

September 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

Broadmedia – Strong share price momentum

The company continues to reshape its portfolio, having sold its broadcasting business and shifted resources towards Education and Technology segments.

[Read more below](#)

Foster Electric – Strategic expectations

Foster has committed to formulating its new medium-term plan, with publication expected in November.

[Read more below](#)

Sanyo Shokai – Post-buyback weakness

Shares fell after the large buyback completed at the end of August.

[Read more below](#)

THE TRUST

Share Price (pence)

181.0

NAV p/s (pence)

188.3

Prem./(Disc.)

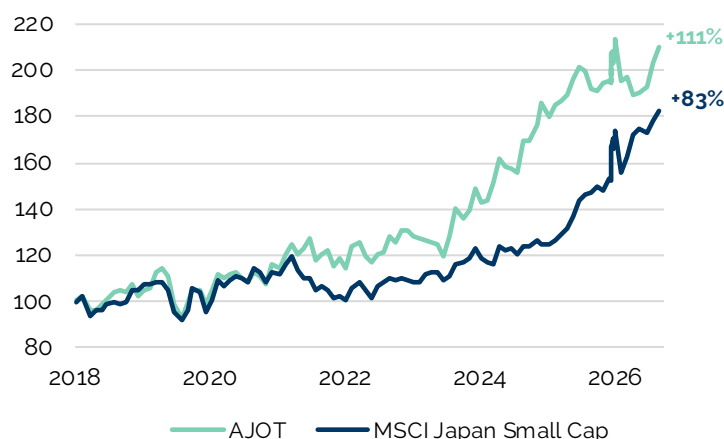
(3.9)%

Net Performance

	Total Returns (%)	Month	1Y	3Y	5Y
GBP	NAV p/s	3.4	5.2	69.1	68.4
	MSCI Japan Small Cap	2.6	24.8	61.6	52.7
JPY	NAV p/s	-0.3	10.4	93.8	133.7
	MSCI Japan Small Cap	-1.1	31.0	85.2	111.9

All performance shown net of fees total returns as of 30/09/2026
Source: Morningstar

NAV Total Return Since Inception (GBP)



Source: Morningstar as of 30/09/2026

PORTFOLIO

Top Ten Holdings

	% ¹
Sharingtechnology	11.0
Wacom	10.0
Mitsubishi Logistics	9.6
Kurabo Industries	9.4
Foster Electric	7.2
Maruzen Showa Unyu	6.1
Eiken Chemical	6.0
Broadmedia	5.6
Atsugi	5.2
Ines Corp	4.3
TOTAL	74.4
No. of Holdings	27

Contributors/Detractors (GBP)²

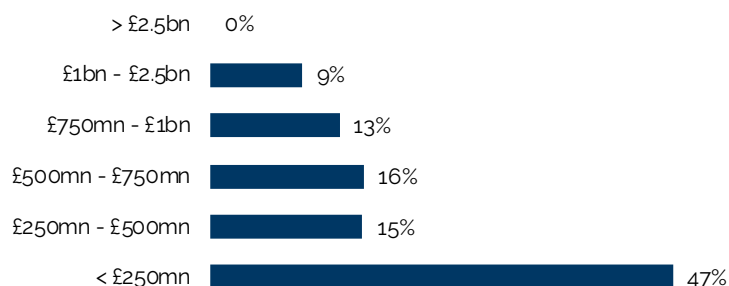
Largest Contributors	1M Contrib. bps	% ¹
Broadmedia	93	5.6
Foster Electric	76	7.2
Kurabo Industries	72	9.4
Wacom	69	10.0
Eiken Chemical	25	6.0

Largest Detractors	1M Contrib. bps	% ¹
Sanyo Shokai	-56	3.2
Ines Corp	-14	4.3
Synchro Food	-9	2.6
Sharingtechnology	-8	11.0
Asiro	-2	4.2

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

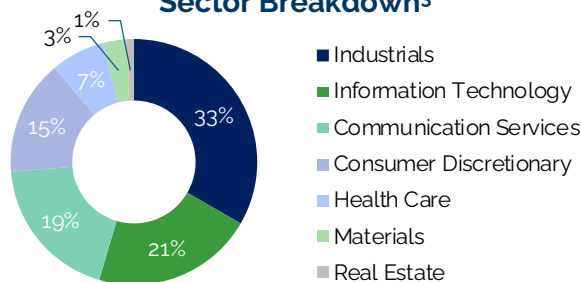
PORTFOLIO (continued)

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 2.1% of NAV as at 30/09/2026 have been excluded from analysis. Source: Capital IQ

MANAGER'S COMMENT

AJOT's NAV returned +3.4% in GBP and -0.3% in JPY over the month, while the benchmark returned +2.6% in GBP and -1.1% in JPY.

During September, AVI welcomed the tender offer for Sharingtechnology by MBK Partners, an Asian private equity firm. Since initiating the investment in July 2024, AVI has engaged constructively with the company on strategic direction, capital allocation and the realisation of shareholder value. The offer provides a good example of how strategic review by companies can help crystallise unrealised value in situations where the market price does not fully reflect underlying business quality and balance-sheet strength. As noted in AJOT's interim report published this month, the offer price represented a 55% premium to the undisturbed share price in June 2026 and marked the portfolio's first major corporate transaction since February 2025. The company accounted for 11% of AJOT's NAV at month-end, and the investment has so far generated an ROI of +61% and an IRR of +48% in JPY.

More broadly, September also saw further evidence that Japan's higher interest-rate environment is beginning to influence both corporate behaviour and capital allocation. With the 10-year JGB yield reaching around 3%, its highest level in roughly three decades, the relative attractiveness of domestic assets has increased for Japanese investors. This is particularly true in the bond market, where the return advantage of overseas bonds narrows as currency-hedging costs creep higher. While a large-scale repatriation of overseas assets has yet to materialise, higher domestic yields may gradually encourage more capital to remain in Japan or be redirected towards domestic assets. At the corporate level, the same environment is increasing the opportunity cost of holding excess cash, strategic shareholdings and other underutilised assets, prompting greater scrutiny of balance-sheet efficiency and capital allocation.

Across client funds, AVI controls more than 5% of the voting rights in 15 AJOT portfolio companies, which together account for 79% of NAV. AJOT 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.

Broadmedia (4347) — Strong share price momentum

Broadmedia was the largest contributor over the month, adding +93bps to performance as its shares returned +18.4%.

Broadmedia operates a diversified portfolio of businesses across education, technology and media-related services. Its key businesses include online high schools, cybersecurity and content delivery services, digital transformation support, studio and production services, and other digital media-related activities. The company has continued to reshape its business portfolio, including the sale of the broadcasting business, while focusing resources on higher-growth and more profitable areas such as Education and Technology segments. In the first quarter, announced in July 2026, revenue declined by 10.8% year-on-year, largely reflecting the impact of the disposal, while operating profit increased by 7.3% and net profit attributable to owners of the parent rose by 59.4%. The Education segment remained a key earnings contributor, while losses in Studio & Production narrowed.

The shares performed strongly during September despite no major company-specific IR announcement during the month.

Added to the portfolio in April 2024, the company accounted for 5.6% of AJOT's NAV at month-end. The investment has so far generated an ROI of +9% and an IRR of +7% in JPY.

Foster Electric (6794) — Strategic expectations

Foster Electric (Foster) was the second-largest contributor over the month, adding +76bps to performance as its shares returned +11.5%.

Foster is a global manufacturer of acoustic components, with a particular focus on speakers and related products used in automotive and consumer applications.

In August, Foster reported first-quarter revenue growth of 9.2% year-on-year to JPY35.1bn, while operating profit declined by 66.9% to JPY0.6bn, reflecting the negative impact of Trump's tariffs and material cost increases. The company nevertheless maintained its full-year operating profit guidance of JPY8.0bn and increased its annual dividend forecast to JPY115 per share.

In July, the company announced that it would formulate a new medium-term management plan jointly with Axiom Capital, the Singapore-based engagement fund that holds approximately 25% of Foster's voting rights. The new plan, expected to be published in November, is intended to address the company's long-standing challenges around profitability and capital efficiency.

MANAGER'S COMMENT (continued)

The share price strengthened during September despite limited new company-specific disclosure.

Added to the portfolio in December 2025, Foster accounted for 7.2% of AJOT's NAV at month-end. The investment has generated an ROI of +18% and an IRR of +34% in JPY.

Sanyo Shokai (8011) — Post-buyback weakness

Sanyo Shokai was the largest detractor over the month, reducing performance by 56bps as its share price returned -13.8%.

Sanyo Shokai is a long-established Japanese apparel manufacturer and retailer, operating a portfolio of domestic and licensed brands across men's and women's fashion. Following several years of restructuring, the company has returned to profitability but continues to face challenges around sustainable

top-line growth and capital efficiency.

The share price weakened materially during September following the large ToSTNeT-3 share buyback completed at the end of August. The company repurchased 2.7 million shares, equivalent to 9.2% of shares outstanding, and both Sapphireterra Capital and AVI subsequently disclosed reductions in their holdings.

The company has recently expanded its shareholder benefit programme following a three-for-one stock split, while continuing to work through broader questions around profitability, surplus assets and capital efficiency.

Sanyo Shokai was added to the portfolio in August 2025 and accounted for 3.2% of NAV at month-end. To date, the investment has delivered an ROI of +20% and an IRR of +29% in JPY.

STATISTICS

Performance Summary (GBP)

Total Returns (%)	1M	1Y	3Y	5Y	SI ⁴
Share Price	4.9	2.8	63.6	55.8	98.5
NAV p/s	3.4	5.2	69.1	68.4	110.6
MSCI Japan Small Cap	2.6	24.8	61.6	52.7	82.5
CY Total Returns (%)	YTD	2025	2024	2023	2022
Share Price	5.6	15.3	21.5	14.8	-6.0
NAV p/s	8.1	14.7	20.9	15.8	-4.3
MSCI Japan Small Cap	23.4	19.8	6.2	6.9	-1.0

All performance shown net of fees in GBP Total Return and as at 30/09/2026
Source: Morningstar

⁴Start Date 23 October 2018

Characteristics

Portfolio Statistics

EV/EBIT	7.8x
Net Cash/Market Cap ⁵	13.2%
NFV/Market Cap ⁶	38.1%

⁵Net Cash = Cash - Debt

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

Trust Details

Capital Structure

Ordinary Shares	247,873,823
Shares held in Treasury	26,686,429
TONAR + 1.30% Revolving Credit Facility ⁷	¥9,200,000,000

Gross Assets/Gearing

Gross Assets	£460.5m
Gross value of debt (GBP)	£44.1m
Gearing (net) ⁸	5.5%

Fund Facts

Launch Date	23-Oct-18
Net Assets	£416.4m
Investment Manager	Asset Value Investors Limited
Value Owned by AVI ⁹	£5,186,948
Registrar	Equiniti Limited
Management Fee ¹⁰	Tiered fee between 1% and 0.9%
Ticker Code	AJOT.LN
ISIN	GB00BD6H5D36

⁷Figure 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

⁸Net gearing at fair value

⁹Value owned by AVI Ltd & AVI Ltd employees as at 30/09/2026

¹⁰Annual 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

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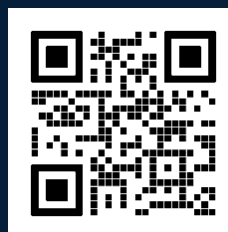
The share price can be found in The Financial Times.

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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