



Japan Equity Small Cap Absolute Value

Monthly Commentary - June 2025

Japan Equity Research Team

SMDAM

We are one of the largest investment management companies in Japan, offering discretionary investment management, investment trusts and advisory services to a range of institutional investors, pension funds, government agencies and retail investors worldwide.

Portfolio Update

Over the month of June, the Japan Equity Small Cap Absolute Value Class P JPY returned 3.75% versus the Russell/Nomura Small Cap (with div) of 2.81%.*

The global optimism on the rise since mid-April continued, and this saw growth stocks initially driving the market up.

Small- and mid-cap stocks, which had been lagging, were re-evaluated in this context and saw positive gains also.

As a result, the Russell/Nomura Small Cap Index (including dividends) outperformed the TOPIX (including dividends).

Our fund outperformed the Russell/Nomura Small Cap Index (including dividends) due to successful bottom-up stock selection.

Given the ongoing uncertainty in the global economy due to U.S. President Trump's changing trade policies, we hold some doubts about whether the optimism present in the market over the past three months is fully justified.

If this excessive optimism fades and the market were to enter a correction, we believe our fund can show resilience due to the value-focus and the fact that it does not hold many popular growth stocks.

Risk warning: The organisations and/or financial instruments mentioned are for reference purposes only. Material content should not be construed as a recommendation for their purchase or sale. Past performance is not a reliable indicator of future performance and may not be repeated.

* For further information on performance please refer to page 4.

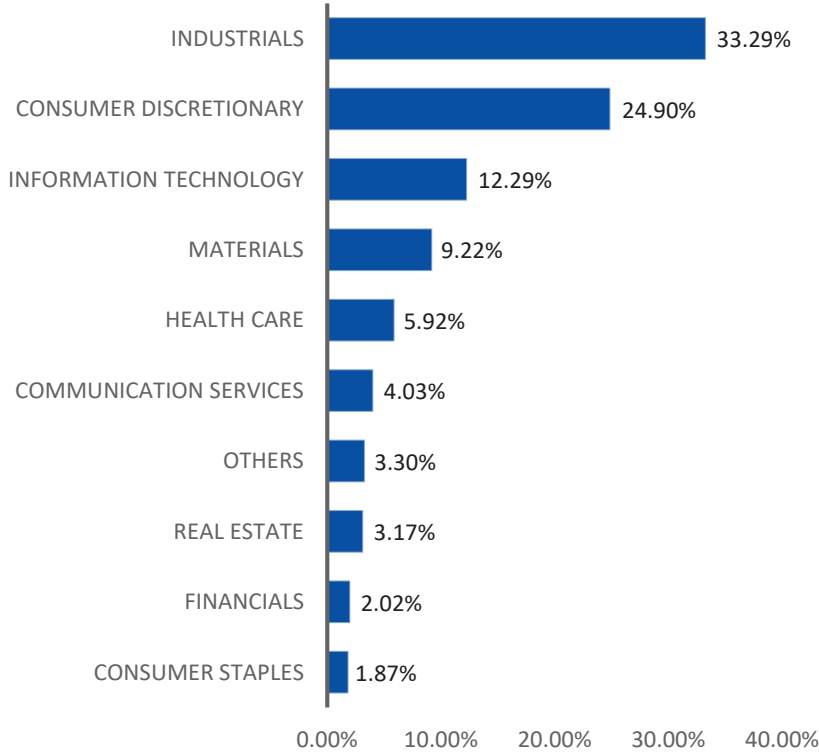
Top Buys

Share Name
SIIX CORP
LIPPS CO LTD
RENT CORP

Top Sells

Share Name
FUJI CORP
PS CONSTRUCTION CO LTD
AUTOSERVER CO LTD

Sector Allocation



Source: SMDAM, as at 30 June 2025

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Top Holdings

Share Name	Portfolio Weight	MSCI Sector
MIMAKI ENGINEERING CO LTD	3.38%	Information Technology
AISAN INDUSTRY CO LTD	2.52%	Consumer Discretionary
BEAUTY GARAGE INC	2.48%	Consumer Discretionary
ICHIKEN CO LTD	2.47%	Industrials
CUC INC	2.26%	Health Care

1. Mimaki Engineering Co Ltd - The company is a global leader in the manufacture of wide-format inkjet printers and cutting plotters.

2. Aisan Industry Corp Ltd - The company is mainly engaged in the manufacture and sale of automotive parts.

3. Nichias Corp - Based on its roots in asbestos, the company is expanding its business into a wide range of fields, including fireproof insulation for plants and buildings, gaskets for automobile engines and more.

4. Ichiken Corp Ltd - The company has contributed to the development of many towns as an expert in commercial facility architecture.

5. CUC Inc - Its main sources of revenue are business support for medical institutions, hospice services, and home-visit nursing services. With the advent of a super-aging society, the company's field of activity is expected to expand further.

Top Performers

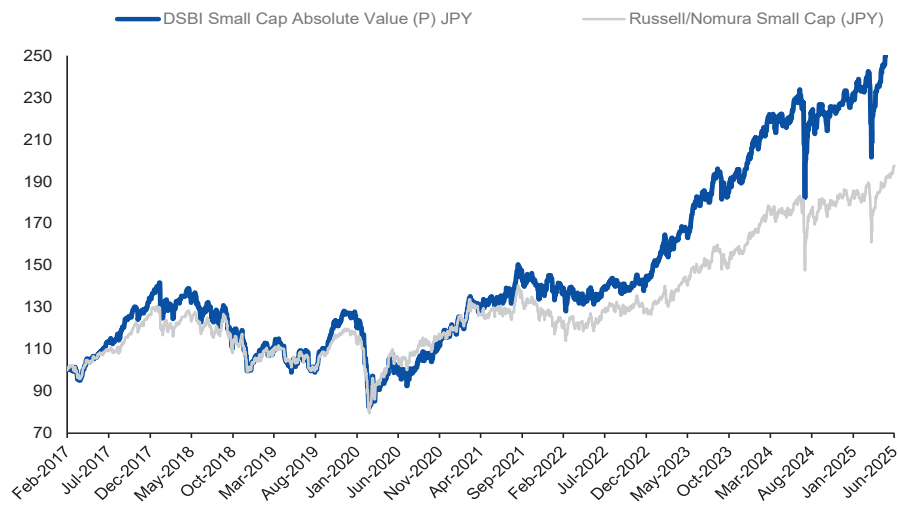
Share Name	Portfolio Weight	MSCI Sector
CADOS CORP	0.01%	Industrials
TOKYO BASE CO LTD	0.93%	Consumer Discretionary
HOWTELEVISION INC	0.02%	Information Technology
TENTIAL INC	2.15%	Consumer Discretionary
TERASAKI ELECTRIC CO LTD	0.76%	Industrials

Worst Performers

Share Name	Portfolio Weight	MSCI Sector
THE PACK CORP	0.04%	Materials
KYORITSU ELECTRIC CORP	0.18%	Information Technology
UNITE AND GROW INC	0.18%	Information Technology
SOLVVY INC/OSAKA	0.29%	Consumer Discretionary
BOOKING RESORT CO LTD	0.44%	Others

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Performance



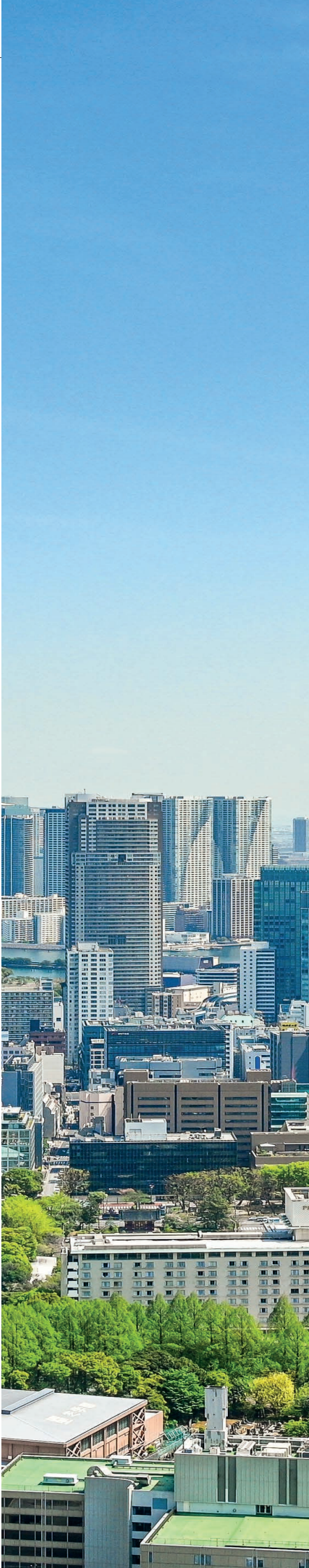
Source: SMDAM and Bloomberg, data as at 30 June 2025. Rebased to 100 at inception of the share class (28 February 2017). The chart above shows daily performance, in the currency stated for the UCITS Fund (JPY) against the reference benchmark Russell/Nomura Small Cap (with div) which is shown in JPY. Performance is illustrated net of fees.

Fund Performance Share Class: (P) JPY		
(Net of fees)	Fund %	Russell/Nomura Small Cap (with div) %
1m	3.75	2.81
3m	10.71	7.45
12m	14.62	9.90
3yr p.a.	24.87	16.89
5yr p.a.	21.06	13.39
Since Inception p.a. (28/02/17)	12.26	8.51

Investment Information	
Investment Management Fee	Total Expense Ratio
Institutional (I) 0.80% p.a.	Institutional (I) N/A p.a.
Institutional (P) 0.80% p.a.	Institutional (P) 1.00% p.a.
Institutional (S) 0.50% p.a.	Institutional (S) 0.95% p.a.
Wholesale (A) 1.20% p.a.	Wholesale (A) N/A p.a.
Trading Frequency: Weekly	
Dealing Cut Off Time: 16:00 CET	

Source: SMDAM, as at 30 June 2025

Risk warning: Past performance is not a reliable indicator of future performance and may not be repeated. An investment’s value and the income deriving from it may fall, as well as rise, due to market fluctuations. Investors may not get back the amount originally invested. Any minor discrepancies are due to rounding. Performance is shown in JPY, the return may increase or decrease as a result of currency fluctuations and is net of fees (after trading expenses).



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