

# FSSA Japan Equity Fund

-The Fund invests primarily in equity securities and equity related securities which are established or have significant operations in Japan and which are listed, traded or dealt in on regulated markets worldwide.

-The Fund's investments will be concentrated in Japan or may be concentrated in a single sector which may have higher volatility or greater loss of capital than more diversified portfolios.

-Investing in small /mid-capitalisation securities may have lower liquidity and their prices are more volatile to adverse economic developments.

-The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.

-It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

## Investment objective and strategy

The Fund aims to achieve long term capital appreciation and invests primarily in a portfolio of equity and equity related securities which are established or have significant operations in Japan and which are listed, traded or dealt in on regulated markets worldwide.

## Fund information

Fund size (US\$m)	16.3
Benchmark	TOPIX Net Total Return Index <sup>▲</sup>
Number of holdings	29

## Available share classes

Share class <sup>+</sup>	Inception date	Nav/per share	ISIN code
Class I (USD - Acc)	06 September 2016	US\$14.85	IE00BSJWPN04

<sup>+</sup> Acc represents share class with dividends accumulated.

<sup>▲</sup> With effect from 9 December 2021 the benchmark has been changed from MSCI Japan Index to TOPIX (Tokyo Stock Price Index) (Net Total Return).

## About FSSA Investment Managers

FSSA Investment Managers is an autonomous investment management team within First Sentier Investors, with dedicated investment professionals based in Hong Kong and Singapore. We are specialists in Asia Pacific and Global Emerging Markets equity strategies, managing assets on behalf of clients globally.

We are bottom-up investors, using fundamental research and analysis to construct high-conviction portfolios. We conduct more than a thousand direct company meetings a year, seeking to identify high quality companies to invest in. We look for founders and management teams that act with integrity and risk awareness; and dominant franchises that have the ability to deliver sustainable and predictable returns over the long term. As responsible, long-term shareholders, we have integrated ESG analysis into our investment process and engage extensively on environmental, labour and governance issues.

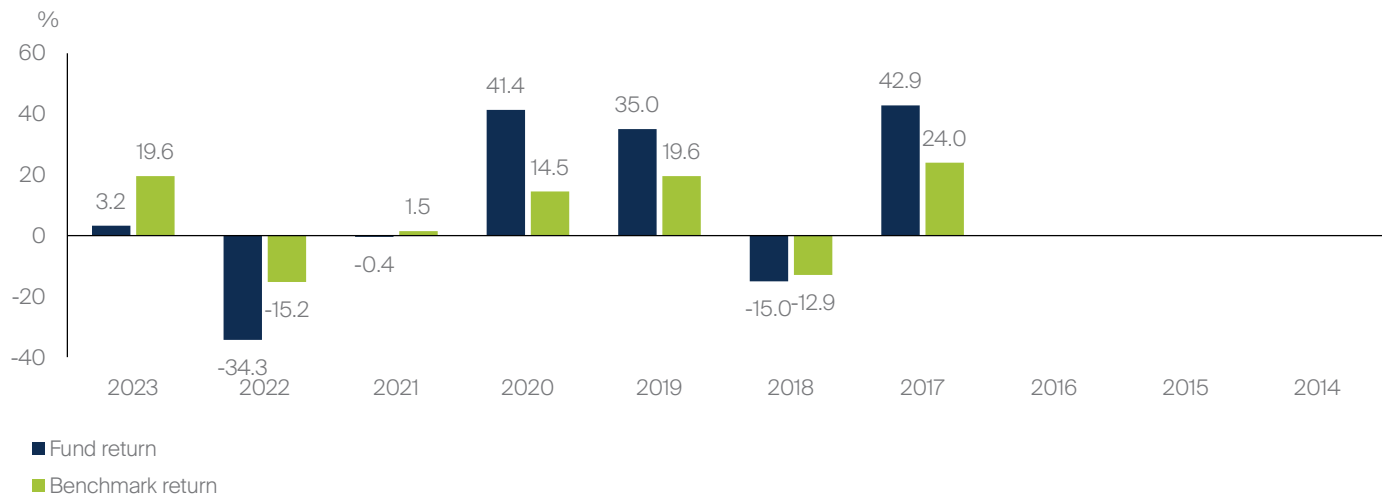
#### Annual performance (% in USD) to 30 September 2024

	12 mths to 30/09/24	12 mths to 30/09/23	12 mths to 30/09/22	12 mths to 30/09/21	12 mths to 30/09/20
FSSA Japan Equity Fund Class I (USD - Acc)	12.3	1.5	-45.0	24.8	30.8
TOPIX Net Total Return Index	21.2	25.4	-28.2	22.1	6.9

#### Cumulative performance (% in USD) to 30 September 2024

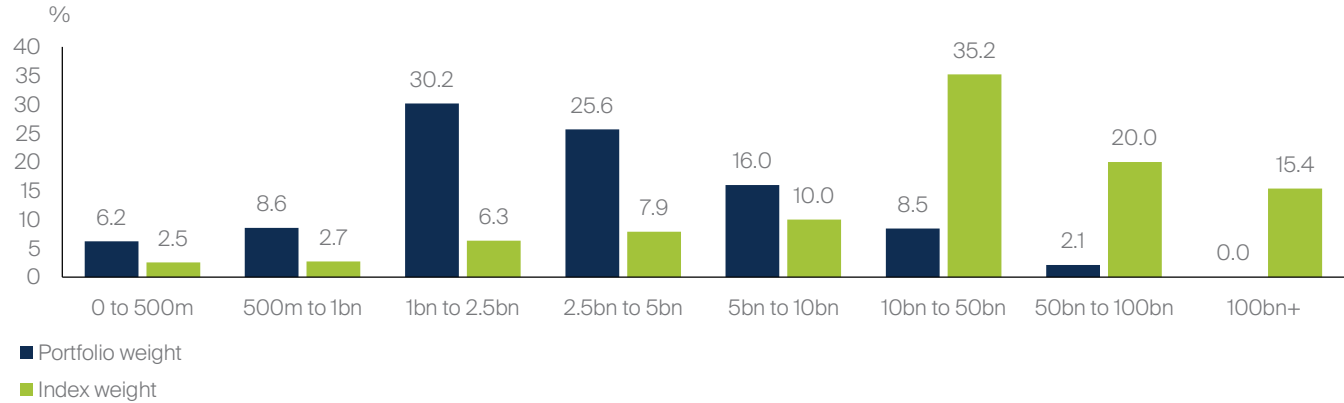
	Since Inception	10 yrs	5 yrs	3 yrs	1 yr	YTD	6 mths	3 mths
FSSA Japan Equity Fund Class I (USD - Acc)	48.5	-	2.3	-37.3	12.3	-2.5	3.9	13.5
TOPIX Net Total Return Index	68.6	-	42.3	9.1	21.2	12.2	2.1	6.8

#### Calendar year performance (% in USD) to 30 September 2024



Source: Lipper and First Sentier Investors, Nav-Nav (USD total return) data as at 30 September 2024. This Fund is a sub fund of Ireland domiciled First Sentier Investors Global Umbrella Fund Plc. Class I (USD-Acc) is the non-dividend distributing class of the fund, the performance quoted are based on USD total return (non-dividend distributing). With effect from 9 December 2021, the benchmark has been changed from MSCI Japan Index to TOPIX (Tokyo Stock Price Index) (Net Total Return). Unless otherwise specified, all information contained in this document is as at 30 September 2024. Investment involves risks, past performance is not a guide to future performance. On 22 September 2020, First State Japan Equity Fund was rebranded as FSSA Japan Equity Fund.

Market capitalisation breakdown (USD)



Data source: First Sentier Investors. For illustration purposes only. Portfolio weights may not add up to 100% as cash holdings are excluded and full coverage of stocks is not always available. Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time. The index refers to TOPIX (Tokyo Stock Price Index) (Net Total Return).

## Outlook

Our investment philosophy, which is well-established since the FSSA team's inception more than 30 years ago, seeks to invest in quality companies with sustainable growth metrics which we think are attractive on a 3-5 year view. In the FSSA Japan portfolio, our investee companies generate higher-than-average ROE/ROCE, higher margin and higher mid-term growth. They have stronger balance sheets, and they generate attractive free cash flow. They also trade at a premium valuation to the index. The portfolio also had a higher weighting in the mid-to-small cap over the past 12 months as we believed they were more attractively valued and have more defensive earnings profile than large-cap exporters in Japan. We continue to believe that the strong fundamental characteristics of our investee companies should provide attractive returns in the long run.

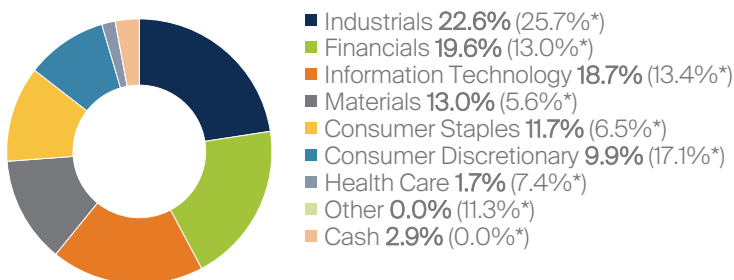
## Our long-term investment themes:

- Global factory automation and robotics leaders.
- Best-in-class consumer franchises that are dominant in the Asia Pacific region.
- Manufacturers in niche industries which have a leading edge globally.
- Solutions providers for Japan's structural labour shortage.
- Leading internet verticals that disrupt old-school industries.

## Ten largest company holdings as at 30 September 2024

Stock name	Geography	Sector	Portfolio weight (%)
BayCurrent, Inc	Japan	Industrials	8.2
SMS Co., Ltd.	Japan	Industrials	7.2
GMO Payment Gateway, Inc.	Japan	Financials	6.9
RAKUS Co., Ltd.	Japan	Information Technology	5.7
Nissan Chemical Corporation	Japan	Materials	4.9
T&D Holdings, Inc.	Japan	Financials	4.8
Ajinomoto Co., Inc.	Japan	Consumer Staples	4.4
Kotobuki Spirits Co., Ltd.	Japan	Consumer Staples	4.3
MS&AD Insurance Group Holdings, Inc.	Japan	Financials	4.0
Shoei Co. Ltd. (7839)	Japan	Consumer Discretionary	3.5

## Sector breakdown



\*Index weight

Sector classifications provided by Factset and First Sentier Investors. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities. Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%.

Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time.

The index refers to TOPIX (Tokyo Stock Price Index) (Net Total Return).

## Top 5 contributors to absolute performance

### 3 months to 30 September 2024

Stock name	Geography	Sector	Value added (bps*)
BayCurrent, Inc	Japan	Industrials	482
RAKUS Co., Ltd.	Japan	Information Technology	154
Raksul Inc.	Japan	Industrials	134
SMS Co., Ltd.	Japan	Industrials	116
Shoei Co. Ltd. (7839)	Japan	Consumer Discretionary	94

### 12 months to 30 September 2024

Stock name	Geography	Sector	Value added (bps*)
BayCurrent, Inc	Japan	Industrials	244
Recruit Holdings Co., Ltd.	Japan	Industrials	235
Lasertec Corp.	Japan	Information Technology	165
RAKUS Co., Ltd.	Japan	Information Technology	156
GMO Payment Gateway, Inc.	Japan	Financials	132

## Bottom 5 contributors to absolute performance

### 3 months to 30 September 2024

Stock name	Geography	Sector	Value added (bps*)
Yamaichi Electronics Co., Ltd.	Japan	Information Technology	-91
Nihon M&A Center Holdings Inc.	Japan	Financials	-53
Tokyo Seimitsu Co., Ltd	Japan	Information Technology	-45
JEOL Ltd.	Japan	Information Technology	-38
PILLAR Corporation	Japan	Materials	-21

### 12 months to 30 September 2024

Stock name	Geography	Sector	Value added (bps*)
M3, Inc.	Japan	Health Care	-100
Yamaichi Electronics Co., Ltd.	Japan	Information Technology	-89
Milbon Co., Ltd.	Japan	Consumer Staples	-43
Nihon M&A Center Holdings Inc.	Japan	Financials	-43
eGuarantee, Inc.	Japan	Financials	-42

Stock contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.

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This stock information does not constitute any offer or inducement to enter into investment activity.

Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after deduction of transactional costs. Stocks held/listed in non-index countries have economic activity > 50% from developing economies.

\* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

Data source: This information is calculated by First Sentier Investors.

### Important information

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