

April 2026

**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

### Atsugi Re-rating On Restructuring

Despite guiding for a FY03/26 operating loss, the shares of legwear leader, Atsugi, have rallied as investors look through near-term weakness to ongoing restructuring.

[Read more below](#)

### Kurabo Buybacks Drive Value

Following plant closures and a new mid-term plan with a 4.0% DOE target, Kurabo has begun executing a buyback programme, supporting its move to a more focused, shareholder-friendly model.

[Read more below](#)

### Sharingtechnology Core Platform

Upgraded FY09/26 guidance, driven by gains from carving out the franchise support business, allows management to reinvest in the core living-support platform.

[Read more below](#)

## THE TRUST

Share Price (pence)

177.0

NAV p/s (pence)

176.5

Prem./Disc.

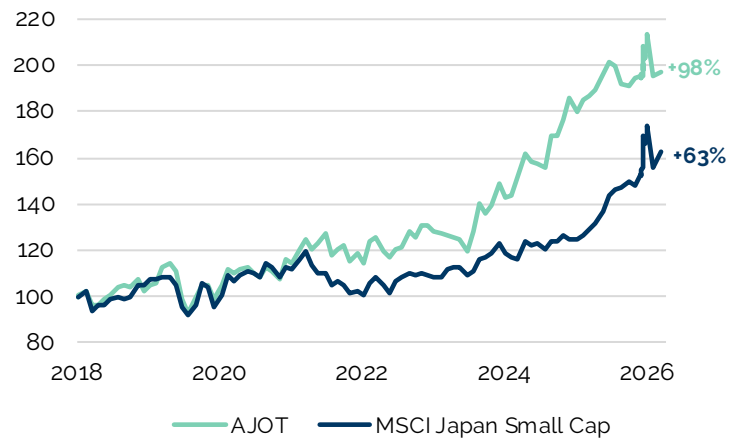
0.3%

### Net Performance

	Total Returns (%)	Month	1Y	3Y	5Y
GBP	NAV p/s	0.8	6.7	51.3	78.6
	MSCI Japan Small Cap	4.4	29.2	49.6	45.2
JPY	NAV p/s	2.3	19.3	88.3	151.2
	MSCI Japan Small Cap	5.9	44.4	86.1	104.3

All performance shown net of fees total returns as of 30/04/2026  
Source: Morningstar

### NAV Total Return Since Inception (GBP)



Source: Morningstar as of 30/04/2026

## PORTFOLIO

### Top Ten Holdings

	% <sup>1</sup>
Mitsubishi Logistics	9.1
Sharingtechnology	8.6
Kurabo Industries	8.3
Eiken Chemical	8.3
Broadmedia	6.7
Atsugi	5.7
Maruzen Showa Unyu	5.7
Wacom	5.5
Sanyo Shokai	5.5
Asiro	5.4
<b>TOTAL</b>	<b>68.8</b>
No of Holdings	28

### Contributors/Detractors (GBP)<sup>2</sup>

Largest Contributors	1M Contrib. bps	% <sup>1</sup>
Atsugi	103	5.7
Kurabo Industries	79	8.3
Mitsubishi Logistics	37	9.1
Aoyama Zaisan Networks	18	2.8
Ines Corp	16	3.3

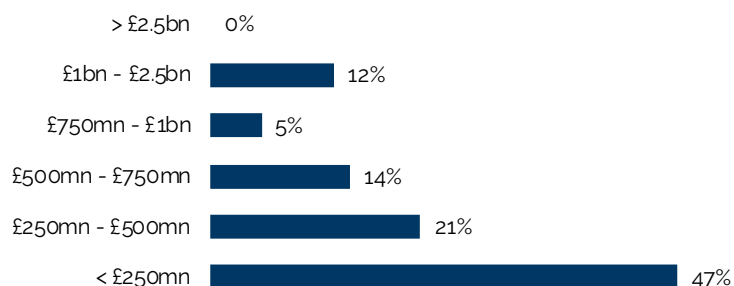
  

Largest Detractors	1M Contrib. bps	% <sup>1</sup>
Sharingtechnology	-42	8.6
Maruzen Showa Unyu	-39	5.7
Asiro	-31	5.4
Wacom	-27	5.5
Rohto Pharmaceutical	-22	3.8

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

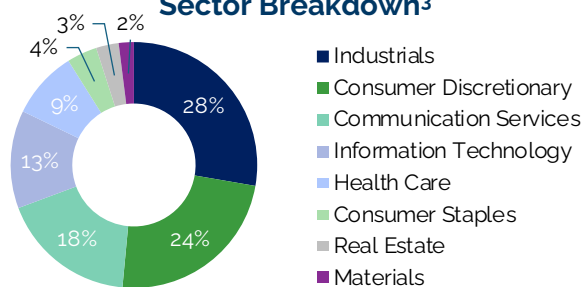
PORTFOLIO (continued)

**Market Cap Breakdown<sup>3</sup>**



Figures may not total to 100 due to rounding.

**Sector Breakdown<sup>3</sup>**



Figures may not total to 100 due to rounding. <sup>3</sup>Shown as % of listed Portfolio. Unlisted holdings which represent 33% of NAV as at 30/04/2026 have been excluded from analysis. Source: Capital IQ

MANAGER'S COMMENT

AJOT's NAV returned +0.8% (in GBP) and +2.3% (in JPY) over the month, while the benchmark returned +4.4% (in GBP) and +5.9% (in JPY).

The largest contributor over the month was Atsugi Co., Ltd. (+25% share price), as the stock continued to recover from January's downward revisions to its guidance. Kurabo Industries was the second-largest contributor, returning +13% as the market looked through near-term earnings headwinds and responded positively to ongoing structural reforms and shareholder-friendly capital allocation, including plant closures and an active share buyback programme. By contrast, Sharingtechnology was the main detractor, with the shares drifting 4% lower over the month in the absence of catalysts, despite an upgraded full-year profit forecast driven by a one-off gain from a business carve-out.

On 10 April 2026, the Financial Services Agency (FSA) and Tokyo Stock Exchange (TSE) published a draft of the "revised Corporate Governance Code to promote growth investments," which is scheduled to come into effect in July 2026. Key areas of focus include encouraging growth investments, strengthening the effectiveness of boards and bringing forward disclosure of the annual securities report so that it is available ahead of the general meeting of shareholders. Companies will be required to submit Corporate Governance Reports aligned with the revised code by July 2027.

At the same time, TSE updated its request that companies pursue management practices conscious of the cost of capital and stock price, a theme first emphasised in 2023. While there has already been meaningful progress on disclosure, the latest update places greater emphasis on moving from disclosure towards concrete action, for example by setting out medium to long term business policies that are explicitly aligned with capital allocation strategies.

The LDP's internal policy group, Asset Management Nation Caucus, has also proposed tightening the threshold for shareholders to submit resolutions, from the current "1% of shares outstanding or 300 voting rights" to a single requirement of "1% of shares outstanding." The aim is to curb excessive interference by short term investors and to promote mid to long term investment focused on improving corporate value. This reinforces the importance of constructive, long horizon engagement and clear, value oriented dialogue with companies.

Across client funds, AVI controls more than 5% of the voting rights in 15 AJOT portfolio names, which account for 74% of NAV. 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.

**Atsugi Co., Ltd. (3529) – Legwear leader re rating on restructuring progress**

Atsugi Co., Ltd. ("Atsugi") was the largest contributor over the month, adding +103bps to performance as the shares returned +25%.

Atsugi's core businesses are legwear and innerwear, supplemented by smaller operations in real estate, nursing care and energy. It is one of Japan's leading legwear manufacturers, with a particularly strong position in stockings.

There were no major company announcements in April, yet the share price continued to climb following the end March rally. At the end of January, Atsugi revised its guidance for FY03/26, forecasting a full year operating loss, which had weighed on the share price and driven a prolonged downtrend. Since then, however, the stock has recovered and moved into an upward trend as investors start to look through the near term earnings weakness to the broader restructuring.

Atsugi was added to the portfolio in July 2024 and accounted for 5.7% of NAV at month end. To date, the investment has delivered an ROI of +16% and an IRR of +18% in JPY.

**Kurabo Industries (3106) – Multi business reform and buybacks driving value**

Kurabo Industries ("Kurabo") was the second largest contributor, adding +79bps as its share price returned +13%.

Founded in 1888 as a textile manufacturer, Kurabo has progressively diversified into chemicals, advanced technologies, food and services, and real estate. The company has a track record of relatively stable revenues and, in recent years, has roughly doubled its operating margin to around 6%.

Since AVI's initial investment, Kurabo has announced a series of measures consistent with our engagement proposals. In 2025, management decided to close its largest textile plant, removing a structurally loss making legacy business that had long depressed consolidated profitability.

MANAGER'S COMMENT (continued)

At the same time, Kurabo introduced a new medium term plan with a stronger commitment to shareholder returns, including a DOE target of 4.0% and 3-year buyback commitment of up to JPY 20.0bn. In early March 2026, the company reported that it had repurchased 481,000 shares at a cost of JPY 3.7bn as part of this programme, which runs from November 2025 to September 2026 and allows for purchases of up to approximately 6% of shares outstanding or JPY 7.0bn in total; this implies that roughly half of the programme has now been executed.

Kurabo exemplifies how two years of constructive, persistent engagement can contribute to corporate value creation. The company has begun to move from a low return, asset heavy model towards a more focused and shareholder friendly profile, creating value for both the company and its investors.

Added to the portfolio in January 2024, Kurabo is now a top three holding, representing 8.3% of NAV. The investment has generated an ROI of +62% and an IRR of +66% in JPY.

**Sharingtechnology (3989) – Portfolio carve-out and guidance reset**

Sharingtechnology was the largest detractor over the month, reducing performance by -42bps as its shares returned -4%.

Based in Nagoya, Aichi Prefecture, the company operates online platforms that match individual customers with vendors providing everyday life related services, including technicians and other local providers.

In late March, management revised its FY09/26 guidance, raising the operating profit forecast from JPY 2.35bn to JPY 3.65bn. The upgrade was driven largely by a special gain from the carve out and transfer of the franchise support business ("Franchise no Madoguchi"), allowing the company to reallocate resources to its core living support platform ("Kurashi no Okomarigoto"). The announcement initially triggered a share price rally as the market welcomed the renewed focus on the core business.

In the same week, before the company's updated guidance, AVI filed a large shareholder report disclosing that its stake had increased by 1.09 percentage points to 28.18% of shares outstanding compared with the previous filing on 4 March 2026. In the absence of further news from the company, the stock drifted lower in April, ending the month 3.5% below its end March level.

Added to the portfolio in July 2024, the company accounted for 8.6% of AJOT's NAV at month-end as a top 3 holding. The investment has so far generated an IRR of +25% for an ROI of +19% (in JPY).

STATISTICS

Performance Summary (GBP)

Total Returns (%)	1M	1Y	3Y	5Y	SI <sup>4</sup>
Share Price	6.4	10.2	55.6	69.6	94.1
NAV p/s	0.8	6.7	51.3	78.6	97.5
MSCI Japan Small Cap	4.4	29.2	49.6	45.2	63.0
CY Total Returns (%)	YTD	2025	2024	2023	2022
Share Price	3.3	15.3	21.5	14.8	-6.0
NAV p/s	1.4	14.7	20.9	15.8	-4.3
MSCI Japan Small Cap	10.2	19.8	6.2	6.9	-1.0

All performance shown net of fees in GBP Total Return and as at 30/04/2026

Source: Morningstar

<sup>4</sup>Start Date 23 October 2018

Characteristics

Portfolio Statistics

EV/EBIT*	8.9x
Net Cash/Market Cap <sup>5</sup>	12.4%
NFV/Market Cap <sup>6</sup>	38.1%

<sup>5</sup>Net Cash = Cash - Debt

<sup>6</sup>Net Financial Value (NFV) = Net Cash + Investment Securities After Tax + Investment Real Estate After Tax - Minority Interest

\*Including Eiken Chemical. Excluding Eiken Chemical EV/EBIT is 7.4x

Trust Details

Capital Structure

Ordinary Shares	247,873,823
Shares held in Treasury	25,475,429
TONAR + 1.30% Revolving Credit Facility <sup>7</sup>	¥6,600,000,000

Gross Assets/Gearing

Gross Assets	£435.9m
Gross value of debt (GBP)	£43.2m
Gearing (net) <sup>8</sup>	7.0%

Fund Facts

Launch Date	23-Oct-18
Net Assets	£392.6m
Investment Manager	Asset Value Investors Limited
Value Owned by AVI <sup>9</sup>	£4,404,897
Shareholder Services	MUFG Corporate Markets
Management Fee <sup>10</sup>	Tiered fee between 1% and 0.9%
Ticker Code	AJOT.LN
ISIN	GB00BD6H5D36

<sup>7</sup>Figure shows amount drawn, full facility size is ¥12.7bn. Cost of borrowing is TONAR +1.30% on any drawn balance and 0.45% commitment fee on undrawn amounts

<sup>8</sup>Net gearing at fair value

<sup>9</sup>Value owned by AVI Ltd & AVI Ltd employees as at 30/04/2026

<sup>10</sup>Annual 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

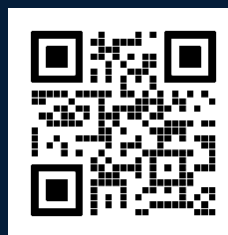
The share price can be found in The Financial Times.

ISIN: GB00BD6H5D36 Trading as: AJOT:LN

Information may be found on the following websites:

[www.ajot.co.uk](http://www.ajot.co.uk)

[www.assetvalueinvestors.com](http://www.assetvalueinvestors.com)



IMPORTANT INFORMATION

This document is issued by Asset Value Investors Limited ("AVI"). All figures are as at the period under review unless otherwise stated. All sources AVI unless otherwise stated. AVI is authorised and regulated by the Financial Conduct Authority of the United Kingdom (the "FCA") with reference number 119270 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 Japan Opportunity 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. Past performance is not an indicator of future results, and you may not get back the original amount invested.