AVI JAPANESE SPECIAL SITUATIONS

AVI Asset Value Investors

AJSS

This is a marketing communication.
Please refer to the Prospectus and the Key Investor Information Document (KIID).

August 2026

Investment Objective: The investment objective of the Fund is to generate long-term returns through investment in a focused portfolio of over-capitalised Japanese equities while engaging with company management to help unlock value.

HEADLINES

Sharingtechnology — Strong Q3 results

Sharingtechnology reported strong third-quarter results, with operating profit more than doubling year-on-year, and its shares reached a year-to-date high.

Read more below

Kurabo Industries — Q1 earnings growth

Kurabo reported first-quarter results, with operating profit rising 32% year-on-year on strong semiconductor-related demand.

Read more below

Mitsubishi Logistics — Corporate value enhancement

Mitsubishi Logistics established an asset management company for a private real estate fund, a concrete step towards its 2030 ROE and PBR targets.

Read more below

THE FUND

Fund Launch Date	A GBP NAV per share	Cash
22/04/24	£137.05	5.3%

Net Performance (GBP)

Total Returns (%)	Month	3 Month	YTD	SI[1]
A GBP Share Class	4.0	5.5	7.3	37.1
MSCI Japan Small Cap	2.6	3.3	20.3	47.9
IA Japan	2.8	3.3	20.1	45.4

NAV Total Return Since Inception (GBP)

Past performance does not predict future returns. All performance is shown in GBP, net of fees and including net dividends as at 31/08/2026. Returns may increase or decrease as a result of currency fluctuations. Source: Morningstar. Benchmark: MSCI ® Japan Small Cap Net Total Return Index. The Fund is actively managed with reference to the MSCI ® Japan Small Cap Index Net Total Return for performance comparison purposes. The portfolio is unconstrained by the benchmark and holdings may deviate significantly from those in the benchmark index. The Fund was attributed the IA Japan sector by The IA. The IA Japan sector consists of The IA member UK based funds which invest at least 80% of their assets in Japanese equities. The use of the IA Japan sector is purely indicative and should not be used as a benchmark. For further information on The IA and its sectors, visit www.theia.org. [1]Share Class Launch Date 22nd April 2024.

PORTFOLIO

Top Ten Holdings

	%[2]
Mitsubishi Logistics	7.7
Sharingtechnology	6.9
Eiken Chemical	5.5
Kurabo Industries	5.5
Dai Nippon Printing	4.8
Ines Corp	4.4
Wacom	4.1
Maruzen Showa Unyu	3.8
Atsugi	3.8
Tokyo Gas	3.7
TOTAL	**50.2**
No. of Holdings	31

Contributors & Detractors (GBP)[3]

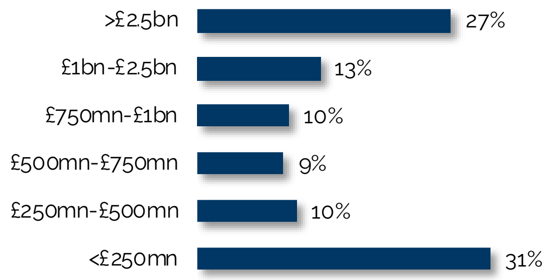
Largest Contributors	1M Contrib. bps	%[2]
Sharingtechnology	116	6.9
Kurabo Industries	71	5.5
Mitsui OSK Lines	58	3.7
Eiken Chemical	38	5.5
Ines Corp	38	4.4

Largest Detractors	1M Contrib. bps	%[2]
Mitsubishi Logistics	-50	7.7
Ship Healthcare Holdings	-26	2.9
Maruzen Showa Unyu	-23	3.8
Atsugi	-12	3.8
Broadmedia	-10	1.4

[2]Shown as % of Net Asset Value. [3]Contributors and detractors from Factset

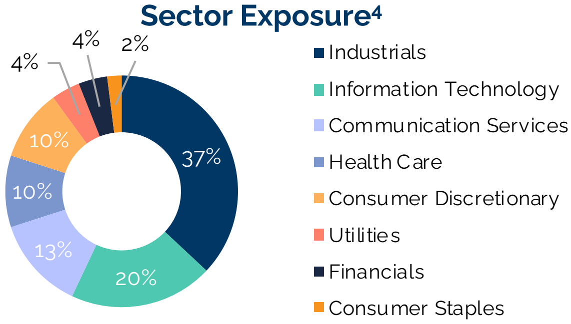
PORTFOLIO (continued)

Market Cap Breakdown⁴



Figures may not total to 100 due to rounding.

Sector Exposure⁴



Figures may not total to 100 due to rounding. [4]Shown as % of Portfolio. Source: Capital IQ

PERFORMANCE SUMMARY

%	Share Class	NAV per share	Month	3 Month	YTD	SI[1]
GBP	A GBP	£137.05	4.0	5.5	7.3	37.1
	MSCI Japan Small Cap	-	2.6	3.3	20.3	47.9
JPY	A JPY	¥15,549.53	4.9	7.1	10.6	55.5
	MSCI Japan Small Cap	-	3.7	4.2	23.5	67.8
EUR	B EUR	€138.73	3.8	6.8	9.3	38.7
	MSCI Japan Small Cap	-	2.4	4.4	22.6	49.0
GBP	B GBP	£137.76	4.0	5.5	7.5	37.8
	MSCI Japan Small Cap	-	2.6	3.3	20.3	47.9
JPY	B JPY	¥14,590.22	4.9	7.1	10.8	45.9
	MSCI Japan Small Cap	-	3.7	4.2	23.5	63.1
USD	B USD	$151.91	5.1	6.9	8.2	51.9
	MSCI Japan Small Cap	-	3.4	3.9	21.2	62.6
GBP	B1 GBP[5]	£135.38	4.0	5.6	7.7	35.4
	MSCI Japan Small Cap	-	2.6	3.3	20.3	47.9
USD	B1 USD[5]	*Performance to be shown after 12 months*				
	MSCI Japan Small Cap					

Past performance does not predict future returns. All performance is shown net of fees and including net dividends as at 31/08/2026. Source: Morningstar. Benchmark: MSCI® Japan Small Cap Index Net Total Return . The Fund is actively managed with reference to the MSCI® Japan Small Cap Net Total Return Index for performance comparison purposes as well as for the purposes of calculating the performance fee. The performance of each share class is stated in the share class relevant currency as specified in the table. The performance of the benchmark has been converted into the currency of the relevant share class for comparison purposes. Returns may increase or decrease as a result of currency fluctuations. The portfolio is unconstrained by the benchmark and holdings may deviate significantly from those in the benchmark index. [1]Share Classes Launch Date was 22nd April 2024 except for the B JPY Share Class which launched on 28th June 2024 and B1 USD Share Class which launched on 25th November 2025. Performance data for the B1 USD Share Class will be presented once a minimum track record of 12 months has been established. [5]Performance fee share class - 0.50% management fee + 15% of outperformance of benchmark.

MANAGER'S COMMENT

AJSS's NAV returned +4.0% over the month, while the benchmark returned +2.6%, both in GBP.

Japan's governance reform agenda continued to move from policy direction to practical implementation in August. On 12 August, the Tokyo Stock Exchange ("TSE") published the results of an institutional investor survey on companies demonstrating meaningful progress in "management that is conscious of cost of capital and stock price". Drawing on comments from domestic and overseas investors, it highlighted companies seen as making substantive progress against the TSE's request to improve capital efficiency and market valuation.

The focus on capital discipline was also reinforced by new commentary from the Research Institute of Economy, Trade and Industry ("RIETI") on corporate cash holdings. On 13 August, the RIETI, a policy research institute under Japan's Ministry of Economy, Trade and Industry, published a policy update on the optimal level of corporate cash and deposits. It argued that the key question is not whether a cash balance is excessive, but whether the company has estimated, discussed and disclosed an appropriate level. For surplus funds above that level, companies should set out a capital allocation policy prioritising growth investment, shareholder returns and debt reduction.

Together, these developments suggest that governance reform is shifting from headline commitments to evidence of actual progress, with investors placing greater emphasis on whether companies can clearly explain their cost of capital, capital allocation priorities and progress against previously announced plans.

MANAGER'S COMMENT (continued)

Scrutiny is likely to fall hardest on companies where strong balance sheets are not matched by credible plans to improve returns and corporate value.

Market attention through August was, however, focused as much on the macro backdrop as on governance. The 10-year JGB yield rose towards 3%, its highest in three decades, as investors weighed the fiscal outlook ahead of the government's first full budget cycle, while a weak yen and import-driven inflation firmed expectations of a further Bank of Japan rate rise.

Across client funds, AVI controls more than 5% of the voting rights in 15 AJSS portfolio companies, which together account for 47% of NAV. AJSS plays an important role in AVI's constructive engagement strategy, enabling AVI to build meaningful stakes in companies where we see opportunities to unlock value through improvements in business operations, capital efficiency, governance and investor relations.

Sharingtechnology (3989) — Strong Q3 results

Sharingtechnology was the largest contributor over the month, adding +116bps to performance as its shares returned +19.2%.

Based in Nagoya, Aichi Prefecture, Sharingtechnology operates online platforms that match individual customers with local service providers across everyday life-related services, including repair, maintenance and other household problem-solving categories.

On 14 August, the company reported strong results for the first nine months of FY9/26, with revenue up 13.5% year-on-year and operating profit more than doubling, supported in part by a gain on a business transfer. Full-year guidance points to continued double-digit revenue growth and a c.76% increase in operating profit. The shares reached a year-to-date high in late August as the market increasingly recognised this earnings momentum.

On 9 September, AVI notes that MBK Partners, an Asian private equity firm, has announced a tender offer for the company with the intention of taking the company private. The offer price represents a premium of 5.8% to the closing share price on 9 September 2026. This marks the first third-party tender offer since February 2025 for a portfolio company within AJOT. AVI expects AJOT to receive the proceeds following the end of the tender offer period of 30 business days, subject to successful completion and settlement of the offer.

Added to the portfolio in July 2024, the company accounted for 6.9% of AJSS's NAV at month-end. The investment has so far generated an IRR of +51% and an ROI of +52% in JPY.

Kurabo Industries (3106) — Q1 earnings growth

Kurabo Industries (Kurabo) was the second-largest contributor over the month, following its strong performance in recent months, adding +71bps to performance as its shares returned +14.1%.

Kurabo is a diversified manufacturer with operations across textiles, chemical products, advanced technology, food and services, and real estate.

In early August, Kurabo reported its results for the first quarter of FY3/27. Net sales rose 5.2% year-on-year to ¥37.6bn, driven mainly by semiconductor-related demand in the chemical products segment, and operating profit increased 32.1% to ¥2.9bn. Profit attributable to owners of the parent declined year-on-year, due to lower gains on sales of investment securities compared with the prior year. For the full year, the company expects operating profit to rise by c.31%. Its previously announced buyback programme was completed by the end of August.

AVI's shareholder proposals concerning the company's takeover response policy — relating to amending the Articles of Incorporation and abolishing the existing policy — were put to the AGM held on 26 June. Although neither proposal was passed, we believe they have contributed to the ongoing debate on the company's governance, with one proposal receiving 38.4% support.

Added to the portfolio in April 2024, Kurabo now represents 5.5% of NAV. The investment has generated an ROI of +39% and an IRR of +60% in JPY.

Mitsubishi Logistics (9301) — Corporate value enhancement

Mitsubishi Logistics (Mitsubishi) was the largest detractor over the month, reducing performance by -50bps as its share price returned -5.6%.

Mitsubishi is a major Japanese logistics and real estate company headquartered in Tokyo. It provides global port transportation, warehousing and real estate leasing services.

In late July, the company reported first-quarter results, with operating revenue up 2.9% year-on-year but operating profit modestly lower. The results came in below market expectations, which appears to have weighed on the shares. Meanwhile, the company continues to progress the corporate value enhancement plan announced in June 2026. Given its relatively low ROE and PBR, Mitsubishi set targets of 10% ROE and 1.5x PBR by FY2030. In addition to business growth through investment, the company intends to reduce its cost of equity, enhance disclosure and improve shareholder returns.

As the company holds a significant real estate portfolio, investors are focused on whether management can improve capital efficiency by making better use of these assets. In July, the company took a concrete step in this direction, establishing an asset management company to run a private real estate fund of approximately ¥30bn, which should help realise value from its real estate holdings while improving asset turnover. In August, the company also announced an investment of approximately ¥6bn in a US logistics facility under an asset-recycling model, a further sign that management is putting this strategy into practice.

Mitsubishi was added to the portfolio in January 2025 and accounted for 7.7% of NAV at month-end. To date, the investment has delivered an ROI of +26% and an IRR of +36% in JPY.

Asset Value Investors

In early August it was announced that AJSS's investment manager – Asset Value Investors ("AVI") – is to be acquired by Pacific Asset Management ("Pacific"), the London-based multi-boutique asset manager and part of the Pinnacle Investment Management group, subject to certain conditions including regulatory approval. The transaction represents the next stage in AVI's development, providing the business with an enhanced platform from which to grow while preserving the core elements of the firm.

AVI will continue to operate under its own brand as an independent investment boutique, with no changes to its investment teams, philosophy, decision-making or the management of its investment trusts and funds.

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AJSS

RISK & REWARD

Fund Attributes

- High-conviction concentrated portfolio
- Actively managed with specialist experience in constructive engagement
- Sector agnostic, bottom-up approach
- Capitalising on corporate governance reform in Japan

Fund Risks

As a focused equity portfolio of between 25 and 35 investments, the Fund can involve higher risk and higher volatility. The value of an investment can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as long term. Details on the risk factors are included in the Fund's prospectus, available on our website.

ESG

ESG Integration

ESG is integrated into each stage of our investment process. AVI has eschewed a box-ticking approach to ESG and developed a proprietary ESG monitoring system.

Engagement is central to our strategy. Our ESG monitoring system helps to highlight areas where we can actively engage with portfolio companies to build resilience to sustainability risks, promote responsible attitudes, and enhance sustainable corporate value.

For more information, **AVI's ESG Report** can be accessed on its website **here**

Article 6

This Fund has an Article 6 classification within the meaning of the Sustainable Finance Disclosure Regulation (SFDR). Engagement is central to delivering long term returns, and we integrate environmental, social and governance (ESG) factors into our risk management on an ongoing basis. As part of our engagement process, we monitor the climate-related risks of our portfolio companies within a bespoke system developed for AVI. However, the Fund does not have a sustainability objective.

FUND DETAILS

AVI Japanese Special Situations Fund	
Fund Launch Date	22nd April 2024
Base Currency	JPY
Net Asset Value	JPY 20.7bn / GBP 95.5m
IA Sector	Japan
Fund Structure	UCITS
Fund Domicile	Ireland
Investment Manager	Asset Value Investors
Manager	Gateway Fund Services
Administrator/Transfer Agent	Société Générale
Dealing	Daily
Subscription Deadline	1 Business Day prior by 12PM
Dealing Information*	info@assetvalueinvestors.com

*Also available on all major platforms.

Share Classes

Share Class	OCF[6] (%)	ISIN	Ticker
A (GBP)	1.35	IE0000B7RI69	AVIJASA ID
A (JPY)	1.35	IE000SRLWUF2	AVIJAAJ ID
B (EUR)	1.15	IE000Z7QO7O0	AVIJASB ID
B (GBP)	1.15	IE000STVDBB6	AVIJABG ID
B (JPY)	1.15	IE000BBWIQL4	AVIJPSB ID
B (USD)	1.15	IE000UIN5KK5	AVIJABU ID
B1 (GBP)[5]	0.85	IE000OPWA0E7	AVIJAB1 ID
B1 (USD)[5]	0.85	IE0001QXC6O7	AVIJSFB ID

Benchmark: MSCI® Japan Small Cap Total Return Index
[5]Performance fee share class - 0.50% management fee + 15% of outperformance of benchmark
[6]Ongoing Charges Figure - figure shown reflects maximum charge. The actual OCF may be lower and may fluctuate over time. See KIID for details

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The share price can be found in *AJSS - Asset Value Investors*
Further information may be found 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 Japanese Special Situations (the "Fund"). The contents of this message are not intended to constitute, and should not be construed as, investment advice. Potential investors in the Fund 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.

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