learning secondary schools with the brand name "Renaissance High School Group," allowing students to learn at their own pace remotely and to focus on their individual learning interests. Broadmedia also operates an IT service business, specifically for distributing Akamai Technologies' software and solutions to domestic clients.

On December 9th 2025, AVI announced its intention to increase its combined stake across client funds from c.29% to c.40% via tender offer, at a price of 2,200 Yen per share, a 29% premium to the undisturbed share price. The Board of Broadmedia took a neutral stance, leaving it up to shareholders to decide whether to accept the tender offer. We believe this larger stake will support our constructive engagement initiatives and be beneficial to minority shareholders.

MANAGER'S COMMENT (continued)

Broadmedia serves as an example of AVI's constructive and creative approach to value enhancement in Japanese small-cap companies. AVI expects Broadmedia to continue driving business growth supported by rising demand in online education and IT services sectors.

Broadmedia was added to the portfolio in April 2024 and now accounts for 4.2% of AJOT's NAV, with the investment having so far generated a +31% ROI for an IRR of +30% to month-end (in JPY).

Aoyama Zaisan Networks (8929) – Revenue guidance revised downwards for FY2025

Aoyama Zaisan Networks (AZN) was the largest detractor, reducing performance by -72bps as its share price fell by -16%.

AZN specialises in providing wealth management consulting services across areas such as property, succession planning, corporate finance and strategic management of individual assets. AZN is set to benefit from the aging Japanese population as the need for inheritance and business succession consulting is on the rise.

In December 2025, AZN revised its revenue guidance downwards by -11% for FY2025 due to revenue from transactions at Advantage Club, AZN's real estate co-ownership platform, being pushed into later periods due to the announcement of upcoming tax reform. While operating profit remained unchanged at ¥3.85bn, the market perceived this as a negative signal for future earnings potential, with the share price drifting -7% lower in the following 5 trading days.

At the time we initiated our investment in March 2024, AZN's stock price had been flat for the previous five years, despite operating income that had continued to grow steadily and non-operating assets that had expanded to c.47% of its market cap as of the end of December 2023.

AZN was added to the portfolio in March 2024, and at month-end accounted for 3.1% of AJOT's NAV. To date, the investment has returned an ROI of +7% for an IRR of +7% (in JPY).

STATISTICS

Performance Summary (GBP)

Total Returns (%)	1M	1Y	3Y	5Y	SI ⁴
Share Price	0.7	15.3	60.8	66.3	88.0
NAV p/s	1.9	14.7	60.5	72.4	94.8
MSCI Japan Small Cap	-1.1	19.8	36.1	33.0	48.0
CY Total Returns (%)	YTD	2024	2023	2022	2021
Share Price	15.3	21.5	14.8	-6.0	10.0
NAV p/s	14.7	20.9	15.8	-4.3	12.3
MSCI Japan Small Cap	19.8	6.2	6.9	-1.0	-1.4

All performance shown net of fees in GBP Total Return and as at 31/12/2025

Source: Morningstar

⁴Start Date 23 October 2018

Characteristics

Portfolio Statistics	
EV/EBIT	9.2x
Net Cash/Market Cap ⁵	12.3%
NFV/Market Cap ⁶	45.2%

⁵Net Cash = Cash - Debt

⁶Net Financial Value (NFV) = Net Cash + Investment Securities - Minority Interest

Trust Details

Capital Structure	
Ordinary Shares	247,873,823
Shares held in Treasury	4,450,716
TONAR + 1.55% Revolving Credit Facility	¥6,600,000,000
Gross Assets/Gearing	
Gross Assets	£456.6m
Gross value of debt (GBP)	£31.3m
Gearing (net) ⁷	1.8%
Fund Facts	
Launch Date	23-Oct-18
Net Assets	£425.3m
Investment Manager	Asset Value Investors Limited
Value Owned by AVI ⁸	£3,942,246
Shareholder Services	MUFG Corporate Markets
Management Fee ⁹	Tiered fee between 1% and 0.9%
Ticker Code	AJOT.LN
ISIN	GB00BD6H5D36

⁷Net gearing at fair value

⁸Value owned by AVI Ltd & AVI Ltd employees as at 31/12/2025

⁹Annual Management Fee: 1.0% (<£300m) / 0.95% (£300-£350m) / 0.90% (>£350m)
The Management Fee is calculated on the lesser of NAV or Market Cap. 25% of Management Fee is reinvested in shares in AJOT

Investment Manager – Joe Bauernfreund

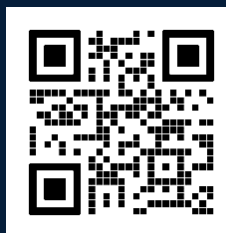
AVI Ltd. +44 20 7659 4800 info@ajot.co.uk

The share price can be found in [The Financial Times](#).
ISIN: GB00BD6H5D36 Trading as: [AJOT:LN](#)

Information may be found on the following websites:

www.ajot.co.uk

www.assetvalueinvestors.com



IMPORTANT INFORMATION

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