

September 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

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 FUND

Fund Launch Date

22/04/24

A GBP NAV per share

£142.94

Cash

1.4%

Net Performance (GBP)

Total Returns (%)	Month	3 Month	YTD	SI ¹
A GBP Share Class	4.3	9.8	12.0	42.9
MSCI Japan Small Cap	2.6	4.6	23.4	51.7
IA Japan	2.9	5.2	23.6	49.6

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 30/09/2026. Returns may increase or decrease as a result of currency fluctuations. Source: Morningstar. Benchmark: MSCI® Japan Small Cap Net Total Return. The Fund is actively managed with reference to the MSCI® Japan Small Cap 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. ¹Share Class Launch Date 22nd April 2024.

PORTFOLIO

Top Ten Holdings

	% ²
Mitsubishi Logistics	7.7
Sharingtechnology	6.6
Kurabo Industries	5.7
Eiken Chemical	5.5
Wacom	4.8
Rohm	4.3
Foster Electric	4.2
Ines Corp	4.1
Maruzen Showa Unyu	3.9
Tokyo Gas	3.9
TOTAL	50.7
No. of Holdings	35

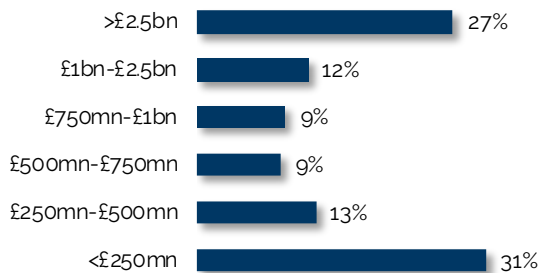
Contributors & Detractors (GBP)³

Largest Contributors	1M Contrib. bps	% ²
Kurabo Industries	43	5.7
Foster Electric	43	4.2
Wacom	35	4.8
Broadmedia	27	1.6
Inui Global Logistics	24	2.1

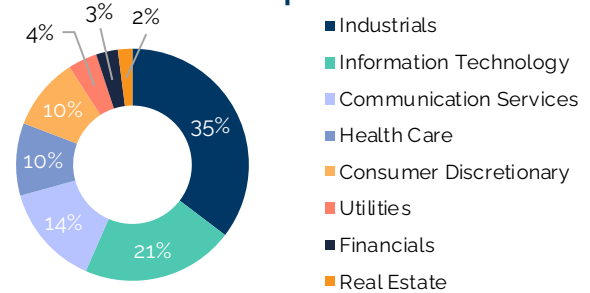
Largest Detractors	1M Contrib. bps	% ²
Sanyo Shokai	-29	1.7
Ines Corp	-13	4.1
Synchro Food	-6	1.8
Sharingtechnology	-5	6.6
Wakamoto Pharmaceutical	-1	1.4

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

PORTFOLIO (continued)

Market Cap Breakdown⁴

Figures may not total to 100 due to rounding.

Sector Exposure⁴Figures may not total to 100 due to rounding. ⁴Shown as % of Portfolio. Source: Capital IQ

PERFORMANCE SUMMARY

%	Share Class	NAV per share	Month	3 Month	YTD	SI ¹
GBP	A GBP	£142.94	4.3	9.8	12.0	42.9
	MSCI Japan Small Cap	-	2.6	4.6	23.4	51.7
JPY	A JPY	¥15,604.37	0.4	6.7	11.0	56.0
	MSCI Japan Small Cap	-	-1.1	1.2	22.1	66.0
EUR	B EUR	€145.14	4.6	10.8	14.3	45.1
	MSCI Japan Small Cap	-	2.8	5.4	26.0	53.1
GBP	B GBP	£143.70	4.3	9.9	12.1	43.7
	MSCI Japan Small Cap	-	2.6	4.6	23.4	51.7
JPY	B JPY	¥14,644.31	0.4	6.8	11.2	46.4
	MSCI Japan Small Cap	-	-1.1	1.2	22.1	61.3
USD	B USD	\$155.00	2.0	10.4	10.4	55.0
	MSCI Japan Small Cap	-	0.5	4.7	21.8	63.4
GBP	B1 GBP ⁵	£141.26	4.3	10.0	12.4	41.3
	MSCI Japan Small Cap	-	2.6	4.6	23.4	51.7
USD	B1 USD ⁵					
	MSCI Japan Small Cap					

Performance to be shown after 12 months

Past performance does not predict future returns. All performance is shown net of fees and including net dividends as at 30/09/2026. Source: Morningstar. Benchmark: MSCI[®] Japan Small Cap Net Total Return. The Fund is actively managed with reference to the MSCI[®] Japan Small Cap Net Total Return 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. ¹Share 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. ⁵Performance fee share class - 0.50% management fee + 15% of outperformance of benchmark.

MANAGER'S COMMENT

AJSS's NAV returned +4.3% over the month, while the benchmark returned +2.6%, both in GBP.

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. 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 6.6% of AJSS's NAV at month-

end, and the investment has so far generated an ROI of +56% and an IRR of +52% 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.

MANAGER'S COMMENT (continued)

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 14 AJSS portfolio names, which account for 49% of NAV. AJSS 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.

Broadmedia (4347) — Strong share price momentum

Broadmedia was one of the large contributors over the month, adding +27bps 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 1.6% of AJSS's NAV at month-end. The investment has so far generated an ROI of +20% and an IRR of +11% in JPY.

Foster Electric (6794) — Strategic expectations

Foster Electric (Foster) was the second-largest contributor over the month, adding +43bps to performance as its shares returned +11.3%.

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.

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

Added to the portfolio in October 2025, Foster accounted for 4.2% of AJSS's NAV at month-end. The investment has generated an ROI of +21% and an IRR of +39% in JPY.

Sanyo Shokai (8011) — Post-buyback weakness

Sanyo Shokai was the largest detractor over the month, reducing performance by 29bps 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 Sapphire Terra 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 1.7% of NAV at month-end. To date, the investment has delivered an ROI of +25% and an IRR of +34% in JPY.

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	22 nd April 2024
Base Currency	JPY
Net Asset Value	JPY 20.8bn / GBP 99.8m
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

⁵Performance fee share class - 0.50% management fee + 15% of outperformance of benchmark

⁶Ongoing Charges Figure - figure shown reflects maximum charge. The actual OCF may be lower and may fluctuate over time. See KIID for details

Investment Manager – Joe Bauernfreund

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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 is provided for information purposes only and 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. This material is intended for professional clients and eligible counterparties only. It is not intended for retail clients. The distribution of this material may be restricted by law and persons into whose possession it comes are required to inform themselves of and comply with any such restrictions. 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. This is a marketing communication. Please refer to the Prospectus and the KIID, available at www.assetvalueinvestors.com/ajss, before making any final investment decision. Gateway Fund Services Limited is authorised and supervised by the Central Bank of Ireland under reference number C18307. A summary of investor rights associated with an investment in the Fund shall be available in English from www.gatewayfundservices.com. MSCI[®] is a registered trademark of MSCI Inc. and/or its affiliates. The use of MSCI indices or data does not imply sponsorship, endorsement, or affiliation with MSCI.