

# Japan Equity Small Cap Absolute Value

Data as of 30 June 2024

## Product Description

This benchmark agnostic small cap product adopts a distinctive value biased active investment style which combines the tenets of growth and value investing whilst taking market trends into consideration. We aim to identify financially stable companies and to invest in small and microcap stocks with sustainable growth potential that are undervalued.

## Key Facts

|                                      |  |
|--------------------------------------|--|
| Investment Style                     | Value biased active management   |
| Strategy Inception Date              | May 2004   |
| Strategy Benchmark                   | Reference indices: Russell/Nomura Small Cap (with div) and TOPIX (with div)  |
| Performance Target                   | No set target, aims for long-term capital appreciation   |
| Tracking Error                       | No set target  |
| Stock Limits                         | No set limit, circa 5%   |
| Sector Limits                        | No constraints   |
| Number of Holdings                   | Circa 200  |
| Strategy Size                        | USD 1,181 million  |
| EU 2019/2088 SFDR Regs: Article 6    | The strategy is categorised under SFDR as Article 6  |
| EU 2020/852 Taxonomy Regs: Article 7 | The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities |
| EU 2020/852 Taxonomy Regs: Article 6 | The strategy does not apply a specific index as a reference index to attain environmental and social characteristics                           |

## Composite Performance\*

| JPY basis / Gross of Fees | 1 month % | 3 month % | 1 year % | 3 years % p.a. | 5 years % p.a. | Since inception† % p.a. |
|---------------------------|-----------|-----------|----------|----------------|----------------|-------------------------|
| Small Cap AbVal           | 3.66      | 3.19      | 22.85    | 19.36          | 17.26          | 12.73                   |
| Ref Bmk: R/N Small        | 1.75      | 0.62      | 20.70    | 11.69          | 11.37          | 6.54                    |
| Excess vs R/N Small       | 1.91      | 2.57      | 2.15     | 7.68           | 5.88           | 6.18                    |
| Ref Bmk: TOPIX            | 1.45      | 1.69      | 25.59    | 15.88          | 15.36          | 6.48                    |
| Excess vs TOPIX           | 2.21      | 1.50      | -2.74    | 3.48           | 1.90           | 6.25                    |

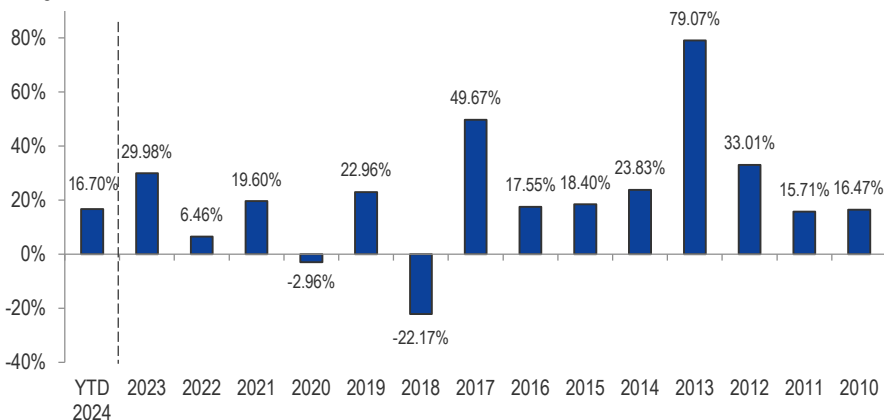
  

| JPY basis / Gross of Fees | YTD 2024 % | 2023 % | 2022 % | 2021 % | 2020 % | 2019 % |
|---------------------------|------------|--------|--------|--------|--------|--------|
| Small Cap AbVal           | 16.70      | 29.98  | 6.46   | 19.60  | -2.96  | 22.96  |
| Ref Bmk: R/N Small        | 12.56      | 23.48  | 1.26   | 8.28   | -0.62  | 16.99  |
| Excess vs R/N Small       | 4.14       | 6.50   | 5.19   | 11.33  | -2.33  | 5.96   |
| Ref Bmk: TOPIX            | 20.14      | 28.26  | -2.45  | 12.74  | 7.39   | 18.12  |
| Excess vs TOPIX           | -3.43      | 1.72   | 8.91   | 6.86   | -10.35 | 4.84   |

Source: SMDAM data as at 30 June 2024. † Inception date: May 2004. Reference benchmark: Russell/Nomura Japan Small Cap index (with div) and TOPIX (with div). Minor discrepancies due to rounding.

## Absolute Performance\*

The chart reflects the absolute returns of this composite on a calendar year basis and is shown in yen terms and gross of fees.



Source: SMDAM data as at 30 June 2024. \* Past performance is not a reliable indicator of future performance and may not be repeated. The return may increase or decrease as a result of currency fluctuations.

## Portfolio Manager

Tatsuro NIGAURI, CMA  
33 years industry experience

## Sector Breakdown

| Sector                                      | %             |
|---|---------------|
| IT & Services, Others                       | 23.03         |
| Construction & Materials                    | 12.72         |
| Commercial & Wholesale Trade                | 12.26         |
| Retail Trade                                | 10.18         |
| Raw Materials & Chemicals                   | 7.70          |
| Machinery                                   | 6.26          |
| Financials (Ex Banks)                       | 5.95          |
| Transportation & Logistics                  | 5.87          |
| Automobiles & Transportation Equipment      | 5.71          |
| Real Estate                                 | 5.25          |
| Electric Appliances & Precision Instruments | 4.13          |
| Pharmaceutical                              | 0.55          |
| Foods                                       | 0.26          |
| Steel & Nonferrous Metals                   | 0.11          |
| Energy Resources                            | 0.02          |
| Electric Power & Gas                        | 0.00          |
| Banks                                       | 0.00          |
| <b>Total</b>                                | <b>100.00</b> |

Sector breakdown based on the TOPIX-17 Series Indices classification (detailing representative account). Source: SMDAM and FactSet Research Systems Inc. of the US, as at 30 June 2024.

## Top Ten Holdings

| Company              | %            |
|----------------------|--------------|
| Sanyo Trading Co Ltd | 4.29         |
| Nichias Corp         | 4.13         |
| Ku Holdings Co Ltd   | 4.01         |
| JACCS Co Ltd         | 3.85         |
| Nichirin Co Ltd      | 3.82         |
| Noda Corp            | 3.26         |
| Tomoku Co Ltd        | 2.70         |
| Endo Lighting Corp   | 2.40         |
| Hamakyorex Co Ltd    | 2.39         |
| Sansei Landic Co Ltd | 2.22         |
| <b>Total</b>         | <b>33.07</b> |

Data shown is for the representative segregated account. 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.

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