

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO THE MEMBERS' VOLUNTARY WINDING-UP AND RECONSTRUCTION OF ABRDN JAPAN INVESTMENT TRUST PLC ON WHICH YOU ARE BEING ASKED TO VOTE AND IN RELATION TO WHICH SHAREHOLDERS HAVE THE RIGHT TO MAKE AN ELECTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION TO BE TAKEN, YOU ARE RECOMMENDED TO SEEK IMMEDIATELY YOUR OWN PERSONAL FINANCIAL ADVICE FROM AN APPROPRIATELY QUALIFIED INDEPENDENT ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

If you have sold or otherwise transferred all of your Ordinary Shares in abrdn Japan Investment Trust plc (the "**Company**" or "**AJIT**"), you should pass this document, together with the accompanying documents (but not the accompanying personalised Forms of Proxy or Form of Election), as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, the related prospectus published by Nippon Active Value Fund plc (the "**NAVF Prospectus**") should not be forwarded to or transmitted in or into any Overseas Jurisdiction. Shareholders who are resident in, or citizens of, territories outside the United Kingdom or Sanctions Restricted Persons should read the section headed "**Excluded Shareholders**" in Part 3 of this document.

The New NAVF Shares (as defined in Part 7 of this document) are not and will not be registered under the United States Securities Act of 1933 (the "**US Securities -Act**"), or the securities laws of any state or other jurisdiction of the United States and the New NAVF Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of "US persons" as defined in Regulation S under the US Securities Act ("**US Persons**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Additionally, NAVF is not, and does not intend to be, registered as an investment company under the United States Investment Company Act of 1940 (the "**US Investment Company Act**") and Shareholders are not, and will not be, entitled to the benefits of the US Investment Company Act. No issuance, offer, purchase, sale or transfer of New NAVF Shares may be made except in a manner which would not require NAVF to register under the US Investment Company Act. In connection with the Scheme, US Persons which are existing holders of shares in the Company ("**US Shareholders**") are requested (where applicable) to execute the AI/QP Investor Letter (the ("**AI/QP Investor Letter**") annexed to the NAVF Prospectus and return it to NAVF in accordance with the instructions printed thereon. There has not been and will be no public offer of the New NAVF Shares in the United States.

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited ("**Shore Capital**") is authorised and regulated in the United Kingdom by the FCA and is advising the Company and no one else in connection with the Proposals (whether or not a recipient of this document). Shore Capital will not be responsible to any person other than the Company for providing the protections afforded to its customers, nor for providing advice in relation to the Proposals and Admission or the contents of this document.

The definitions used in this document are set out in Part 7 of this document.

ABRDN JAPAN INVESTMENT TRUST PLC

(Incorporated in England and Wales with registered number 03582911 and registered as an investment company under Section 833 of the Companies Act 2006)

Recommended Proposals for the voluntary winding up of the Company and combination with Nippon Active Value Fund plc

and

Notices of General Meetings

and

Notice of Annual General Meeting

This document should be read in conjunction with the NAVF Prospectus relating to Nippon Active Value Fund plc ("**NAVF**") which has been prepared in accordance with the Prospectus Regulation Rules, approved by the Financial Conduct Authority in accordance with Section 84 of the Financial Services and Markets Act 2000, and made available to the public in accordance with the Prospectus Regulation Rules. It has also been published on 1 September 2023. In relation to NAVF this document is not a prospectus and does not constitute an offer of any securities for sale or subscription. Investors should not subscribe for any New NAVF Shares referred to in this document except on the basis of information provided in the NAVF Prospectus. The NAVF Prospectus is available on their website www.nipponactivevaluefund.com. The website will not be available to Overseas Shareholders.

The Proposals described in this document are conditional, among other things, on Shareholder approval. Notices of the First General Meeting, to be held at 4.00 p.m. on 28 September 2023, and the Second General Meeting, to be held

at 3.00 p.m. on 10 October 2023, in each case at Dentons UK & Middle East LLP, 1 Fleet Place, London EC4M 7WS, are set out at the end of this document. Notice of the Annual General Meeting, to be held at 4.30 p.m. on 28 September 2023 at Dentons UK & Middle East LLP, 1 Fleet Place, London EC4M 7WS, is also set out at the end of this document. The Company will notify Shareholders of any changes to the proposed format for the General Meetings and/or the Annual General Meeting as soon as possible via a Regulatory Information Service and its website.

All Shareholders are encouraged to vote in favour of the Scheme Resolutions to be proposed at the General Meetings and, the Resolutions to be proposed at the Annual general Meeting and, if their Shares are not held directly, to arrange for their nominee to vote on their behalf. Forms of Proxy for use in conjunction with the General Meetings and the Annual General Meeting are enclosed. To be valid for use at the General Meetings and the Annual General Meeting, the Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to the receiving agent, Computershare Investor Services PLC (the “**Receiving Agent**”) at The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible, but in any event so as to be received no later than 48 hours (excluding non-working days) before the time of the relevant meeting. Alternatively, you may appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy and following the instructions. Proxies submitted via www.investorcentre.co.uk/eproxy must be transmitted so as to be received by the Receiving Agent by no later than 48 hours (excluding non-working days) before the time of the relevant meeting.

Shareholders holding Shares through either the abrdn Share Plan, the abrdn Investment Plan for Children or the abrdn Investment Trusts ISA (each a “**Share Plan**” and together the “**Share Plans**”) will have received with this document a Form of Direction which must be completed and returned in accordance with the instructions printed thereon (to be valid for use at the General Meetings and the Annual General Meeting) to the Receiving Agent, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6AH as soon as possible, but in any event so as to be received no later than five Business Days (excluding non-working days) before the time of the relevant meeting.

Shareholders who hold their Shares in uncertificated form (i.e. in CREST) may vote using the CREST electronic voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the General Meetings and the notice of the Annual General Meeting set out at the end of this document). Proxies submitted via CREST for the General Meetings and the Annual General Meeting must be transmitted so as to be received by the Receiving Agent as soon as possible and, in any event, by no later than 48 hours (excluding non-working days) before the time of the relevant meeting. Shareholders who hold Shares in certificated form and Share Plan holders will also find enclosed with this document a Form of Election for use in connection with the Proposals. To be valid, Forms of Election must be completed and returned to the Receiving Agent, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to arrive as soon as possible and in any event not later than 1.00 p.m. on 5 October 2023 or for those Shareholders who hold Shares, in a Share Plan, the Forms of Election must be completed and returned to the Receiving Agent, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to arrive as soon as possible and in any event not later than 1.00 p.m. on 2 October 2023. Shareholders who hold their Shares in uncertificated form will not receive a Form of Election and should elect in accordance with the instructions contained in the section of this document titled “Shares held in uncertificated form (that is, in CREST)”, which can be found on page 23 in Part 2 of this document.

Neither the US Securities and Exchange Commission (the “**SEC**”) nor any securities supervisory authority of any state or other jurisdiction in the United States has approved or disapproved the Scheme or reviewed it for its fairness, nor have the contents of this document or any other documentation relating to the Scheme been reviewed for accuracy, completeness or fairness by the SEC or any securities supervisory authority in the United States. Any representation to the contrary is a criminal offence in the United States.

It is important that you complete and return the Forms of Proxy, appoint a proxy or proxies electronically or use the CREST voting service in the manner referred to above, and return the Form of Election or submit a TTE Instruction (as applicable) as soon as possible. Your attention is drawn to Part 2 of this document at pages 23 and 24. If you hold your Shares in a Share Plan, it is important that you complete and return the Form of Direction in accordance with the instructions printed thereon. Your attention is drawn to paragraph 24 of Part 1 of this document.

Circular dated 1 September 2023

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SUMMARY OF ACTION TO BE TAKEN BY SHAREHOLDERS

Full details of the action to be taken by Shareholders are set out in the section of Part 1 of this document titled “Action to be taken by shareholders” which can be found on pages 18 and 19 of this document and in the instructions on the Forms of Proxy, the Form of Election, (where you hold your Shares in a Share Plan) the Form of Direction and the AI/QP Investor Letter (as applicable). You should read this whole document when deciding what action to take. The attention of Excluded Shareholders is drawn to the section headed “Excluded Shareholders” in Part 3 of this document.

TO VOTE ON THE PROPOSALS

To vote on the Proposals



Complete and return the **PINK Form of Proxy** for the First General Meeting so as to be received as soon as possible, but in any event **by no later than 4.00 p.m. on 26 September 2023.**

OR

If you are a Share Plan holder, complete and return the **PINK Form of Direction** in respect of the First General Meeting so as to be received as soon as possible, but in any event **by no later than 4.00 p.m. on 21 September 2023**

OR

alternatively you may appoint a proxy or proxies electronically by submitting via www.investorcentre.co.uk/eproxy **by no later than 4.00 p.m. on 21 September 2023.**

AND

Complete and return the **GREEN Form of Proxy** for the Second General Meeting so as to be received as soon as possible, but in any event **by no later than 3.00 p.m. on 6 October 2023.**

OR

If you are a Share Plan holder, complete and return the **GREEN Form of Direction** for the Second General Meeting so as to be received as soon as possible, but in any event **by no later than 3.00 p.m. on 3 October 2023**

OR

alternatively you may appoint a proxy or proxies electronically by submitting via www.investorcentre.co.uk/eproxy **by no later than 3.00 p.m. on 3 October 2023.**

TO MAKE AN ELECTION (ALL SHAREHOLDERS, INCLUDING SHARE PLAN HOLDERS)

To elect to rollover into NAVF in full (the “Rollover Option”)



No Form of Election should be completed, however Shareholders should nevertheless vote on the Proposals, as set out above.

To elect for the Cash Option

(limited in aggregate to 25 per cent. of the issued Shares)



If you hold your Shares in certificated form (that is, not in CREST):

you MUST complete the **BLUE Form of Election** in accordance with the instructions contained therein so as to be received as soon as possible, but in any event **by no later than 1.00 p.m. on 5 October 2023**

OR

in the event you hold your Shares in a Share Plan, you MUST complete the **YELLOW Form of Election** in accordance with the instructions contained therein so as to be received as soon as possible, **but in any event by no later than 1.00 p.m. on 2 October 2023.**

OR

If you hold your Shares in uncertificated form (that is, in CREST)

you MUST send a **TTE Instruction** in respect of any Shares for which you wish to make an Election for the Cash Option by no later than **1.00 p.m. on 5 October 2023.**

TO VOTE ON THE RESOLUTIONS AT THE ANNUAL GENERAL MEETING

To vote on the Resolutions at the Annual General Meeting



Complete and return the **RED Form of Proxy** for the Annual General Meeting so as to be received as soon as possible, but in any event **by no later than 4.30 p.m. on 26 September 2023.**

OR

If you are a Share Plan holder, complete and return the **RED Form of Direction** in respect of the Annual General Meeting so as to be received as soon as possible, but in any event **by no later than 4.30 p.m. on 21 September 2023**

OR

alternatively you may appoint a proxy or proxies electronically by submitting via www.investorcentre.co.uk/eproxy **by no later than 4.30 p.m. on 21 September 2023.**

If you have any questions relating to the completion and return of your Forms of Proxy and/or the Form of Election, please contact the Receiving Agent’s Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on +44 370 703 6187. Network providers’ costs may vary. Calls to the Shareholder Helpline from outside the UK will be charged at the

applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline can only provide information regarding the completion of Forms of Proxy and/or the Form of Election and cannot provide you with financial, tax, investment or legal advice.

If you hold your Shares in a Share Plan and require further information, please call 0808 500 4000 or +44 01268 448 222 from overseas. Please note that this number is for information only in relation to the administration of the Share Plans, including in relation to the Form of Direction, and no investment or tax advice can be given.

The Dividend that the Company intends to pay prior to implementation of the Scheme will be paid on 29 September 2023. Share Plan holders who participate in the dividend reinvestment scheme should note that this Dividend will not be reinvested into the Company and will instead be held in cash pending Share Plan holders' further instruction following the implementation of the Scheme.

Only Shareholders who hold Shares as at 6.00 p.m. on 6 October 2023 are able to elect for the Cash Option in respect of those Shares. The extent to which a Shareholder elects for the Cash Option is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders should seek advice from their own independent financial adviser.

Excluded Shareholders

To the extent that an Excluded Shareholder would otherwise receive New NAVF Shares under the Scheme, either because no Election for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New NAVF Shares will be sold by the Liquidators in the market and the net proceeds paid to the relevant Excluded Shareholder in accordance with paragraph 15.1 of Part 3.

IF YOU ARE NOT AN EXCLUDED SHAREHOLDER AND YOU WISH TO RECEIVE NEW NAVF SHARES IN RESPECT OF YOUR ENTIRE HOLDING OF SHARES IN AJIT, YOU NEED TAKE NO ACTION AND DO NOT NEED TO COMPLETE THE FORM OF ELECTION OR SEND A TTE (TRANSFER TO ESCROW) INSTRUCTION.

EXPECTED TIMETABLE

2023

Ex dividend date for the Dividend	14 September
Record date for the Dividend	15 September
Latest time and date for receipt of Forms of Direction in respect of the First General Meeting	4.00 p.m. on 21 September
Latest time and date for receipt of Forms of Direction in respect of the Annual General Meeting	4.30 p.m. on 21 September
Latest time and date for receipt of Forms of Proxy and CREST voting instructions in respect of the First General Meeting	4.00 p.m. on 26 September
Latest time and date for receipt of Forms of Proxy and CREST voting instructions in respect of the Annual General Meeting	4.30 p.m. on 26 September
First General Meeting	4.00 p.m. on 28 September
Annual General Meeting	4.30 p.m. on 28 September
Dividend paid to Shareholders	29 September
Latest time and date for receipt of Forms of Election for Shareholders who hold Ordinary Shares in a Share Plan	1.00 p.m. on 2 October
Latest time and date for receipt of Forms of Direction in respect of the Second General Meeting	3.00 p.m. on 3 October
Latest time and date for receipt of Forms of Election and TTE Instructions	1.00 p.m. on 5 October
Calculation Date	5.00 p.m. on 5 October
Record date for entitlements under the Scheme	6.00 p.m. on 5 October
Ordinary Shares disabled in CREST (for settlement)	close of business on 5 October
Latest time and date for receipt of Forms of Proxy in respect of the Second General Meeting	3.00 p.m. on 6 October
Reclassification of the Ordinary Shares	8.00 a.m. on 9 October
Suspension of listing of Reclassified Shares	7.30 a.m. on 10 October
Second General Meeting	3.00 p.m. on 10 October
Appointment of the Liquidators	10 October
Effective Date for implementation of the Scheme	10 October
Announcement of the results of Elections, the AJIT FAV per Share, the Cash NAV per Share and the NAVF FAV per Share	10 October

CREST accounts credited with, and dealings commence in, New NAVF Shares	8.00 a.m. on 11 October
Certificates despatched in respect of New NAVF Shares during or as soon as practicable after	week commencing 16 October
Cheques despatched to Shareholders who elect for the Cash Option in accordance with their entitlements and CREST accounts credited with cash	week commencing 16 October
Cancellation of listing of Reclassified Shares	as soon as practicable after the Effective Date

Note: All references to time in this document are to UK time. Each of the times and dates in the above expected timetable (other than in relation to the General Meetings) may be extended or brought forward. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.

PART 1

LETTER FROM THE CHAIR

ABRDN JAPAN INVESTMENT TRUST PLC

(the “Company”)

(Incorporated in England and Wales with registered number 03582911 and registered as an investment company under Section 833 of the Companies Act 2006)

Directors:

Karen Brade (*Chair*)
Claire Boyle
Sir David Warren
Sam Dean

Registered Office:

280 Bishopsgate
London
EC2M 4AG

1 September 2023

Dear Shareholders

Recommended proposals for the voluntary winding-up and reconstruction of the Company and combination with Nippon Active Value Fund plc

1 INTRODUCTION

On 18 May 2023, the Board announced that it had agreed heads of terms with Nippon Active Value Fund plc (“**NAVF**”) in respect of a proposed merger of the Company with NAVF to be effected by way of a scheme of reconstruction and members’ voluntary winding up of the Company under Section 110 of the Insolvency Act 1986 (the “**Scheme**” or “**AJIT Scheme**”) and the issue of New NAVF Shares to Shareholders who elect, or are deemed to have elected, to roll over their investments into NAVF (the “**Proposals**”). The background and rationale to the Proposals is set out in the next section of this letter at page 11.

In addition to the AJIT Scheme, the NAVF Board announced on 11 August 2023 details of a proposed combination of NAVF and Atlantis Japan Growth Fund Limited (“**AJG**” and “**the AJG Scheme**”). The principal terms of the NAVF and AJG combination are identical to those agreed between the Company and NAVF. Neither combination is conditional upon the other completing.

The Board welcomes news of the AJG Scheme as a second endorsement of the investment strategy of Rising Sun Management Ltd (“**Rising Sun**”), investment adviser to NAVF. Furthermore, the Board believes it represents the potential for a further scaling up of the combined company with the consequent benefits of greater liquidity for Shareholders as well as the spreading of the fixed costs of NAVF over an even larger base.

The Proposals, which are conditional upon, amongst other things, the approval of Shareholders at the General Meetings, comprise a members’ voluntary liquidation and a scheme of reconstruction of the Company under which Shareholders will be entitled to elect to receive in respect of some or all of their Shares:

- (a) New NAVF Shares (the “**Rollover Option**”); and/or
- (b) cash (subject to an overall limit of 25 per cent. of the Ordinary Shares in issue) (the “**Cash Option**”).

The default option under the Scheme is for eligible Shareholders¹ to receive New NAVF Shares meaning that Shareholders who, in respect of all or part of their holding of Shares, do not make a valid Election or who do not make an Election at all under the Scheme will be deemed to have elected for New NAVF Shares in respect of such holding.

¹ Please refer to Part 3 in respect of the treatment of Excluded Shareholders

The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by his or her investment objectives and by his or her personal, financial and tax circumstances. Accordingly, Shareholders should, before making any Election, read carefully all the information in this document and in the NAVF Prospectus. The key features of NAVF are set out below and in Part 5 of this document. The NAVF Prospectus should be read alongside, but does not form part of, this document. The NAVF Prospectus will be available on 1 September 2023 on the NAVF website at www.nipponactivevaluefund.com. A hard copy is available to non-Overseas Shareholders on request by emailing NAVFCOSEC@apexfs.group or calling 020 3327 9720.

In order to effect the Scheme and the change in respect of the Company's continuation vote as explained below, Shareholder approval is required at the First General Meeting. If the Scheme is approved at the First General Meeting, Shareholder approval is required at the Second General Meeting to wind up the Company voluntarily and to appoint the Liquidators and grant authority to them to implement the Scheme.

The purpose of this document is to explain the Proposals and the actions required to be taken in order for them to be implemented and to convene the General Meetings and Annual General Meeting, notices of which are set out at the end of this document. Further details of the Scheme Resolutions to be proposed at the General Meetings and the Resolutions to be proposed at the Annual General Meeting are set out below. The expected timetable associated with the Proposals is provided on page 8 of this document.

The Board considers the Proposals to be in the best interests of Shareholders as a whole and recommends that Shareholders vote in favour of the Resolutions required to implement the Proposals at the General Meetings.

2 BACKGROUND TO AND RATIONALE FOR THE PROPOSALS

The Proposals follow an extensive review by the Board of various investment strategies in the Japan fund sector. The Board believes this review demonstrated that the case for taking advantage of recent corporate governance changes in Japan remains compelling, particularly at the small cap end of the market, where NAVF has performed strongly. The Proposals provide Shareholders with access to a focused and differentiated investment opportunity with a strong track record, a partial cash exit option and a larger continuing investment trust with the prospect of improved liquidity. The combination, if completed, will be implemented through a scheme of reconstruction under section 110 of the Insolvency Act 1986 resulting in the reconstruction and voluntary liquidation of the Company.

Subject to the adoption of the New NAVF Investment Policy, NAVF's investment objective will be to provide its shareholders with attractive long-term capital growth primarily through the active management of a focused portfolio of quoted companies that have the majority of their operations in, or revenue derived from, Japan, or a majority of whose consolidated net assets are held in Japan, or that are included in the TOPIX, and that have been identified by NAVF's investment adviser, Rising Sun as being undervalued.

The Board and its advisers concluded that the Scheme will offer Shareholders the best way to continue their investment in a closed-ended investment vehicle with exposure to the attractive fundamental drivers operating in the Japanese market, but in a vehicle which has delivered top ranking performance and which has a much better rating than the Company whose Ordinary Shares have traded at a persistently wide discount to net asset value historically. The Proposals also allow Shareholders the opportunity for a partial cash exit at a 2 per cent. discount to FAV per AJIT Share.

As Shareholders will be aware from my comments in the recently published 2023 Annual Report, under the Articles of the Company there is a requirement to put a continuation vote to Shareholders at or before the next upcoming AGM. This is due to a technical provision of the Articles which means that if the Company's Ordinary Shares trade at an average discount wider than 10 per cent. over the discount monitoring period to 31 March 2023, a continuation vote is triggered (the "**Continuation Vote**"). As noted in our announcement of 18 May, we propose to subsume the continuation vote into the business of the General Meetings that are being held for the purpose of the Proposals. It is proposed that the Continuation Vote provisions are removed in the amended articles of association to be tabled as part of the Proposals. If the Scheme does not go ahead, these amendments will not be effective and the requirement for the Continuation Vote will remain in the Company's Articles and be voted upon at the AGM which is due to take place immediately after the First General Meeting. The next potential trigger point after this AGM will be in respect of FY23-24. As noted below, if the Scheme does not go ahead, the Board will in any case reassess the options available to the Company.

3 BENEFITS OF THE PROPOSALS

The Directors believe that the Proposals will have the following benefits for Shareholders:

- (a) **NAVF active management** – NAVF’s active management approach, which differentiates it from many of its peers, focuses on unlocking value in cash-rich small and mid-cap Japanese companies, an approach which is well aligned with recent developments in Japanese corporate governance and with its structure as a listed UK investment trust. The current NAVF portfolio offers investors a high-conviction uncorrelated opportunity.
- (b) **Premium listing** – In connection with (but prior to completion of) the Scheme, NAVF is proposing to migrate from the Specialist Fund Segment of the Main Market of the London Stock Exchange to a premium listing on the Main Market of the London Stock Exchange, which is expected to improve the access of retail investors to the enlarged fund and therefore its share rating and liquidity. The Scheme is conditional on the Migration, but as noted above not on the completion of the AJG Scheme.
- (c) **Cost contribution** – Rising Sun, the investment manager of NAVF, has demonstrated its conviction in the combined fund by offering to underwrite the Company’s current estimated costs of the proposed merger up to £800,000 including advisory and termination fees and associated VAT (the “**Rising Sun Contribution**”). The current estimate of costs associated with the Proposals is approximately £725,000 inclusive of VAT and therefore it is likely that Shareholders will not bear any of the costs of the Proposals.
- (d) **Injection of capital** – The Proposals will result in an inflow of capital into NAVF which can be deployed at an advantageous time in the cycle, when recent government reforms support, more than ever in the Board’s view, NAVF’s strategy of finding undervalued Japanese listed companies and actively engaging with them to deliver improved returns for shareholders.
- (e) **Increase in scale, spread of costs** – The combination with NAVF is expected to improve the enlarged fund’s liquidity for all shareholders as well as spreading the fixed costs of NAVF, as the continuing entity, over a larger pool of assets. As at the Latest Practicable Date, the net asset value of the Company was £83.4 million and the net asset value of NAVF was £168.0 million.
- (f) **Opportunity for substantial cash exit** – The Proposals include a cash exit opportunity of up to 25 per cent. of the Company’s shares in issue, providing Shareholders with the ability to realise part (or potentially all) of their investment at a 2 per cent. discount to FAV per AJIT Share.
- (g) **Uplift in market value** – The Proposals also have the potential to deliver an uplift in the market value of a Shareholder’s investment due to the narrower discount to net asset value at which the NAVF Shares might reasonably be expected to trade over the longer term.

4 NAVF

Shareholders who elect (or are deemed to elect) for the Rollover Option will be electing to receive New NAVF Shares.

NAVF is a closed-ended investment company incorporated in England and Wales on 22 October 2019 as a public limited company, registered number 12275668. It is an investment company as defined by section 833 of the Companies Act and operates as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The NAVF Shares were first admitted to trading on the Specialist Fund Segment on 21 February 2020. It is expected that the NAVF Shares will be admitted to the Official List and to trading on the premium segment of the Main Market on 21 September 2023. The Scheme is conditional upon the Migration.

NAVF has appointed FundRock Management Company (Guernsey) Limited as its alternative investment fund manager (“**AIFM**”) to provide overall portfolio and risk management services to NAVF. The AIFM and NAVF have appointed Rising Sun as investment adviser to provide investment advisory services to the AIFM and NAVF in respect of NAVF’s portfolio of investments.

NAVF seeks to achieve its investment objective by taking advantage of the corporate governance reforms in Japan and utilising the increased focus on good corporate governance to engage with management teams, unlock value and encourage investee companies to improve returns to their shareholders.

Further details on NAVF and its investment strategy are set out in Part 5 of this document and in the NAVF Prospectus (which will be available on 1 September 2023 on the NAVF website at www.nipponactivevaluefund.com). A hard copy is available to non-Overseas Shareholders on request by emailing NAVFCOSEC@apexfs.group or calling 020 3327 9720.

It is expected that Claire Boyle, the Chair of the Company's audit committee, will join the NAVF Board on completion of the Scheme.

Please note that neither the Board (other than Claire Boyle in her capacity as a prospective director of NAVF) nor the Company takes any responsibility for the contents of the NAVF Prospectus. The NAVF Board takes no responsibility for the content of this document.

5 CONDITIONS OF THE PROPOSALS

Implementation of the Proposals is subject to a number of conditions, including:

- (a) Completion of the Migration (which is subject to NAVF Shareholder approval);
- (b) the recommendation of the boards of the Company and NAVF to proceed with the Proposals which may be withdrawn at any time (including, without limit, for material adverse change reasons);
- (c) the passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting, or any adjournment of those meetings and upon any conditions of such Resolutions being fulfilled;
- (d) the NAVF Share Allotment Authorities relating, *inter alia*, to the Scheme being approved by NAVF Shareholders and not having been revoked or superseded; and
- (e) approval by the FCA of the publication of the NAVF Prospectus.

Any condition may, subject to compliance with legal requirements, be waived with the mutual agreement of each of the Company, NAVF and Rising Sun at any time up to completion of the Scheme.

If any condition is not satisfied (or waived), the Proposals will not become effective, the Company will not proceed with the winding-up and instead will continue in existence. Shareholders of the Company will bear any abort costs incurred if the Proposals do not become effective. In these circumstances, the Directors will reassess the options available to the Company at that time.

6 COSTS OF IMPLEMENTING THE SCHEME

The costs of the Scheme payable by the Company are expected to be approximately £725,000 inclusive of VAT which, for the purposes of this calculation, is assumed to be irrecoverable where applicable. Rising Sun has agreed to pay the Company's costs of the Scheme up to £800,000, and therefore it is likely that Shareholders will not bear any of the costs of the Scheme. To the extent that the Company's costs of the Scheme are above £800,000, the Company will bear these costs.

The estimate of the Company's costs excludes the Liquidators' retention to cover unknown liabilities (estimated at £100,000), and does not take account of any dealing costs which will be incurred by the Company in disposing of assets in order to repay the existing debt facilities, fund the Cash Option, and fund the Liquidation Pool.

Except for these purposes, it is expected that AJIT will not liquidate its portfolio but will remain invested in accordance with its published investment policy, and will largely transfer its portfolio to NAVF in specie rather than as cash or cash equivalents. This structure has been agreed to avoid unnecessary dealing costs in connection with the disposal of the AJIT portfolio and to avoid unnecessary periods when Shareholders funds are not invested in the Japanese market.

Although there are not expected to be any costs incurred in connection with the realignment of the portfolio in respect of the Rollover Pool, there may be dealing costs incurred by NAVF following the completion of the Scheme to the extent that NAVF disposes of the existing AJIT portfolio and redeploys into activist opportunities. Please see Parts 3 ("**The Scheme**") and 5 ("**NAVF**") for more detail on the expected transfer of the Rollover Pool.

In the event that the Scheme does not proceed then each party will bear their own costs in connection with the Proposals.

The Liquidators' retention is estimated at £100,000 and will be retained by the Liquidators to meet any unknown or unascertained liabilities of the Company. To the extent that some or all of the Liquidators' retention remains when the Liquidators decide to close the liquidation, this will be returned to Shareholders that were on the Register as at the Record Date.

7 ENTITLEMENTS UNDER THE SCHEME

Under the Scheme, each Shareholder on the Register on the Record Date may elect to receive:

- (a) such number of New NAVF Shares as have a value equal to the proportion of the Rollover Pool attributable to the number of Ordinary Shares so Elected, for the Rollover Option; or
- (b) subject to an overall 25 per cent. cap on such Elections (in aggregate), an amount of cash equal to the Cash NAV per Share multiplied by the number of Ordinary Shares so Elected, being the Cash Option.

Shareholders can make different Elections in respect of different parts of their holdings.

The default option under the Scheme is to receive New NAVF Shares, meaning that eligible Shareholders² who, in respect of all or part of their holding of Ordinary Shares, do not make a valid Election, or who do not make an Election, will be deemed to have elected for New NAVF Shares in respect of such holding. If you wish to receive New NAVF Shares in respect of all of your Ordinary Shares, there is no need to complete and return a Form of Election (which you will receive if you hold your Ordinary Shares in certificated form or you are a Share Plan holder) or to submit a TTE Instruction (if you hold your Ordinary Shares in uncertificated form).

If you wish to receive cash in respect of all or part of your holding of Shares (subject to the potential scaling back of Elections for the Cash Option), you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Shares are held) in respect of the number of Shares for which you wish to make an Election for the Cash Option. You will be deemed to have elected to receive New NAVF Shares in respect of the remainder of your holding, as well as any scaled back Elections for the Cash Option.

After allocating cash and other assets to the Liquidation Pool to meet all known and unknown liabilities of the Company and other contingencies, including the retention and the entitlements of any Dissenting Shareholders, there shall be appropriated to the Cash Pool and the Rollover Pool the remaining assets of the Company in the manner described in paragraph 3.3 in Part 3 of this Circular. Such appropriation includes the application of a discount of 2 per cent. to FAV per AJIT Share in relation to those Shares in respect of which Shareholders have elected to receive cash. The value arising from the application of the Cash Option Discount shall be allocated to the Rollover Pool for the benefit of Shareholders electing, or deemed to have elected for, the Rollover Option. In the week commencing 16 October 2023, it is expected that the Liquidators shall distribute to Shareholders who have elected for the Cash Option their Cash Entitlements, being rounded down to the nearest penny.

For illustrative purposes only, had the Calculation Date been 5.00 p.m. on the Latest Practicable Date and assuming that no Shareholders exercise their right to dissent from participation in the Scheme, after deduction of the Dividend and assuming that the maximum amount is elected for the Cash Option, the AJIT FAV per Share would have been 673.083880 pence and the NAVF FAV per Share would have been 148.153178 pence which, for the Rollover Option, would have produced a conversion ratio of 4.543162 and, in aggregate, 42,360,524 New NAVF Shares would have been issued to Shareholders who elected for the Rollover Option under the Scheme.

The above figures are for illustrative purposes only and do not represent forecasts. The AJIT FAV per Share and NAVF FAV per Share and Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments. For details of the Scheme, please refer to Part 3 of this document.

² Please refer to Part 3 in respect of the treatment of Excluded Shareholders

Excluded Shareholders should read the section headed “**Excluded Shareholders**” below in this Part 1.

Scaling back of Elections for the Cash Option

The maximum number of Ordinary Shares (in aggregate) that can be elected for the Cash Option is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury). Shareholders are entitled to elect for the Cash Option in respect of more than 25 per cent. of their individual holdings of Ordinary Shares (the “Basic Entitlement”, such excess amount being an “Excess Application”). However, if aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury), Shareholders who have made an Election for the Cash Option in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pro rata* to the number of Shares elected under such Excess Applications, resulting in such Shareholders (other than Excluded Shareholders) receiving New NAVF Shares instead of cash in respect of part of their holding of Ordinary Shares.

8 DIVIDEND

As an investment trust, the Company is not permitted to retain more than 15 per cent. of its income in any accounting period. If the Scheme is successful, that condition requires to be met in the shortened accounting period commencing on 1 April 2023 and ending on the Effective Date. In order to meet this requirement, the Company proposes to pay an interim dividend of 3 pence per Ordinary Share, to Shareholders on the Register as at 15 September 2023. The expected payment date for the Dividend is 29 September 2023.

Apart from the Dividend, it is not anticipated that there will be any dividends paid by the Company in relation to the current financial period or for the period up to the liquidation of the Company.

9 RISK FACTORS

Shareholders are strongly urged to read carefully the risk factors contained in Part 4 of this document which sets out the material risks known to the Directors at the date of this document in relation to the Proposals. **Shareholders are also strongly urged to read the sections containing risk factors in the NAVF Prospectus.**

10 TAXATION

Shareholders are advised to read carefully the section headed “**Taxation**” in paragraph 8 of Part 2 of this document which sets out a general guide to certain aspects of current UK tax law and HMRC published practice.

Please note that nothing in this document constitutes tax advice. Shareholders who are in any doubt as to their tax position or who may be subject to tax in any jurisdiction other than the UK are strongly advised to consult their own professional advisers.

11 GENERAL MEETINGS

The implementation of the Proposals will require two general meetings of the Company. The notices convening the First General Meeting (to be held at 4.00 p.m. on 28 September 2023) and the Second General Meeting (to be held at 3.00 p.m. on 10 October 2023) are set out at the end of this document.

The Resolutions to be proposed at the General Meetings, on which all Shareholders may vote, are as follows:

11.1 First General Meeting

The resolutions to be considered at the First General Meeting (which will be proposed as special resolutions) will, if passed, approve the terms of the Scheme and associated amendments to the Company’s Articles set out in Part 3 of this document, authorise the Liquidators to enter into and give effect to the Transfer Agreement with NAVF to renounce New NAVF Shares in favour of Shareholders in accordance with the Scheme, purchase the interests of any dissentients to the Scheme and authorise the Liquidators to apply to cancel the listing of the Shares with effect from such date as the Liquidators may determine.

Each Resolution will require at least 75 per cent. of the votes cast in respect of it to be voted in favour, whether in person* or by proxy, in order for it to be passed. The Scheme will not become effective unless and until, *inter alia*, the resolution to be proposed at the Second General Meeting has also been passed.

11.2 Second General Meeting

At the Second General Meeting, a special resolution will be proposed which, if passed, will place the Company into liquidation, appoint the Liquidators, agree the basis of their remuneration, instruct the Company Secretary to hold the books to the Liquidators' order and provide the Liquidators with appropriate powers to carry into effect the amendments to the Articles made at the First General Meeting. The resolution to be proposed at the Second General Meeting is conditional upon the passing of the Resolutions at the First General Meeting, the approval of the FCA and the London Stock Exchange of the Admission of the New NAVF Shares to the Official List and to trading on the Main Market of the LSE, respectively, and the Directors and the NAVF Directors resolving to proceed with the Scheme.

The Resolution will require at least 75 per cent. of the votes cast in respect of it to be voted in favour, whether in person* or by proxy, in order for it to be passed.

If relevant, the Company will notify Shareholders of any changes to the proposed format for the General Meetings as soon as possible via a Regulatory Information Service and its website.

12 ANNUAL GENERAL MEETING

Under the Companies Act, the Company is required to hold its annual general meeting within six months of its financial year end. It is proposed that this technically required AGM will follow the First General Meeting. This will include standard AGM resolutions to (amongst other things) reappoint the Directors, approve the Directors' Remuneration Policy, re-elect the Directors and renew its share allotment and share buyback authorities.

The Company's AGM will be held at 4.30 p.m. on 28 September 2023 at Dentons UK & Middle East LLP, 1 Fleet Place, London EC4M 7WS, which is immediately following the First General Meeting.

The Resolutions to be proposed at the AGM, on which all Shareholders may vote, are set out in the notice convening the AGM at the end of this document. A further explanation of each of the resolutions is set out at in the appendix to the notice of AGM on page 80.

If the Scheme Resolutions at the First General Meeting are not passed, as noted above the Continuation Vote will be held at the AGM.

The Board recommend voting in favour of all the resolutions to be put forward at the AGM and believe they are in the best interests of the Company. If the Scheme Resolutions do not pass, the Board support the continuation of the Company but as noted in this document the Board will consider carefully the future options for the Company.

13 ACTION TO BE TAKEN BY SHAREHOLDERS

Before taking any action, Shareholders are recommended to read the further information set out in this document and in the NAVF Prospectus.

13.1 Elections

The default option under the Scheme is to receive New NAVF Shares meaning that eligible Shareholders³ who, in respect of all or part of their holding of Shares, do not make a valid Election or who do not make an Election at all under the Scheme will be deemed to have elected for New NAVF Shares in respect of such holding. If you wish to receive New NAVF Shares in respect of all of your Shares, there is no need to complete and return a Form of Election (which you will receive if you hold

³ Please refer to Part 3 in respect of the treatment of Excluded Shareholders

your Shares in certificated form or if you are a Share Plan holder) or to submit a TTE Instruction (if you hold your Shares in uncertificated form).

If you wish to receive cash in respect of all or part of your holding of Shares, you must either complete and return a Form of Election or submit a TTE Instruction (depending on how your Shares are held) in respect of the number of Shares for which you wish to receive cash. You will be deemed to have elected to receive New NAVF Shares in respect of the remainder of your holding.

You are requested to complete the Form of Election in accordance with the instructions printed thereon and return them to the Receiving Agent at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible, but in any event so as to be received no later than 1.00 p.m. on 5 October 2023 or in the event you hold your Shares in a Share Plan, you are requested to complete the Form of Election in accordance with the instructions printed thereon and return them to the Receiving Agent at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible, but in any event so as to be received no later than 1.00 p.m. on 2 October 2023.

13.2 **Form of Proxy**

All Shareholders are encouraged to vote in favour of the Scheme Resolutions to be proposed at the General Meetings and the Resolutions to be proposed at the Annual General Meeting and, if the Shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Receiving Agent by one of the following means:

- (a) By logging on to www.investorcentre.co.uk/eproxy and following the instructions; or
- (b) By completing and signing the PINK Form of Proxy for use in relation to the First General Meeting, the RED Form of Proxy for use in relation to the Annual General Meeting and the GREEN Form of Proxy for use in relation to the Second General Meeting, in accordance with the instructions printed thereon and returning by post, by courier or by hand; or
- (c) in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the respective notices of the General Meetings and the Annual General Meeting.

In each case, the proxy appointments must be received by the Company as soon as possible and, in any event, so as to arrive by no later than 4.00 p.m. on 26 September 2023 in respect of the First General Meeting, by no later than 4.30 p.m. on 26 September 2023 for the Annual General Meeting and by no later than 3.00 p.m. on 6 October 2023 in respect of the Second General Meeting. To be valid, the relevant proxy appointment should be completed in accordance with the instructions accompanying it and lodged with the Receiving Agent by the relevant time.

Completion and return of Forms of Proxy will not prevent you from attending and voting in person at the General Meetings should you wish to do so.

If any of the Scheme Resolutions to be proposed at the General Meetings are not passed, the Proposals will not proceed and the Company will not be wound up. In these circumstances, the Board will reassess the options available to the Company at that time.

13.3 **Form of Direction**

Shareholders holding Shares through a Share Plan will have received with this Circular Forms of Direction in respect of the First General Meeting, the Second General Meeting and the Annual General Meeting. Share Plan holders are requested to complete and return the Forms of Direction to the Receiving Agent by one of the following means:

- (a) By logging on www.investorcentre.co.uk/eproxy and following the instructions; or
- (b) By completing and signing the PINK Form of Direction for use in relation to the First General Meeting, a RED Form of Direction for use in relation to the Annual General Meeting and a GREEN Form of Direction for use in relation to the Second General Meeting.

In each case the Form of Direction must be received by the Company as soon as possible, and in any event, so as to arrive by no later than 4.00 p.m. on 21 September 2023 in respect of the First General Meeting, by no later than 4.30 p.m. on 21 September 2023 for the Annual General Meeting and by no later than 3.00 p.m. on 3 October 2023 in respect of the Second General Meeting. To be valid, the relevant proxy appointment should be completed in accordance with the instructions accompanying it and lodged with the Receiving Agent by the relevant time.

13.4 **Excluded Shareholders**

The attention of Excluded Shareholders is drawn to the paragraph titled “**Excluded Shareholders**” in Part 3 of this document.

Overseas Shareholders will not receive a copy of the NAVF Prospectus unless they have satisfied the Directors and the NAVF Directors that they are entitled to receive and hold New NAVF Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or NAVF with any overseas laws, regulations, filing requirements or the equivalent. Sanctions Restricted Persons shall not receive a copy of the NAVF Prospectus.

To the extent that an Excluded Shareholder is entitled to and would otherwise receive New NAVF Shares under the Scheme, either because no Election for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, then such New NAVF Shares will be issued to the Liquidators as nominees for the relevant Excluded Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Excluded Shareholder and the value of the Shares held by the relevant Excluded Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

US Shareholders

Any Eligible US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this Circular is requested to execute the AI/QP Investor Letter annexed to the NAVF Prospectus and return it to NAVF.

If an Eligible US Shareholder does not execute and return the AI/QP Investor Letter, the NAVF Board reserves the right, at its absolute discretion, to require any New NAVF Shares to which such Ineligible US Shareholder is entitled and which such Ineligible US Shareholder would otherwise receive under the Scheme to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool. Eligible US Shareholders who have any questions regarding the submission of the AI/QP Letter may call NAVF’s registrar, Computershare Investor Services PLC (the “**NAVF Registrar**”), at +44(0)370 703 6187. Please note that the NAVF Registrar cannot give any advice on how Eligible US AJIT Shareholders should complete the AI/QP Letter. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the AI/QP Letter.

Non-US Shareholders are deemed to represent to the Company and NAVF that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

Subject to certain exceptions described herein, no action has been taken or will be taken in any jurisdiction other than the UK where action is required to be taken to permit the distribution of this Circular and/or the NAVF Prospectus. Accordingly, such documents may not be used for the purpose of, and do not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances

in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

14 RECOMMENDATION AND VOTING INTENTIONS

The Board considers the Proposals and the Resolutions to be proposed at the General Meetings to be in the best interests of Shareholders as a whole.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings, which total 5,313 Ordinary Shares (representing 0.043 per cent. of the Company's total voting rights) as at the Latest Practicable Date. The Directors who hold Ordinary Shares (being myself and David Warren) intend to roll over their entire beneficial holdings of Shares into New NAVF Shares.

The Board cannot, and does not, give any advice or recommendation to Shareholders as to whether, or as to what extent, they should elect for any of the options under the Proposals. The choice between the options available under the Proposals will be a matter for each Shareholder to decide and will be influenced by his or her individual investment objectives and by his or her personal, financial and tax circumstances. Accordingly, Shareholders should, before deciding what action to take, read carefully all the information in this document and in the NAVF Prospectus.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should seek their own personal financial advice from an appropriately qualified independent financial adviser authorised under FSMA.

Yours sincerely

Karen Brade

Chair

PART 2

FURTHER DETAILS OF THE PROPOSALS

1 IMPLEMENTATION OF THE SCHEME

Subject to the passing of the Resolutions (and satisfaction of the other conditions of the Scheme, full details of which are set out in paragraph 14 of Part 3 of this document), the Company will be placed into members' voluntary liquidation and the Scheme will take effect from the Effective Date.

On the Calculation Date the Board shall appropriate to the Liquidation Pool such of the cash, undertaking and other assets of the Company estimated by the Board in consultation with the Liquidators to be sufficient to meet the outstanding current and future liabilities, including contingent liabilities, of the Company, including the costs of the Scheme which exceed the £800,000 contribution by Rising Sun, a retention to meet unknown and unascertained liabilities of the Company and the entitlements of any Dissenting Shareholders. Further details of the Liquidation Pool are set out in paragraph 3.3 of Part 3 of this document.

The balance of the cash, undertaking and other assets of the Company will be allocated to the Rollover Pool and the Cash Pool, each of which will represent the respective entitlements of Shareholders to either New NAVF Shares or cash in accordance with the Elections made, or deemed to have been made, under the Scheme.

On the Effective Date, the cash, undertaking and other assets of the Company comprising the Rollover Pool shall be transferred to NAVF. In consideration for the transfer of the Rollover Pool to NAVF under the Transfer Agreement, the relevant numbers of New NAVF Shares will be allotted to the Liquidators who will renounce the New NAVF Shares in favour of the Shareholders who elect or are deemed to have elected for the Rollover Option (save that New NAVF Shares issued in favour of Excluded Shareholders shall be held by the Liquidators as the nominee for the relevant Excluded Shareholders).

To the extent that any part of the Liquidation Pool, including the Liquidator's retention, is not subsequently required to discharge the Company's liabilities, it will be distributed in cash, to the Shareholders shown on the Register at the Effective Date, at the conclusion of the liquidation.

2 TRANSFER AGREEMENT

If the Proposals become effective, on the Effective Date, or as soon as practicable thereafter, the Liquidators (in their personal capacity and on behalf of the Company) shall enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators shall procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to NAVF (or its nominee), in consideration for the allotment of New NAVF Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 2.2 of Part 3.

Each of the parties to the Transfer Agreement agrees with and undertakes to the others that, so far as may be within its respective powers, it shall implement the Scheme in accordance with its terms.

Rising Sun also undertakes to underwrite the Company's costs of the Proposed Scheme up to £800,000 including advisory and termination fees and associated VAT where applicable.

3 ELECTIONS

3.1 Shares held in uncertificated form (that is, in CREST)

A Shareholder (other than an Excluded Shareholder) holding Ordinary Shares in uncertificated form who wishes to make an Election for the Cash Option in respect of all or part of their holding of Ordinary Shares, should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Ordinary Shares for which they wish to make an Election for the Cash Option, specifying Computershare in its capacity as a CREST receiving agent under its participant ID (referred

to below) as the escrow agent, as soon as possible and, in any event, so that the TTE Instruction is received no later than 1.00 p.m. on 5 October 2023.

If you hold Ordinary Shares in CREST but under different member account IDs, you should submit a separate TTE Instruction in respect of each member account ID.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to your Ordinary Shares.

To make an Election in respect of the Cash Option you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specification and which must contain, the following details:

- (a) the ISIN number for the Ordinary Shares. This is GB0003920757;
- (b) the number of Ordinary Shares in relation to the relevant Election;
- (c) your member account ID;
- (d) your participant ID;
- (e) the participant ID of the escrow agent, Computershare, in its capacity as a CREST receiving agent. This is: 8RA19;
- (f) the member account ID of the escrow agent, Computershare. This is: AJITM01
- (g) the Corporate Action Number for the Scheme. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- (h) the intended settlement date for the transfer to escrow. This should be as soon as possible after receipt of your Election and in any event by no later than 1.00 p.m. on 5 October 2023;
- (i) the standard delivery instruction with Priority 80; and
- (j) the contact name and telephone number inserted in the shared note field.

After settlement of the TTE Instruction, you will not be able to access the Ordinary Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by Computershare Investor Services PLC as your escrow agent until completion or lapsing of the Scheme.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 5 October 2023. In connection with this, you are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3.2 Shares held in certificated form

Shareholders (other than Excluded Shareholders) who hold their Shares in certificated form (i.e. not in CREST) who wish to make an Election for the Cash Option in respect of all or part of their holding in Shares should complete and sign the enclosed personalised BLUE Form of Election:

- (a) inserting the total number of Shares they wish to attribute in Box 2A for New NAVF Shares; and
- (b) inserting in Box 2B the total number of Shares they wish to attribute for the Cash Option,

and return the Form of Election using the relevant enclosed reply-paid envelope (for use within the UK only) to the Receiving Agent by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible but, in any event, so as to be received not

later than 1.00 p.m. on 5 October 2023. Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

3.3 Shares held via a Share Plan

Shareholders who hold their Shares through a Share Plan, who wish to make an Election for the Cash Option in respect of all or part of their holding of Shares should complete and sign the enclosed personalised YELLOW Form of Election:

- (a) Inserting in Box 2A the total number of Shares they wish to attribute for New NAVF Shares; and
- (b) inserting in Box 2B the total number of Shares they wish to attribute for the Cash Option

and return the Form of Election using the relevant enclosed reply-paid envelope (for use within the UK only) to the Receiving Agent by post to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible but, in any event, so as to be received not later than 1 p.m. on 2 October 2023. Forms of Election, once submitted, will be irrevocable without the consent of the Directors.

If you hold your Shares in a Share Plan and require further information, please contact the Plan Manager Investor Helpline between 9.00 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on 0808 500 4000 or +44 01268 448 222 from overseas. Alternatively, you may email the Investor Helpline at inv.trusts@abrdn.com or submit your query in writing to abrdn Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB. Please note that these contact details are for information only in relation to the administration of the Share Plans, including in relation to the Forms of Direction, and no investment or tax advice can be given.

4 SETTLEMENT AND DEALINGS IN NEW NAVF SHARES

Applications will be made by NAVF to the FCA for the New NAVF Shares to be admitted to the Official List and to trading on the Premium Segment of the Main Market of the London Stock Exchange. If the Scheme becomes effective, it is expected that the New NAVF Shares will be so admitted and that the first day of dealings will be 11 October 2023.

New NAVF Shares will be issued in registered form and may be held in either certificated or uncertificated form. Shareholders who held their Shares in certificated form at the Record Date and who have elected (or are deemed to have elected) for New NAVF Shares will receive their New NAVF Shares in certificated form. It is expected that share certificates in respect of such New NAVF Shares will be despatched to the Shareholders entitled thereto during the week commencing 16 October 2023.

Shareholders who held their Shares in uncertificated form at the Record Date and who have elected (or are deemed to have elected) for New NAVF Shares will receive their New NAVF Shares in uncertificated form on 11 October 2023, although NAVF reserves the right to issue such securities in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST or of the facilities or system operated by NAVF's registrar in connection with CREST. NAVF will procure that instructions are given to credit the appropriate stock accounts in the CREST system with the relevant entitlements to New NAVF Shares in uncertificated form.

Fractional entitlements to New NAVF Shares issued pursuant to the Scheme will not be issued under the Proposals and entitlements will be rounded down to the nearest whole number. No cash payment shall be made or returned in respect of any fractional entitlements.

Cheques in respect of the cash amounts due to Shareholders who elect for cash are expected to be despatched to them in the week commencing 16 October 2023. It is expected that Shareholders who hold their Shares in CREST will receive their cash entitlements through CREST in the week commencing 16 October 2023.

4.1 **Mandates and communication preferences**

All mandates in force at the Record Date relating to payment of dividends on the Shares and all instructions then in force relating to notices and other communications will, unless and until varied or revoked, be deemed from the Effective Date to be valid and effective mandates or instructions to NAVF. Share Plan holders should refer to paragraph 10 of this document.

4.2 **Share certificates**

Existing certificates in respect of Shares will cease to be of tradable value following suspension of dealings in the Shares.

4.3 **General**

All documents and remittances dispatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

5 EXCLUDED SHAREHOLDERS

The issue of New NAVF Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Shareholders should inform themselves about and observe any legal requirements. In particular:

- (a) the New NAVF Shares have not been and will not be registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States, and the New NAVF Shares may not be offered, sold, pledged or otherwise transferred within the United States, or to or for the benefit of US Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and the relevant clearances have not been, and will not be, obtained from the securities commission of any member state of the European Economic Area, any province of Canada, Australia, Japan or the Republic of South Africa;
- (b) there has not been and will be no public offer of the New NAVF Shares in the United States;
- (c) NAVF is not, and does not intend to be, registered under the US Investment Company Act of 1940, and investors are not, and will not be, entitled to the benefits of the US Investment Company Act; and
- (d) no offer is being made, directly or indirectly, under the Scheme, in or into by the use of mails, or by means of instrumentality (including, without limitation, facsimile, or transmission, telex or telephone) of interstate or foreign commerce, or of any facility in a national securities exchange, of the United States (subject to certain exceptions described herein), any member state of the European Economic Area, Canada, Australia, New Zealand, Japan or the Republic of South Africa.

It is the responsibility of Shareholders with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New NAVF Shares, including the obtaining of any governmental or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction. Shareholders who are subject to taxation outside the UK should consult their independent financial adviser as soon as possible.

Unless otherwise expressly agreed with the Company, any Shareholder that votes on the Proposals and any Shareholder that makes an Election will be deemed to make the representations, warranties, undertakings, agreements and acknowledgements set out in the Forms of Proxy and Form of Election, including that they are either: (i) located outside the United States and not a US Person; or (ii) an AI and a QP. In addition, until 40 days after the implementation of the Scheme, an offer, sale or transfer of New NAVF Shares within the United States by a dealer (whether or not participating in the Scheme) may violate the registration requirements of the US Securities Act.

To the extent that an Excluded Shareholder is entitled to and would otherwise receive New NAVF Shares under the Scheme in respect of their "A" rights, either because no Election for the Cash Option was made or because an Excess Application for the Cash Option is scaled back in accordance with the Scheme, such New NAVF Shares will be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such shares to be sold promptly by a market maker. The net proceeds of such sale

(after deduction of any costs incurred in effecting such sale) will be paid: (i) to the relevant Overseas Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; or (ii) in respect of Sanctions Restricted Persons, at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

Overseas Shareholders will not receive a NAVF Prospectus unless they have satisfied the NAVF Directors that they are entitled to receive and hold New NAVF Shares without breaching any relevant securities laws and without the need for compliance on the part of the Company or NAVF with any overseas laws, regulations, filing requirements or the equivalent. Sanctions Restricted Persons will not receive the NAVF Prospectus.

US Shareholders

Any receipt of cash pursuant to the Scheme by a US Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Cash Option.

It may be difficult for US Shareholders to enforce their rights and any claim arising out of the US federal securities laws, since NAVF is located in a foreign country, and all of its officers and directors are residents of a foreign country. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in Pounds sterling.

Any Eligible US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this Circular is requested to execute the AI/QP Investor Letter annexed to the NAVF Prospectus and return it to NAVF. If a US Shareholder does not execute and return the AI/QP Investor Letter, the Board reserves the right, at its absolute discretion, to require any New NAVF Shares to which such Ineligible US Shareholder is entitled and would otherwise receive under the Scheme to be issued to the Liquidators as nominees for the relevant Ineligible US Shareholder and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder and the value of the Shares held by the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them as soon as reasonably practicable, and in any event no later than 10 Business Days after the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool. Eligible US Shareholders who have any questions regarding the submission of the AI/QP Letter may call NAVF's registrar, Computershare Investor Services PLC (the "**NAVF Registrar**"), at +44(0)370 703 6187. Please note that the NAVF Registrar cannot give any advice on how Eligible US AJIT Shareholders should complete the AI/QP Letter. Such persons are encouraged to seek their own advice should they have any questions regarding the completion of the AI/QP Letter.

Non-US Shareholders are deemed to represent to the Company and NAVF that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).

6 DISSENTING SHAREHOLDERS

Provided that a Shareholder does not vote in favour of the Resolutions to be proposed at the First General Meeting, such Shareholder may within seven days following the First General Meeting, express their dissent to the Liquidators in writing at the registered office of the Company and require the Liquidators to purchase the Shareholder's interest in the Company. The Liquidators will retain an amount of cash, undertakings, securities and other assets of the Company in the Liquidation Pool which the Liquidators believe is sufficient to purchase the Shares of the Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders after repayment of the liabilities of the Company. The realisation value of a Share is expected to be below the unaudited cum-income Net Asset Value per Share and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure

of the liquidation. Dissenting Shareholders should note that it may take a significantly long period of time for the liquidation process to end and for their Shares to be purchased by the Liquidators.

In order to purchase the interests of any Dissenting Shareholders, the Board, in consultation with the Liquidators, will appropriate an amount of the cash, undertaking and other assets of the Company to the Liquidation Pool which it believes is sufficient to purchase the interests of such Shareholders.

7 COMMON REPORTING STANDARDS

Investment trusts are required to report the tax residence of their shareholders. Subject to the Scheme becoming effective, those Shareholders of the Company that are not already on the register of NAVF and who hold their NAVF Shares in certificated form will be sent a document along with their new share certificate in the enlarged NAVF which those Shareholders should complete and return to NAVF or its agent.

8 TAXATION

The information set out below relates to UK taxation applicable to the Company and its Shareholders who are resident only in the UK for tax purposes and who hold Shares as an investment. Accordingly, this information may not relate to certain categories of Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment who may be taxed differently. The information is based on existing UK taxation law and HMRC published practice in force as at the date of this document and is, therefore, subject to any subsequent changes (possibly with retrospective effect). The information is given by way of general summary only and does not constitute legal or tax advice to any person.

This document does not address the US federal income tax considerations applicable to an investment in the New NAVF Shares. Each prospective investor should consult its own tax advisers regarding the US federal income tax consequence of any such investment.

If you are in any doubt about your tax position or if you may be subject to tax in a jurisdiction other than the UK you should consult your professional advisers.

8.1 The Company

The Company has obtained approval from HMRC as satisfying the conditions for approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and Chapter 1 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011.

The Proposals should not prejudice the ability of the Company to retain its investment trust status in respect of the accounting period that ended on 31 March 2023 and in respect of the current accounting period, which will end on the day immediately preceding the Effective Date if the Company is placed into members' voluntary liquidation on that day. Furthermore, the proposed method of winding up the Company and the scheme of reconstruction is such that pursuant to regulations 15 and 16 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets held within the Rollover Pool and the realisation of the Company's assets held within the Cash and the Liquidation Pool under the Scheme should not give rise to a liability to UK taxation of chargeable gains for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK taxation on its chargeable gains (net of any allowable losses) in that period.

8.2 Shareholders

(a) *Reclassified Shares*

For the purposes of UK taxation of chargeable gains, a Shareholder should not be regarded as having disposed of their Shares on the reclassification of the Shares into Shares with "A" rights

and Shares with “B” rights (as relevant). Instead, the Shareholder should be regarded as having acquired the Reclassified Shares at the same time and for the same aggregate base cost as their original holding of Shares.

Where a Shareholder’s Shares are reclassified into both Shares with “A” rights and Shares with “B” rights, the Shareholder’s base cost in their original holding of Shares should be apportioned by reference to the respective market values of the Shares with “A” rights and Shares with “B” rights received, as at the time the Reclassified Shares are first listed.

(b) **Cash Option**

Shareholders who receive cash under the Scheme pursuant to the Cash Option should be regarded as having made a disposal of their Reclassified Shares with “B” rights on the distribution of cash by the Liquidators and may be subject to UK taxation of chargeable gains depending on the particular circumstances of the Reclassified Shareholder concerned.

(c) **Rollover Option**

The Company has been advised that the exchange of Shares with “A” rights for New NAVF Shares pursuant to the Rollover Option should constitute a scheme of reconstruction for the purposes of the UK taxation of chargeable gains, and that such exchange should not constitute a disposal of the Shares with “A” rights for the purposes of the UK taxation of chargeable gains. Instead, the New NAVF Shares issued pursuant to the Rollover Option should be treated as replacing the Shares with “A” rights for which they were exchanged and should be treated as having been acquired at the same time and for the same base cost as those Shares with “A” rights are treated as having been acquired.

Any subsequent disposal of the New NAVF Shares may result in the holder of those new NAVF Shares realising a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains, depending on the holder’s particular circumstances.

(d) **Liquidation Pool surplus**

As provided for in paragraph 9 of Part 3 of this document, any remaining balance in the Liquidation Pool after the discharge of the Company’s liabilities will be distributed in cash to the Shareholders on the Register on the Effective Date. The receipt of any such payment by a Shareholder in respect of their Shares with “A” Rights should not be regarded as giving rise to any disposal for the purposes of UK capital gains tax in respect of a Shareholder who is an individual, or UK corporation tax in respect of a Shareholder which is a company or other body corporate, provided that the chargeable gains base cost of their Shares is in excess of the amount of the distribution and the aggregate amount of any such payments received by the Shareholder does not exceed whichever is the greater of: (i) £3,000; and (ii) five per cent. of the value of their Shares on the date the Company enters members’ voluntary winding up. Instead, the amount of any such payment or payments should be deducted from the base cost of the NAVF Shares issued to the Shareholder under the Scheme and should be taken into account in the determination of the extent to which a chargeable gain or allowable capital loss is realised on any subsequent disposal of those NAVF Shares.

On the other hand, the receipt of any such payment by a Shareholder in respect of their Shares with “B” rights should be treated as a further disposal by that Shareholder of those Shares with “B” rights which may, depending on that Shareholder’s particular circumstances, give rise to a chargeable gain for the purposes of UK taxation of chargeable gains.

(e) **HMRC clearance**

Shareholders are advised that a clearance has been obtained from HMRC pursuant to section 138 of the TCGA that the treatment described above under “Rollover Option” is not to be prevented, by virtue of section 137(1) of the TCGA, from applying to them. HMRC has also confirmed that no counteraction notice under section 698 of the Income Tax Act 2007 or section 746 of Corporation Tax Act 2010 should be served in respect of the transaction.

(f) ***Dissenting Shareholders***

On Liquidators purchasing the Shares of a Dissenting Shareholder, the purchase price paid for their Shares will not exceed that which the Dissenting Shareholder would receive on a straightforward winding up of the Company. A Dissenting Shareholder who receives such a cash payment will be treated as disposing of the relevant Shares and may, depending on that Shareholder's particular circumstances, realise a chargeable gain for the purposes of UK taxation of chargeable gains.

(g) ***ISAs and SIPPs***

New NAVF Shares are eligible for inclusion in an ISA or SIPP. Accordingly, where Shares currently held within an ISA or SIPP are exchanged for New NAVF Shares pursuant to the Rollover Option, those New NAVF Shares can generally be retained within the ISA or SIPP, subject to the specific terms applicable to the ISA or SIPP. Similarly, where cash is received pursuant to the Cash Option in respect of Shares held within an ISA or SIPP, that cash may also generally be retained within the ISA or SIPP.

(h) ***Stamp duty and SDRT***

It is not expected that any UK stamp duty or SDRT will be payable by the Company or the Shareholders in relation to the liquidation of the Company or on the receipt by Shareholders of new NAVF Shares under the Rollover Option. UK stamp duty and SDRT may be incurred by the Company in relation to the realignment of the Company's investment portfolio prior to the Effective Date and by NAVF in relation to the transfer of chargeable assets within the Rollover Pool, in addition to other non-UK transfer taxes that may be payable. Non-UK transfer taxes may also be payable by the Company on the transfer of the assets comprising the Rollover Pool to NAVF.

9 GENERAL

All documents and remittance despatched to or from Shareholders or their appointed agents in connection with the Proposals will be despatched at Shareholders' own risk.

10 INFORMATION FOR SHARE PLAN HOLDERS

The Plan Manager is not the investment manager of NAVF therefore the NAVF Shares do not qualify for inclusion in the Share Plan under its terms and conditions.

Share Plan holders, nevertheless, will be permitted to hold their New NAVF Shares arising from the Proposals, pending completion of the Share Plan closure in December 2023 and its transition to interactive investor ("**Share Plan Closure**").

For the avoidance of doubt, no new or further investments in NAVF will be accepted via the Share Plans following the Share Plan Closure. If a dividend is declared by NAVF before the Share Plan Closure, the Plan Manager will provide a reinvestment option.

PART 3

THE SCHEME

1 DEFINITIONS AND INTERPRETATION

Words and expressions defined in Part 7 of this document have the same meanings when used in this Scheme. Save as otherwise provided in this Part 3, any Ordinary Shares held by persons who validly exercise their rights under section 111(2) of the Insolvency Act shall be disregarded for the purposes of this Part 3 and shall be treated as if those Ordinary Shares were not in issue.

2 ELECTIONS AND ENTITLEMENTS UNDER THE SCHEME

- 2.1 The maximum number of Ordinary Shares that can be elected for the Cash Option (in aggregate) is 25 per cent. of the total number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) as at the Calculation Date. Each Shareholder who validly elects to receive the Cash Option in respect of up to 25 per cent. of their individual holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share, will receive the full amount of cash for which they have elected (the “**Basic Entitlement**”). Shareholders are also entitled to elect to receive cash in respect of more than 25 per cent. of their individual holdings of Ordinary Shares such excess amount being an “**Excess Application**”). However, in the event that aggregate Elections are made for the Cash Option which exceed 25 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) as at the Calculation Date, Shareholders who have made an Election in excess of their Basic Entitlement shall have their Excess Applications scaled back in a manner which is, as near as practicable, *pro rata* to the number of Shares elected under such Excess Applications. Ordinary Shares which are subject to such scaling back will be deemed to have elected for the Rollover Option.
- 2.2 Subject to the first Resolution contained in the notice of the First General Meeting being passed and becoming unconditional:
- (a) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (including as a result of scaling back any Excess Applications in accordance with paragraph 2.1 in this Part 3), valid Elections for the Rollover Option will be reclassified as Ordinary Shares with “A” rights; and
 - (b) the Ordinary Shares in respect of which the holders have made, or are deemed to have made (after scaling back any Excess Applications in accordance with paragraph 2.1 in this Part 3), valid Elections for the Cash Option will be reclassified as Ordinary Shares with “B” rights.
- 2.3 The rights of the Ordinary Shares following the passing of such Resolutions will be the rights as set out in Article 5.3 to be inserted in the Articles of the Company pursuant to the first Resolution contained in the notice of the First General Meeting and references to Shareholders will be construed accordingly.
- 2.4 In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in order to repay its existing debt facilities, pay any outstanding transaction invoices exceeding the Rising Sun Contribution and fund the Liquidation Pool and will hold investments suitable for transfer to NAVF by virtue of the Transfer Agreement.
- 2.5 Save for Reclassified Shares held by Dissenting Shareholders who shall have their Reclassified Shares purchased by the Liquidators from the Liquidation Pool, holders of Reclassified Shares with “B” rights will receive the Cash Pool NAV per Share multiplied by the total number of Reclassified Shares with “B” rights held by them and rounded down to the nearest penny.
- 2.6 Holders of Reclassified Shares with “A” rights will receive such number of New NAVF Shares as is calculated pursuant to paragraph 8.1 of this Part 3.

3 APPORTIONMENT OF THE COMPANY'S TOTAL ASSETS

- 3.1 Subject to the Resolutions contained in the notice of the First General Meeting being passed at such meeting and becoming unconditional, on the Calculation Date, or as soon as possible thereafter, the Directors, in consultation with the proposed Liquidators, shall calculate the aggregate value of the total assets of the Company, the Residual Net Asset Value, the Residual Net Asset Value per Share, the AJIT FAV per Share, the Cash Pool NAV and the Cash NAV per Share in accordance with paragraph 4 below.
- 3.2 Prior to the Calculation Date the Company shall present Rising Sun with an invoice in respect of an initial payment of the Rising Sun Contribution. Rising Sun will ensure that the Company is in funds in respect of the Rising Sun Contribution prior to the Calculation Date. The NAV of the Company as at the Calculation Date will therefore only be reduced by Scheme transaction costs to the extent that these exceed £800,000.
- 3.3 On the Calculation Date, or as soon as practicable thereafter, the Directors, in consultation with the proposed Liquidators, shall procure the finalising of the division of the Company's undertaking, cash and other assets into three separate and distinct pools, namely the Liquidation Pool, the Cash Pool and the Rollover Pool, as follows and in the following order:
- (a) first, there shall be appropriated to the Liquidation Pool cash and other assets of the Company (including, without limitation, the right to receive any and all interest, income, distribution, right or benefit and dividends, due but not paid to the Company by the Calculation Date and any illiquid and hard to value assets in the portfolio of the Company (and such illiquid and hard to value assets shall be valued at nil)), which the Liquidators may call in, realise and convert into cash as they consider necessary, of a value calculated in accordance with paragraph 4.1 of this Part 3, which is estimated by the proposed Liquidators, in consultation with the Directors, to be sufficient to meet the current and future, actual and contingent liabilities of the Company, including, without prejudice to the generality of the foregoing and save to the extent that the same have already been paid or already deducted in calculating the total assets of the Company including via the Rising Sun Contribution in accordance with paragraph 3.2 of this Part 3:
- a. the costs and expenses incurred and to be incurred by the Company and the Liquidators in formulating, preparing and implementing the Proposals and the Scheme and in preparing this document and all associated documents in each case as not otherwise paid prior to the liquidation;
- b. the costs and expenses incurred and to be incurred by the Company and the Liquidators in preparing and implementing the Transfer Agreement;
- c. the costs of purchasing (or making provision for the purchase of) the interests of Shareholders who have validly exercised their rights to dissent from the Scheme under section 111 (2) of the Insolvency Act;
- d. any unclaimed dividends of the Company (so far as not previously paid) and any declared but unpaid dividends of the Company;
- e. the costs and expenses of liquidating the Company (which includes the costs and expenses in relation to the Liquidators maintaining the Company in liquidation until the date of the final meeting of the Company), including the fees and expenses of the Liquidators and the Receiving Agent;
- f. any unquoted assets in the portfolio of the Company (as applicable and provided such assets shall be valued at nil);
- g. any tax liabilities of the Company; and
- h. an amount considered by the Liquidators to be appropriate to provide for any unascertained, unknown or contingent liabilities of the Company (such amount not expected to exceed £100,000 in aggregate).
- (b) second, there shall be appropriated to the Cash Pool and the Rollover Pool all the undertaking, cash and other assets of the Company remaining after the appropriation referred to in paragraph (a) above, on the following basis:

- a. there shall first be appropriated to the Cash Pool such proportion of the undertaking, cash and other assets as shall equal the Cash Pool NAV as set out in paragraph 3.5 of this Part 3; and
 - b. there shall be appropriated to the Rollover Pool the balance of the undertaking, cash and assets of the Company as the Company, acting by its Liquidators in consultation with the other parties to the Transfer Agreement, shall determine as being suitable for the purpose, and so as not to cause any infringement of the investment objective and investment policy of NAVF;
- 3.4 The Residual Net Asset Value shall be equal to the gross assets of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders) and adjusted for any dividends declared by the Company including the Dividend. The Residual Net Asset Value per Share shall be equal to the Residual Net Asset Value divided by the number of Shares in issue (excluding any Shares held in treasury) (expressed in pence) but excluding any Shares held by Dissenting Shareholders, rounded down to six decimal places.
- 3.5 The Cash Pool NAV shall be equal to the AJIT FAV per Share multiplied by the total number of reclassified Shares with “B” rights minus a 2 per cent. discount to the AJIT FAV per share (the “**Cash Option Discount**”) multiplied by the number of Reclassified Shares with “B” rights. The Cash NAV per Share shall be equal to the Cash Pool NAV divided by the total number of Reclassified Shares with “B” rights, and rounded down to six decimal places.
- 3.6 The AJIT FAV per Share (expressed in pence) shall be equal to the difference between the Residual Net Asset Value and the Cash Pool NAV divided by the total number of Reclassified Shares with “A” rights and rounded down to six decimal places.
- 3.7 Interest, income and other rights or benefits accruing in respect of any of the undertaking, cash or other assets comprised in any of the Liquidation Pool, Cash Pool or Rollover Pool shall form part of that pool, provided that any income, dividend, distribution, interest or other right or benefit on any investment marked “ex” the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date shall be deemed to form part of the Liquidation Pool.

4 CALCULATIONS OF VALUE

- 4.1 Except as otherwise provided in the Scheme, for the purposes of calculating the value of the Company’s assets at any time and date at which the calculation of value is required by the Scheme, the assets and liabilities of the Company shall be valued on the following basis:
- (a) investments which are listed, quoted or traded on any recognised stock exchange will be valued by reference to the bid price on the principal stock exchange where the relevant investment is listed, quoted or traded at the Relevant Time and according to the prices shown by the relevant exchange’s method of publication of prices for such investments or, in the absence of such recognised method by the latest price available prior to the Relevant Time. If the relevant exchange is not open for business at the Relevant Time, the investments will be valued as at the latest day prior to the relevant date on which the relevant stock exchange was open for business;
 - (b) unlisted investments or quoted investments which are subject to restrictions on transferability or which, in the opinion of the Directors (or a duly constituted committee thereof) are otherwise illiquid shall be valued at their fair value as determined by the Directors and any unquoted or hard to value assets shall be valued at nil;
 - (c) cash and deposits with, or balances at, a bank together with all bills receivable, money market instruments and other debt securities not included in paragraphs (a) or (b) above and held by the Company as at the Relevant Time will be valued at par (together with interest accrued up to the Calculation Date);
 - (d) any sums owing from debtors (including any dividends due but not paid and any accrual of interest on debt-related securities to the extent not already taken into account under paragraphs (a) and (b) above) as at the Relevant Time shall be valued at their actual amount less such provision for

- diminution of value (including provisions for bad or doubtful debts or discount to reflect the time value of money) as may be determined by the Directors;
- (e) assets denominated in currencies other than sterling will be converted into sterling at the closing mid-point rate of exchange of sterling and such other currencies prevailing as at the Relevant Time as may be determined by the Directors; and
 - (f) liabilities shall be valued in accordance with the Company's normal accounting policies.

In this paragraph 4.1, the "**Relevant Time**" means the time and date at which any calculation of value is required by the Scheme to be made. The Directors shall consult with the Liquidators in making determinations pursuant to this paragraph 4.1.

- 4.2 Notwithstanding the foregoing, the Directors or a duly authorised committee thereof, may, in their absolute discretion (but in consultation with the Liquidators), permit an alternative method of valuation to be used if, acting in good faith, they consider that such valuation better reflects the fair value of any asset or security. None of the Directors, the Company or the Liquidators will be under any liability by reason of the fact that a valuation believed to be appropriate may subsequently be found not to have been appropriate.
- 4.3 None of the Company, the Directors, abrdn Fund Managers Limited, NAVF, the NAVF Directors, Rising Sun nor the Liquidators shall be under any liability by reason of the fact that a price reasonably believed to be the appropriate market price of any listed investment or any valuation reasonably believed to be appropriate may subsequently be found not to have been the appropriate market price or valuation, except in the case of fraud or bad faith.

5 PROVISION OF INFORMATION BY THE LIQUIDATORS

- 5.1 On the Effective Date, or as soon as practicable thereafter, the Liquidators shall procure that there shall be delivered to NAVF (or its nominee) particulars of the undertaking, cash and other assets comprising the Rollover Pool and the Cash Pool in accordance with the terms of the Transfer Agreement and a list, certified by the Receiving Agent, of the names and addresses of each holder of Reclassified Shares with "A" rights and the number of Reclassified Shares with "A" rights held by each of them.

6 TRANSFER OF ASSETS AND LIABILITIES

- 6.1 On the Effective Date, or as soon as practicable thereafter, NAVF and the Liquidators (in their personal capacity and on behalf of the Company) shall enter into and implement the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto), whereby the Liquidators shall procure the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to NAVF (or its nominee), in consideration for the allotment of New NAVF Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 below.
- 6.2 The Transfer Agreement provides that the assets to be transferred to NAVF shall be transferred with such rights and title as the Company may have in respect of the same or any part thereof subject to and with the benefit of all and any rights, restrictions, obligations, conditions and agreements affecting the same or any part thereof, excluding any income, dividend, distribution, interest or other right or benefit on any investment marked "ex" the relevant income, dividend, distribution, interest or other right or benefit at or prior to the Calculation Date (which shall be deemed to form part of the Liquidation Pool). The Transfer Agreement further provides that the Company, acting by the Liquidators, insofar as they are reasonably able to do so by law or otherwise, shall comply with all reasonable requests made by NAVF (or its nominee) in respect of the cash, undertaking and other assets of the Company to be acquired and shall, in particular, account to NAVF for all income, dividends, distributions, interest and other rights and benefits in respect of such cash, undertaking and other assets, received after the Effective Date.

7 DISTRIBUTION OF THE CASH POOL

Cash entitlements payable to the holders of Reclassified Shares with “B” rights (except for Dissenting Shareholders who shall have their Reclassified Shares purchased by the Liquidators from the Liquidation Pool) shall be distributed by the Liquidators, through the Receiving Agent and pursuant to the Scheme, in cash to each such holder who has elected for the Cash Option in proportion to its respective holding of Reclassified Shares with “B” rights and shall be equal to the Cash NAV per Share multiplied by the number of Reclassified Shares with “B” rights, rounded down to the nearest penny.

8 ISSUE OF NEW NAVF SHARES

8.1 In consideration for the transfer of the Rollover Pool to NAVF in accordance with paragraph 6 above, the New NAVF Shares shall be issued to holders of Ordinary Shares with “A” rights on the basis that the number of such shares to which each such holder is entitled shall be determined in accordance with the following formula (rounded down to the nearest whole number of NAVF Shares):

$$\text{Number of NAVF Shares} = \frac{A}{B} \times C$$

where:

A is the AJIT FAV per Share (as at Calculation Date);

B is the NAVF FAV per Share (as at Calculation Date); and

C is the aggregate number of Reclassified Shares with “A” rights held by the relevant Shareholder.

8.2 No value shall be attributable to Ordinary Shares held in treasury by the Company. Fractions of New NAVF Shares will not be issued under the Scheme and entitlements to such New NAVF Shares will be rounded down to the nearest whole number. Any assets representing a fraction of the entitlements of holders of Reclassified Shares with “A” rights and whose holding of New NAVF Shares is rounded down shall be retained by NAVF and represent an accretion to its assets.

8.3 The New NAVF Shares to be issued pursuant to paragraph 8.1 will be allotted, credited as fully paid, to the Liquidators (as nominee for the Shareholders entitled thereto) as soon as practicable after the delivery to NAVF (or its nominee) of the particulars referred to in paragraph 5.1 above, whereupon the Liquidators will renounce the allotments of New NAVF Shares in favour of Shareholders entitled to them under the Scheme. On such renunciation, NAVF will issue the New NAVF Shares to the Shareholders entitled thereto. NAVF shall:

(a) in the case of the New NAVF Shares issued in certificated form, arrange for the despatch of certificates for such shares issued under the Scheme to the Shareholders entitled thereto at their respective addresses in the Register (and, in the case of joint holders, to the address of the first-named) or to such other person and address as may be specified by such persons in writing, in each case at the risk of the persons entitled thereto; and

(b) in the case of the New NAVF Shares issued in uncertificated form, procure that Euroclear is instructed on the Business Day following the Effective Date (or as soon as practicable thereafter) to credit the appropriate stock accounts in CREST of the Shareholders entitled thereto with their respective entitlements to New NAVF Shares issued under the Scheme.

8.4 NAVF shall be entitled to assume that all information delivered to it in accordance with paragraph 8.3 above is correct and to utilise the same in procuring registration in the NAVF register of members of the holders of the New NAVF Shares issued under the Scheme.

9 APPLICATION OF LIQUIDATION POOL

On or following the Effective Date, the Liquidation Pool shall be applied by the Company (acting by the Liquidators) in discharging the liabilities of the Company. The remaining balance of the Liquidation Pool, if any, shall be distributed in cash by the Liquidators pursuant to the Scheme, to all Shareholders (excluding Ordinary Shares held in treasury) (in each case being those Shareholders on the Effective Date in proportion to the respective holdings of Ordinary Shares on the Effective Date other than Dissenting Shareholders) provided that if any such amount payable to any Shareholder is less than £5.00, it shall not be paid to Shareholders but instead shall be retained by the Company and sent to charity. The Liquidators will also be

entitled to make interim payments to Shareholders in proportion to their holdings of Ordinary Shares. The Liquidators shall only make such distribution if there is sufficient cash available and if the Liquidators are of the view that it is cost effective to make an interim distribution. For these purposes, any Ordinary Shares held by Dissenting Shareholders will be ignored.

10 FORMS OF ELECTION

For the purposes of the Forms of Election for Shareholders and Share Plan holders, the provisions of which form part of the Scheme:

- (a) if, on any Form of Election, the total of a Shareholder's or Share Plan holder's Election is greater than their actual holding as at the Record Date, each Election made by such Shareholder or Share Plan holder on that Form of Election shall be decreased, so that the total of such Election(s) shall equal their total holding and, in any such case, such decreased Election(s) shall be deemed to be the Election(s) made by such Shareholder or Share Plan holder on the Form of Election for all purposes of this Scheme;
- (b) if, on any Form of Election, the total of a Shareholder's Elections is less than their actual holding as at the Record Date, then for the balance of such Shareholder's Shares, that Shareholder or Share Plan holder will be deemed to have elected for the Rollover Option;
- (c) a Shareholder or Share Plan holder who makes no Election by the due date, or in respect of whom no Form of Election has been duly and validly completed in accordance with the instructions therein, shall be deemed to have made an Election for the Rollover Option in respect of all of the Shares held by him/her for all purposes of the Scheme;
- (d) by signing and delivering a Form of Election and in consideration of the Company agreeing to process the Form of Election, a Shareholder or Share Plan holder agrees that the Election made on the Form of Election will be irrevocable (other than with the consent of the Directors) and, by such signature and delivery, such Shareholder or Share Plan holder represents and warrants that his Election is valid and binding and is made in accordance with all applicable legal requirements (including the requirements of any applicable jurisdiction outside the UK); and
- (e) any questions as to the extent (if any) to which Elections will be met and as to the validity of any Form of Election shall be at the discretion of the Directors, whose determination shall be final.

11 MODIFICATIONS

The provisions of the Scheme will have effect subject to such non-material modifications or additions as the Directors and the parties to the Transfer Agreement may from time to time approve in writing.

12 RELIANCE ON INFORMATION

The Company, the Directors, the Liquidators, Rising Sun, the Investment Manager, the NAVF Directors and NAVF shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them (as the case may be) in connection with the Scheme and the Transfer Agreement, including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, the Directors (or any of them), the Investment Manager, NAVF, NAVF Directors (or any of them), Rising Sun or the Receiving Agent, auditors, bankers, managers, custodians or other professional advisers, and no such person shall be liable or responsible for any loss suffered as a result thereof by the Company, any Shareholder, NAVF or any NAVF Shareholder.

13 LIQUIDATORS' LIABILITY

Nothing in the Scheme or in any document executed under or in connection with the Scheme will impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, fraud, bad faith, breach of duty or wilful default by the Liquidators in the performance of their duties and this will, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme, the Transfer Agreement or any act which the Liquidators do or omit to do at the request of NAVF.

14 CONDITIONS

14.1 The Scheme is conditional upon:

- (a) Completion of the Migration;
- (b) the recommendation of the boards of the Company and NAVF to proceed with the Proposals which may be withdrawn at any time (including, without limit, for material adverse change reasons);
- (c) the NAVF Share Allotment Authorities relating to the Scheme being approved by NAVF Shareholders and not having been revoked or superseded;
- (d) passing of the Resolutions to be proposed at the First General Meeting and the Resolution to be proposed at the Second General Meeting or any adjournment of those meetings and upon any conditions of such Resolutions being fulfilled; and
- (e) admission of the New NAVF Shares to the FCA's Official List and to trading on the Premium Segment of the Main Market of the LSE.

14.2 Any condition may, subject to compliance with legal requirements, be waived with the mutual agreement of each of the Company, NAVF and Rising Sun at any time up to completion of the Scheme.

14.3 In the event that any of the conditions in 14.1 fails to be satisfied (other than in respect of the Second General Meeting), the Second General Meeting will be adjourned indefinitely and the Scheme will lapse.

14.4 Subject to paragraphs 14.1 and 14.6, the Scheme will become effective on the date on which the special resolution for the winding-up of the Company to be proposed at the Second General Meeting (or any adjournment thereof) is passed (the **Effective Date**).

14.5 If it becomes effective, the Scheme will, subject to the rights of any Shareholders who have validly exercised their rights under section 111(2) of the Insolvency Act, be binding on all Shareholders and on all persons claiming through or under them.

14.6 Unless the conditions set out in paragraph 14.1 have been satisfied or, to the extent permitted, waived by both the Company and NAVF on or before 31 October 2023, the Scheme shall not become effective.

14.7 An application will be made to the Financial Conduct Authority for the listing of the Reclassified Shares to be suspended, subject to paragraphs 14.1(a), to 14.2 above, at 7.30 a.m. on 10 October 2023 and it is intended that subject to paragraph 14.1, such listing will be cancelled with effect from or as soon as possible after the Effective Date, or such other date as the Liquidators will determine.

15 EXCLUDED SHAREHOLDERS

15.1 Any New NAVF Shares allotted to the Liquidators and which would otherwise be issued to an Excluded Shareholder pursuant to the Scheme will instead be issued to the Liquidators as nominees on behalf of such Excluded Shareholder who will arrange for such shares to be sold promptly by a market maker (without regard to the personal circumstances of the relevant Excluded Shareholders and the value of the Shares held by the relevant Excluded Shareholders), in circumstances in which the Liquidators and/or NAVF acting reasonably consider that notwithstanding that Excluded Shareholder's entitlement to such New NAVF Shares under the Scheme, any such issue of New NAVF Shares to that Shareholder would or may involve a breach of the securities laws or regulations of any jurisdiction, or if the Liquidators and/or NAVF reasonably believes that the same may violate any applicable legal or regulatory requirements or may require NAVF to become subject to additional regulatory requirements (to which it would not be subject but for such issue) and the Liquidators and/or NAVF, as the case may be, have not been provided with evidence reasonably satisfactory to them that the relevant Excluded Shareholders are permitted to hold New NAVF Shares under any relevant securities laws or regulation of such overseas jurisdictions (or that NAVF would not be subject to any additional regulatory requirements to which it would not be subject but for such issue). The net proceeds of such sales (after deduction of any costs incurred in effecting such sales) will be paid: (i) to the relevant Overseas Shareholders entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per Overseas Shareholder will be retained in the Liquidation Pool; and (ii) in respect of

Sanctions Restricted Persons at the sole and absolute discretion of the Liquidators and will be subject to applicable laws and regulations.

- 15.2 Any Eligible US Shareholder (or any persons acting for the account or benefit of such US Shareholder) receiving this document is requested to execute the AI/QP Investor Letter annexed to the NAVF Prospectus and return it to NAVF. If you have any queries relating to the submission of the AI/QP Investor Letter, please contact Computershare at NAVFOffer@computershare.co.uk or call 0370 703 6187.
- 15.3 The Company and NAVF reserve the right, in their absolute discretion, to investigate in relation to US Shareholders, whether the representations and warranties set out in the AI/QP Investor Letter appended to the NAVF Prospectus given by any Ineligible US Shareholder are correct. Furthermore, if a US Shareholder does not execute and return the AI/QP Investor Letter and the Company and the NAVF Board believes such person is an Ineligible US Shareholder, the NAVF Board reserves the right, in its absolute discretion, to require any New NAVF Shares to which such Ineligible US Shareholder is entitled and would otherwise receive, to be issued to the Liquidators as nominees for the relevant ineligible US Shareholders and sold by the Liquidators in the market (which shall be done by the Liquidators without regard to the personal circumstances of the relevant Ineligible US Shareholder) and the net proceeds of such sale (after deduction of any costs incurred in effecting such sale) will be paid to the relevant Ineligible US Shareholder entitled to them within 10 Business Days of the date of sale, save that entitlements of less than £5.00 per Ineligible US Shareholder will be retained in the Liquidation Pool.
- 15.4 Non-US Shareholders are deemed to represent to the Company and NAVF that they are located outside of the United States and are not US Persons (and are not acting for the account or benefit of a US Person).
- 15.5 The provisions of this Scheme relating to Overseas Shareholders may be waived, varied or modified as regards a specific Shareholder or on a general basis by the Directors and the NAVF Directors in their respective absolute discretions.

16 GENERAL

- 16.1 Any instructions for the payment of dividends on Ordinary Shares in force on the Effective Date and lodged with the Company and/or the Receiving Agent shall, unless and until revoked by notice in writing to the Receiving Agent, continue to apply in respect of distributions or allocations of, or the other application of, monies under the Scheme or in respect of the issue of New NAVF Shares under the Scheme.
- 16.2 If, within seven days after the passing of the Resolutions proposed at the First General Meeting, Shareholders validly exercise their rights under section 111(2) of the Insolvency Act 1986 in respect of more than 5 per cent. in nominal value of the issued Ordinary Shares, the Directors (or a duly authorised committee thereof) may, but will not be obliged to, resolve not to proceed with the Scheme. Any such resolution by the Directors (or a duly authorised committee thereof) will only be effective if passed prior to the passing of the Resolution for winding-up the Company to be proposed at the Second General Meeting (or any adjournment thereof).
- 16.3 Ordinary Shares which are held in treasury by the Company shall not have any entitlements under the Scheme.
- 16.4 The Scheme shall be governed by, and construed in accordance with, the laws of England.

PART 4

RISK FACTORS

The risks referred to below are the material risks known to the Directors at the date of this document which the Directors believe Shareholders should consider prior to deciding how to cast their votes on the Resolution(s). Any investment in NAVF (pursuant to the Scheme or otherwise) will be governed by the NAVF Prospectus and the NAVF Articles. Shareholders are strongly urged to read the NAVF Prospectus, and, in particular the section containing the risk factors in the NAVF Prospectus. If Shareholders are in any doubt as to the contents of this document or as to what action to take, they should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under FSMA without delay.

The Scheme

Implementation of the Proposals is conditional, among other things, upon the Resolutions being passed at the General Meetings. In the event that any of the Resolutions are not passed or any other condition of the Proposals is not met, the Proposals will not be implemented. The Directors will then consider alternative proposals for the future of the Company, the implementation of which would likely result in additional costs being incurred.

In advance of the Effective Date, the Directors intend that the Company (or its agents) will have, to the extent practicable, realised or realigned the undertaking and business carried on by the Company in order to repay its existing debt facilities, fund the Cash Option and fund the Liquidation Pool, and to pay any outstanding transaction invoices exceeding the Rising Sun Contribution. If the Scheme fails to proceed, a portion of the Company's portfolio may therefore be held as assets which may need to be reinvested or realigned and in a rising market the loss of gearing would be a drag on returns and the portfolio will no longer be geared. As a result, the Company may incur additional reinvestment or realignment costs if the Scheme does not proceed and such costs will be borne by the Company.

Shareholders' illustrative entitlements set out in Part 1 of this document should not be regarded as forecasts. The AJIT FAV per Share and NAVF FAV per Share and Shareholders' entitlements under the Proposals may materially change up to the Effective Date as a result of, *inter alia*, changes in the value of investments. If a Shareholder wishes to elect for more than their Basic Entitlement and total Elections for the Cash Option made by all Shareholders are greater than 25 per cent. of the total issued Ordinary Shares (excluding Ordinary Shares held in treasury) then such Shareholder's Election will be scaled back resulting in such Shareholder (other than an Excluded Shareholder) receiving New NAVF Shares instead of cash in respect of part of their holding of Ordinary Shares.

Dissenting Shareholders

The Liquidators will offer to purchase the holdings of any Dissenting Shareholders at the realisation value, this being an estimate of the amount a Shareholder would receive per Share in an ordinary winding up of the Company if all of the assets of the Company had to be realised and distributed to Shareholders. The realisation value of a Share is expected to be below the unaudited cum-income NAV per Share and the Liquidators will not purchase the interests of Dissenting Shareholders until all other liabilities of the Company have been settled and HMRC has confirmed that it has no objections to the closure of the liquidation.

Risks associated with NAVF

Any investment in the New NAVF Shares issued by NAVF will be governed by the NAVF Prospectus and the NAVF Articles. Shareholders should read the full text of the NAVF Prospectus, including the section containing risk factors.

An investment in NAVF will involve exposure to those risks normally associated with investment in shares. The shares in NAVF are designed to be held over the long-term and may not be suitable as short-term investments. The price of the shares can go down as well as up and an investor may not get back the full amount invested. There is no assurance that the investment objective of NAVF will actually be achieved or

provide the returns sought by investors. The market price of the New NAVF Shares may not fully reflect their underlying asset value (if any).

The past performance of NAVF and Rising Sun is not a guide to future performance.

The performance of NAVF is substantially dependent on the performance of the securities (including derivative instruments) held within NAVF.

NAVF believes that the substantial undervaluation of Japanese equities, coupled with an activist strategy designed to unlock underlying value should allow NAVF to achieve significant investment results over time. Given the nature of NAVF's strategy however, it is possible that such returns could be "lumpy" and unpredictable. NAVF's intention is therefore to look to achieve its results primarily through capital appreciation. As such, no specific dividend policy has been established and any distributions will be made entirely at the discretion of the NAVF Board. Notwithstanding the foregoing, NAVF will make such distributions as may be required to ensure compliance with the rules relating to investment trusts.

NAVF may use gearing to seek to enhance investment returns. The use of borrowings may increase the volatility of the net asset value and may reduce returns when asset values fall.

NAVF is a closed-ended vehicle. Accordingly, Shareholders will have no right to have their New NAVF Shares repurchased at any time. Shareholders wishing to realise their investment in NAVF may therefore be required to dispose of their New NAVF Shares in the market. Although the New NAVF Shares are listed on the Official List and admitted to trading on the Premium Segment of the Main Market, there can be no guarantee that a liquid market in the NAVF Shares will exist or be maintained. Accordingly, Shareholders may be unable to realise their New NAVF Shares at the quoted market price (or at the prevailing net asset value per New NAVF Share).

The price of shares in an investment trust is determined by the interaction of supply and demand for such shares in the market as well as the net asset value per share. The share price can therefore fluctuate and may represent a discount or premium to the net asset value per NAVF Share. This discount or premium is itself variable as conditions for supply and demand for New NAVF Shares change. This can mean that the NAVF Share price can fall when the net asset value per share rises, or *vice versa*.

Taxation

Representations in this document relating to the taxation of Shareholders are based on current UK taxation law and HMRC published practice, which are subject to change (possibly with retrospective effect). The information in this document relating to UK taxation law and HMRC published practice is given by way of general summary and does not constitute legal or tax advice to Shareholders. The Board has been advised that the Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of capital gains. Clearance has been granted by HMRC under section 138 of the TCGA that section 136 of the TCGA will not be prevented from applying to the Scheme by virtue of section 137(1) of the TCGA. HMRC has also advised that no counteraction notice under section 698 of the Income Tax Act 2007 or under section 746 of the Corporation Tax Act 2010 should be served in respect of the transaction.

However, a subsequent disposal of NAVF Shares may constitute a disposal for UK tax purposes and may, depending on a Shareholder's particular circumstances, give rise to a liability to UK taxation.

The Directors have been advised that the proposed method of winding up the Company and the scheme of reconstruction is such that the Company should remain eligible to be treated as an investment trust for the accounting period which includes the date on which its assets are sold and/or transferred by the Liquidators pursuant to the Transfer Agreement. Accordingly, the transfer of the Company's assets held within the Rollover Pool and the realisation of the Company's assets held within the Cash Pool and the Liquidation Pool under the Scheme should not give rise to a liability to UK corporation tax for the Company. However, there can be no absolute assurance that investment trust status will be preserved and the absence of such status in any accounting period would mean the Company would be liable to pay UK corporation tax on its chargeable gains (net of allowable losses) in that period.

US Shareholders

The Scheme is being implemented subject to United Kingdom disclosure requirements which are different from certain United States disclosure requirements. In addition, US Shareholders should be aware that this Circular has been prepared in accordance with a UK format and style, which differs from the US format and style. In particular, parts of this Circular contain information concerning the Scheme required by UK disclosure requirements which may be material and may not have been summarised elsewhere in the documents. Furthermore, the Scheme will be subject to other procedural requirements, including with respect to withdrawal rights, settlement procedures and timing of payments that are different from those applicable under US domestic procedures and law.

US Shareholders should note that the New NAVF Shares are not listed on a US securities exchange and NAVF is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC.

Any receipt of cash pursuant to the Scheme by a US Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme.

It may be difficult for US Shareholders to enforce their rights and claim arising out of the US federal securities laws, since NAVF is located in a foreign country, and all of its officers and directors are residents of a foreign country. US Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the US securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgement. Whether located in the United States or elsewhere, US Shareholders will receive any cash consideration in pounds sterling.

PART 5

FURTHER INFORMATION ON NAVF

Any investment in NAVF will be governed by the NAVF Prospectus which will be available on 1 September 2023 at www.nipponactivevaluefund.com. Accordingly, Shareholders are required to read the NAVF Prospectus (from which the information in this Part 5 has been extracted) and in particular the risk factors contained therein prior to deciding whether or not to make an Election for any NAVF Shares. Neither the Board (other than those Directors who are expected to join the NAVF Board on the Effective Date) nor the Company takes any responsibility for the contents of the NAVF Prospectus.

INTRODUCTION AND HISTORY

NAVF is a closed-ended investment company incorporated on 22 October 2019 in England and Wales with registered number 12275668 and registered as an investment company under Section 833 of the Act. NAVF carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.

NAVF's Ordinary Shares were first admitted to trading on the Specialist Fund Segment on 21 February 2020. On the IPO admission date, 103,000,000 Ordinary Shares were issued and admitted to trading on the Specialist Fund Segment at 100p per share. On 26 November 2021, a further 10,021,432 Ordinary Shares were issued and admitted to trading on the Specialist Fund Segment at 139.70p per share.

As at the date of the NAVF Prospectus, NAVF has 113,021,433 Ordinary Shares in issue. As at 30 August 2023, being the latest practicable date prior to the date of this document, NAVF had a market capitalisation of £153.1 million, a net asset value of £168.0 million and a net asset value per share of 148.65p.

Subject to NAVF Shareholder approval of the New NAVF Investment Policy at the NAVF General Meeting, applications will be made to the London Stock Exchange for (i) the Existing NAVF Shares; and (ii) the New NAVF Shares to be issued pursuant to the AJIT Scheme, the AJG Scheme and the NAVF placing programme from time to time, to be admitted to the Official List of the Financial Conduct Authority and to trading on the premium segment of the Main Market (the "**Premium Segment**"). If the Migration is not completed, the Existing NAVF Shares will continue to be traded on the Specialist Fund Segment.

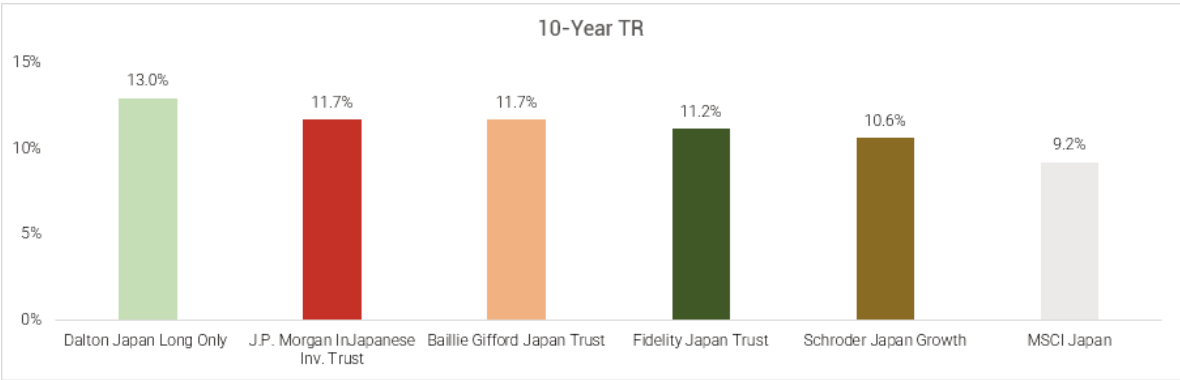
NAVF has a board of non-executive directors, all of whom are considered to be independent. NAVF does not have any managing directors. NAVF has appointed FundRock Management Company (Guernsey) Limited as alternative investment fund manager to provide overall portfolio and risk management services to NAVF. The AIFM and NAVF have appointed Rising Sun as investment adviser to provide investment advisory services to the AIFM and NAVF in relation to NAVF's portfolio of investments. Further information on Rising Sun and the AIFM is set out in Part 7 (*Directors, Management and Administration*) of the NAVF Prospectus.

RISING SUN

History and Capabilities

Rising Sun is a Cayman entity which is led by James B. Rosenwald, III. Mr Rosenwald has over 40 years' experience investing in Asia and is co-founder and chief investment officer of Dalton. Dalton is a value focused investment management firm with expertise in Asia equities and global equities. Headquartered in Santa Monica, California, with affiliate offices in Las Vegas, Tokyo, Sydney, Mumbai and Hong Kong, Dalton manages (as at 30 June 2023) US\$3.0 billion in actively managed long only and long-short strategies for pensions, endowments, foundations, financial institutions and family offices. Dalton has a strong track record investing in Japanese equities. The Dalton Japan Long Only composite track record (US\$1.5bn gross assets under management as at 30 June 2023) is set out below.

The Dalton Japan Long Only composite track record as at 30 June 2023 (data presented in accordance with the Global Investment Performance Standards)



	Since Inception	1996	1997	1998	1999	2000	2001	2002
JLO Gross	8.7%	-2.0%	-1.2%	-0.2%	95.9%	-13.8%	-12.1%	-27.3%
Benchmark	2.7%	-11.5%	-14.0%	-8.6%	45.4%	-19.5%	-19.0%	-19.0%
	2003	2004	2005	2006	2007	2008	2009	2010
JLO Gross	25.9%	15.7%	48.8%	6.6%	-15.0%	-36.9%	7.9%	16.7%
Benchmark	23.0%	10.5%	44.4%	7.2%	-10.1%	-42.5%	9.0%	0.6%
	2011	2012	2013	2014	2015	2016	2017	2018
JLO Gross	-3.3%	25.1%	73.5%	16.0%	24.1%	3.8%	24.6%	-16.0%
Benchmark	-18.8%	21.7%	54.5%	9.3%	9.9%	-0.7%	19.7%	-15.1%
	YTD							
	2019	2020	2021	2022	2023			
JLO Gross	19.0%	8.0%	10.8%	-0.3%	25.8%			
Benchmark	18.4%	8.9%	13.3%	-5.1%	24.5%			

Sources: Dalton Investments LLC and Morningstar.⁴

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE. THE VALUE OF THE INVESTMENTS AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INVESTED. THESE INVESTMENTS ARE DESIGNED FOR INVESTORS WHO UNDERSTAND AND ARE WILLING TO ACCEPT THESE RISKS. PERFORMANCE MAY BE VOLATILE, AND AN INVESTOR COULD LOSE ALL OR A SUBSTANTIAL PORTION OF ITS INVESTMENT.

Investment Process

Rising Sun has combined capabilities in origination, evaluation and transaction execution with expertise across equities, shareholder activism and active portfolio management. Rising Sun maintains a management team that meets regularly (the “**Management Team**”) that is responsible for reviewing and evaluating potential investment opportunities. The Management Team’s role is to make recommendations to the AIFM and NAVF in relation to proposed and existing investment activities of NAVF together with reviewing any due diligence reports along with any transaction memorandum on a potential investment. Following review by the Management Team, the AIFM and the Board will be provided with information relating to the investment and have the opportunity to review and request further information on the potential investment opportunity.

⁴ This performance data is **supplemental** to Dalton's GIPS-verified performance data, which is provided in Appendix 1 of the NAVF Prospectus. Please refer to Appendix 1 of the NAVF Prospectus, including GIPS verified Dalton Japan Long Only presentation, for performance disclosures.

The Management Team

The Rising Sun management team comprises Mr James B. Rosenwald, III, Mr Gifford Combs, Mr Paul ffolkes Davis and Mr Kazutaka Mizuochi. In addition Rising Sun has entered into an agreement whereby the Tokyo office of Dalton Advisory KK will provide investment research services to Rising Sun. Rising Sun is also registered with the U.S. Securities and Exchange Commission, as a relying adviser for Rosenwald Capital.

The Management Team of Rising Sun includes:

James B. Rosenwald, III

James heads the investment team at Rising Sun as well as being the co-founder and Chief Investment Officer of Dalton which was established in 1999.

James is currently an Adjunct Professor of Finance at New York University's Business School where he teaches, "Global Value Investing". James has over 40 years of investment experience managing equity portfolios and in particular in investing in Asia, and was also previously an external manager for the Soros Group. James has been a director of Shore Capital since January 2010.

James holds an MBA from New York University and an AB from Vassar College.

Gifford Combs

Gifford is the co-founder and Portfolio Manager for Dalton and was a founding member of Dalton which was established in 1999. Gifford has over 35 years of investment experience managing equity portfolios.

Prior to joining Dalton, he managed equity portfolios for U.S. and international institutions at Pacific Financial Research, a Beverly Hills-based money manager with assets in excess of US\$5 billion.

Gifford serves on the Philanthropic Advisory Board for the University of Cambridge (Cambridge, UK) as well as on the investment committees of the College of the Atlantic (Bar Harbor, USA) and the Mt Desert Land and Garden Preserve (Seal Harbor, USA). He is member of the Board of Directors of The Pot and Kettle (Bar Harbor, USA).

Gifford holds an M.Phil degree, with distinction, in Economics and Politics from Cambridge University and an AB degree, magna cum laude, from Harvard College.

Paul ffolkes Davis

Paul is the Chairman of Rising Sun and has over forty years' experience in financial services.

From 2004 until March 2020, he was Bursar of Trinity Hall, one of Cambridge University's oldest colleges (founded 1350). During his time in charge of the College's endowment, its value rose from circa £60 million to over £320 million. Investments consisted mainly of global listed securities, together with physical property and various 'alternatives'.

While in this role, Paul founded Cambridge & Counties Bank in June 2012, with the College owning 50 per cent., and acted as its first Chairman until December 2016. Thereafter, he continued as Vice-Chairman until retiring from the Board in June 2021.

His career began in investment banking and included roles in fixed income sales and trading, portfolio management, and, latterly, running Equity Capital Markets at several institutions. Board level appointments included NM Rothschild & Sons Limited (1984-95), NatWest Markets and Rabobank International.

Paul holds MA (Hons) degrees from both Oxford and Cambridge Universities.

Kazutaka Mizuochi

Since 2018, Kazutaka has been a partner at the Tokyo law firm, Hibiya-Nakata and has over 25 years of experience in advising on matters of corporate law with a particular focus on mergers and acquisitions.

Prior to joining Hibiya-Nakata, he was a partner at the law firm Baker & McKenzie, Tokyo between 2006 and 2018.

Kazutaka's mergers and acquisitions experience includes representing various international companies (including Japanese and British companies) in the acquisition or disposal of overseas interests.

Kazutaka was the chairperson of the Public Relations Committee of the Tokyo Bar Association between 2013 and 2015. He holds an LLB from the Keio University (Tokyo) as well as an LLM from the University of Illinois.

Julie Arnall

Julie started her career in the United Kingdom where she trained as an accountant with Whitbread Group plc, having studied Accounting and Business at the University of Luton.

In 1987, Julie moved to the Cayman Islands to join Cayman National Trust Co. Ltd (CNT), a large financial services group. As Senior Vice President of the company, Julie specialised in mutual funds and hedge funds, as well as company and trust, administration and accounting.

Julie currently runs her own financial and management accounting company as well as holding directorships in many large funds and investment companies.

INVESTMENT OBJECTIVE AND POLICY OF NAVF

Subject to the adoption of the New NAVF Investment Policy by the NAVF Shareholders at the NAVF General Meeting (which is a condition of the Migration and therefore, indirectly, a condition of the Scheme), the investment objective and policy of NAVF will be as follows:

“Investment objective

The investment objective of the Company is to provide Shareholders with attractive long-term capital growth primarily through the active management of a focused portfolio of quoted companies that have the majority of their operations in, or revenue derived from, Japan, or a majority of whose consolidated net assets are held in Japan, or that are included in the TOPIX, and that have been identified by the Investment Adviser as being undervalued.

Investment policy

Asset allocation

The Company will primarily invest in a highly selective portfolio of shares issued by quoted companies that have the majority of their operations in, or revenue derived from Japan or a majority of whose consolidated net assets are held in Japan, or that are included in the TOPIX (“Japanese Shares”), and which the Investment Adviser deems attractive and undervalued and typically where (i) cash and other liquid investments, real estate and/or tradeable securities constitutes a significant proportion of the investee company's market capitalisation; and (ii) the relevant company has no controlling or majority shareholders.

The Company may also from time to time obtain exposure to Japanese Shares, Derivatives (as defined below), cash, cash equivalents, exchange traded funds, near cash instruments and money market instruments, which may not necessarily suit activist management by the Investment Adviser, though this will be opportunistic, including as part of an acquisition of a broader portfolio, and will not form a core focus for asset allocation on an ongoing basis.

There are no restrictions placed on the market capitalisation of investee companies; but it is expected that the portfolio will be weighted towards small-cap and mid-cap companies with market capitalisation of up to US\$3 billion. The portfolio is expected to have up to 35 holdings, although there is no guarantee that this will be the case, and it may contain a lesser or greater number of holdings at any time.

The Company intends to acquire meaningful minority stakes in each investee company. The Company will not, however, acquire any stake which could cause a change in its status as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The Board will not set any limits on sector weightings or stock selection within the portfolio. The Company will not be constrained by any index benchmark in its asset allocation.

The Company may use derivatives for efficient portfolio management purposes. Such purposes would include the management of cash received by the Company upon the occurrence of significant liquidity events (including, without limitation, the receipt of proceeds of fundraisings, the realisation of Portfolio assets and other cash-generative events such as the completion of a management buyout by an investee company). Such derivative contracts may, for example, give the Company exposure to the whole or a sub-section of the Japanese stock market until such time as the Investment Adviser determines that the Company's derivative position should be liquidated and invested in an investee company in accordance with the investment policy (the foregoing derivative contracts being, for the purposes of this investment policy "Derivatives").

Additionally, while the Company intends that the majority of its investments will be in quoted companies, it may also make investments in unquoted companies and the Company may become invested in unquoted companies as a result of corporate actions or commercial transactions undertaken by quoted companies. The Company will only make investments in unquoted companies in order to maintain or improve its position in relation to a business which operated through a quoted entity at the time of the Company's initial investment in that business.

Investment restrictions

The Board will apply the following restrictions on the size of its investments:

- not more than twenty per cent. (20 per cent.) of the gross asset value at the time of investment will be invested in the securities of a single issuer (such restriction does not, however, apply to investment of cash held for working capital purposes and pending investment or distribution in near cash equivalent instruments including securities issued or guaranteed by a government, government agency or instrumentality of any EU or OECD Member State or by any supranational authority of which one or more EU or OECD Member States are members);
- the Company will only make an investment in an unquoted company if the aggregate interest of the Company in unquoted companies at the time of such investment is not more than ten per cent. (10 per cent.) of the Net Asset Value of the Company at that time. This will mean if a quoted portfolio company is delisted or an unquoted investment is revalued with the effect of increasing the Company's interest in unquoted investments to above ten per cent. (10 per cent.) of the Company's Net Asset Value at that time, the Company will not be in breach of its investment policy and will not have to divest itself of any unquoted investments. Nevertheless, while the Company's interest in unquoted investments remains above ten per cent. (10 per cent.) of its Net Asset Value, the Company will not be able to make any further investments in unquoted companies;
- total net investment Derivative exposure will not exceed twenty per cent. (20 per cent.) of gross asset value at the time of investment; and
- total exposure to any single counterparty which has issued Derivatives to the Company will not exceed twenty per cent. (20 per cent.) of gross asset value at the time of investment.

The Company will comply with the following investment restrictions for so long as they remain requirements of the Listing Rules:

- neither the Company, nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Group as a whole;
- no more than ten per cent. (10 per cent.), in aggregate, of the value of the total assets of the Company will be invested in other listed closed-ended investment funds (except to the extent that those investment funds have stated investment policies to invest no more than fifteen per cent. (15 per cent.) of their total assets in other investment companies which are listed on the Official List); and
- the Company must, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with the published investment policy.

Treasury policy

Until the Company is fully invested, and pending re-investment or distribution of cash receipts, the Company will use Derivatives, cash, cash equivalents, exchange traded funds, near cash instruments and money market instruments in accordance with its investment policy.

The Company expects to maintain any non-operational cash balances in Japanese yen."

Gearing Policy

NAVF may use borrowings and other gearing to seek to enhance investment returns at a level (not exceeding 20 per cent. of NAVF's net assets calculated at the time of drawdown) which the NAVF Directors, the AIFM and Rising Sun consider to be appropriate. It is expected that gearing will primarily comprise bank borrowings, public bond issuance or private placement borrowings, although overdraft or revolving credit facilities may be used to increase acquisition and cash flow flexibility.

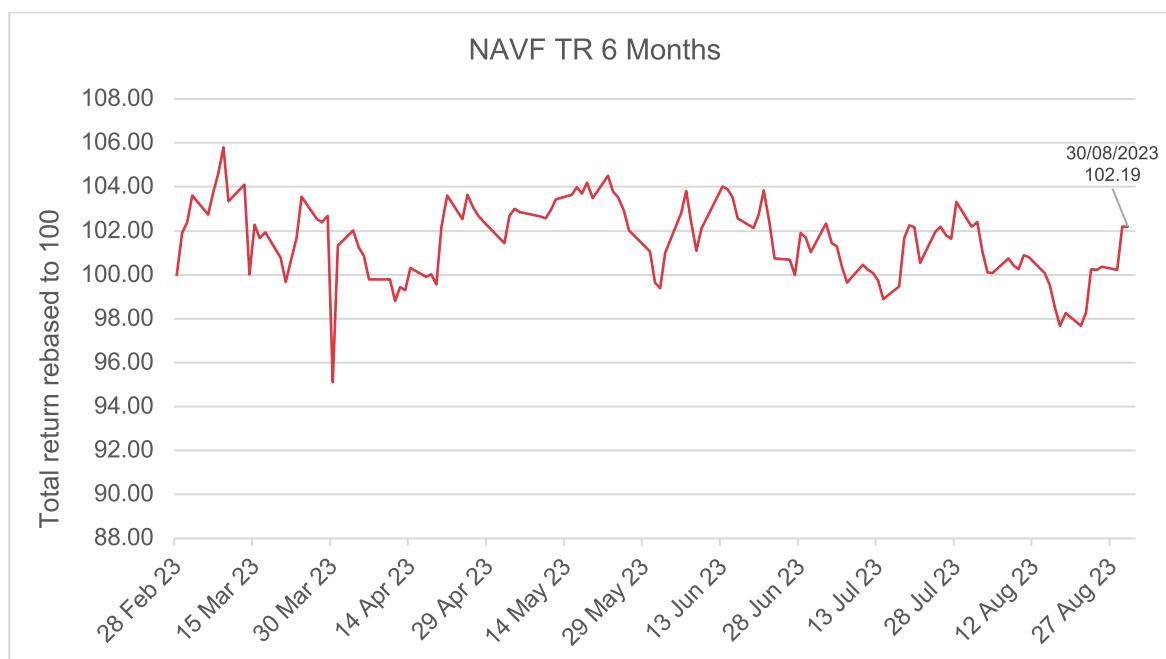
Hedging Policy

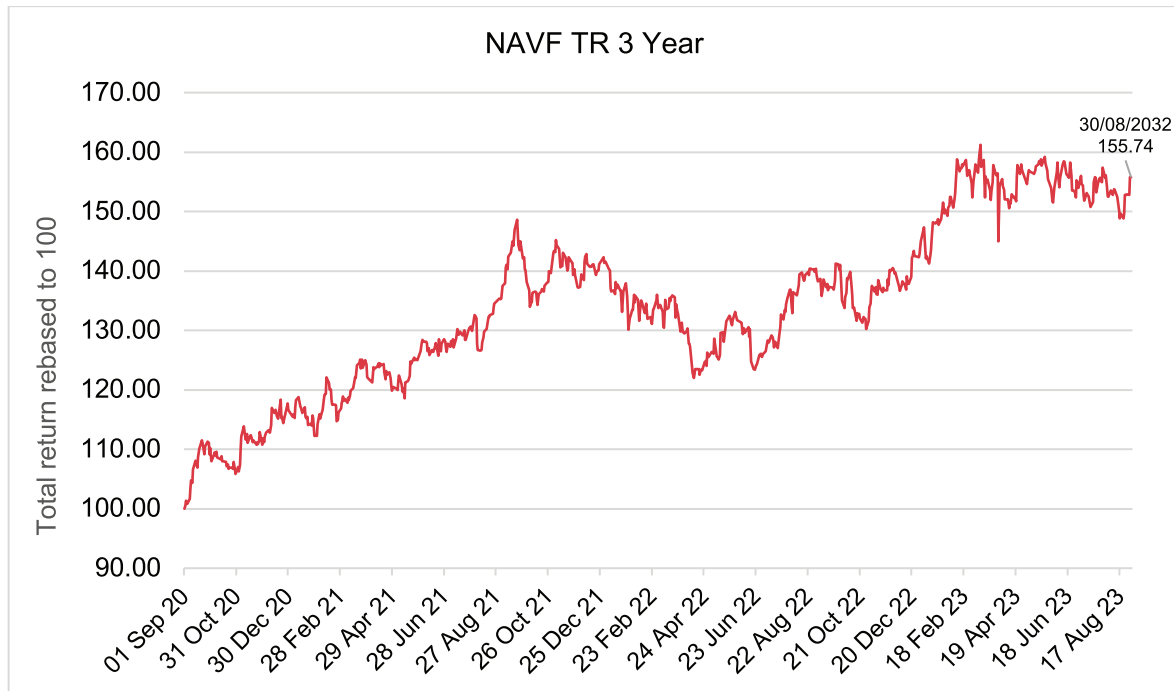
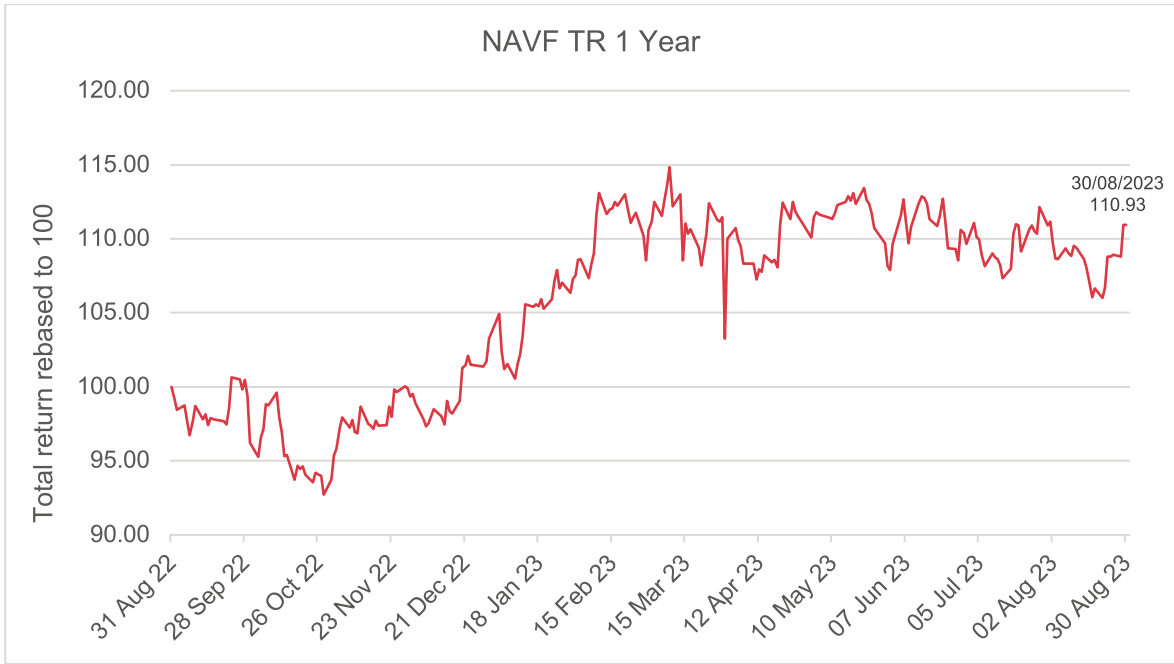
Although NAVF does not currently intend to enter into any arrangements to hedge its underlying currency exposure to investments denominated in Japanese yen, it may in future, at its discretion, enter into currency hedging arrangements using futures, forwards, swaps or other derivative instruments.

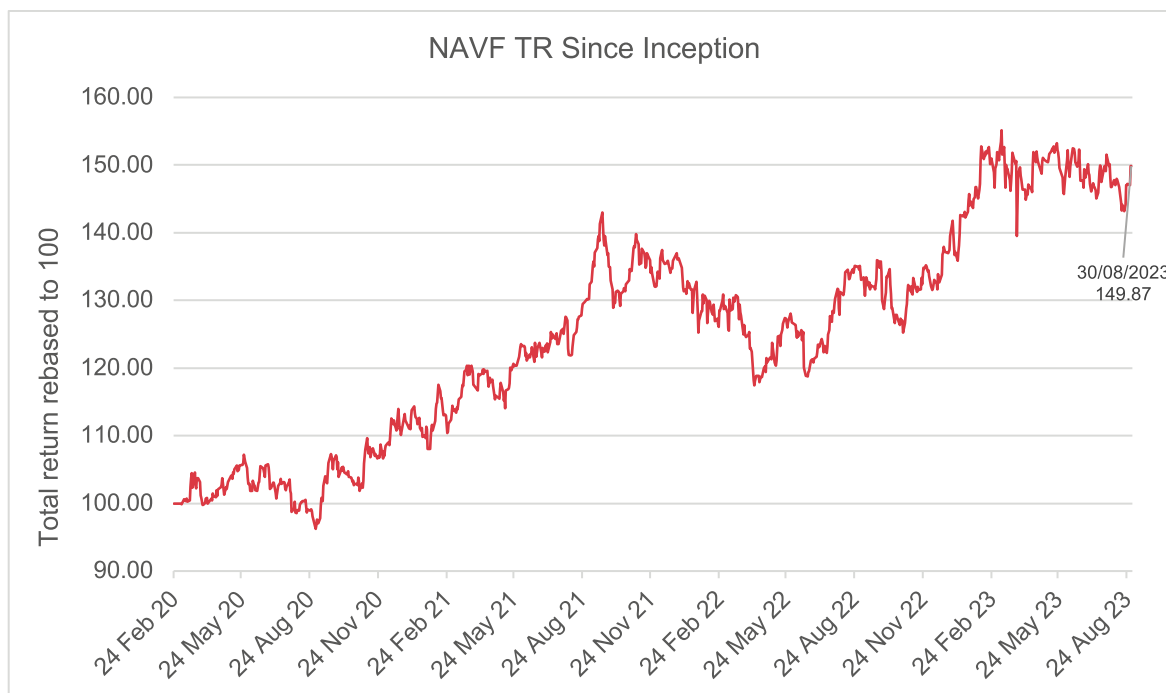
Material breach of investment restrictions

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by Rising Sun and the Company through a Regulatory Information Service.

PAST PERFORMANCE TRACK RECORD







Source: Morningstar

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE. THE VALUE OF THE INVESTMENTS AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INVESTED. THESE INVESTMENTS ARE DESIGNED FOR INVESTORS WHO UNDERSTAND AND ARE WILLING TO ACCEPT THESE RISKS. PERFORMANCE MAY BE VOLATILE, AND AN INVESTOR COULD LOSE ALL OR A SUBSTANTIAL PORTION OF ITS INVESTMENT.

DIVIDEND POLICY

NAVF's intention is to look to achieve its results primarily through capital appreciation. As such, no specific dividend policy has been established and any distributions will be made entirely at the discretion of the Board. Notwithstanding the forgoing, NAVF will make such distributions as may be required to ensure compliance with the rules relating to investment trusts.

DISCOUNT MANAGEMENT

NAVF may purchase NAVF Shares in the market at prices which represent a discount to the prevailing NAV per NAVF Share of that class so as to enhance the NAV per NAVF Share for the remaining holders of NAVF Shares of the same class. NAVF is currently authorised to make market purchases of up to 14.99 per cent. of the aggregate number of issued NAVF ordinary shares as at the date of the NAVF Prospectus.

The NAVF Board intends to seek NAVF Shareholder approval to renew its authority to make market purchases of its own issued NAVF shares once its existing authority has expired or at subsequent AGMs.

Purchases of NAVF shares will be made within guidelines established from time to time by the NAVF Board and only in accordance with the applicable law and the Disclosure Guidance and Transparency Rules. Any purchase of NAVF shares may be satisfied by the available cash or cash equivalent resources of NAVF, from borrowings, the realisation of NAVF's assets or any combination of these sources of liquidity, at the Directors' discretion.

NAVF ordinary shares bought back by NAVF may be held in treasury or cancelled. Such NAVF ordinary shares may (subject to there being in force a resolution of NAVF Shareholders to disapply the rights of pre-emption that would otherwise apply) be resold by NAVF. C Shares bought back by NAVF will be cancelled.

At the date of the NAVF Prospectus, NAVF does not hold any NAVF shares in treasury.

MANAGEMENT FEES AND ONGOING EXPENSES

Management Fee

For the provision of investment advisory services under the investment advisory agreement, Rising Sun is entitled to receive an annual fee to be calculated as 0.85 per cent. of the Company's net assets (exclusive of VAT). NAVF will also reimburse Rising Sun for reasonable expenses properly incurred by Rising Sun in the performance of its obligations under the investment advisory agreement, however Rising Sun will pay any amounts due to Dalton Advisory KK for the provision of research and data analysis services to Rising Sun.

AIFM Fee

For the provision of AIFM services under the AIFM agreement, the AIFM is entitled to an annual fee calculated at a rate of 0.04 per cent. per annum of Net Asset Value up to £250 million, plus 0.025 per cent. per annum of Net Asset Value in excess of £250 million. The AIFM fee is subject to a minimum fee of £70,000 per annum. In addition, there will be a reporting cost of £3,000 per annum, per EEA jurisdiction in which NAVF is marketed (if any). NAVF will also reimburse the AIFM for reasonable expenses properly incurred, in the performance of its obligations.

Administration Fee

For the provision of NAVF company secretarial and administration services under the NAVF administration agreement, the administrator is entitled to receive a NAVF company secretarial fee of £55,000 per annum and an administration fee calculated at a rate of 0.06 per cent. per annum of net asset value up to, and including, £100 million plus 0.035 per cent. per annum of net asset value in excess of £100 million. The administration fee is subject to a minimum fee of £5,000 per month. NAVF will also reimburse the administrator for disbursements and reasonable out of pocket expenses properly incurred by the administrator on behalf of NAVF. The NAVF company secretarial fee and the administration fee are stated exclusive of VAT.

Custodian Fee

For the provision of global custody services to NAVF, the NAVF custodian is entitled to receive a global custody fee of £75,000 per annum (exclusive of VAT), plus additional set up and operational charges if NAVF opts to use segregated accounts rather than NAVF custodian's omnibus accounts. In addition, NAVF must reimburse the NAVF custodian for any expenses incurred by the NAVF custodian which were not reasonably foreseeable and/or quantifiable at the time the NAVF custodian agreement was entered into.

BOARD

All of the NAVF directors and the Proposed Directors are considered by the NAVF Board to be independent of the AIFM and Rising Sun. The NAVF Board currently consists of:

Rosemary Morgan (non-executive chair)

Rosemary is an independent director and Chair of JP Morgan India Investment Trust. Until 2022, she was a Senior Independent non-executive Director of Schroder Asia Pacific Investment Trust, where she was the Chairman of the Audit and Risk Committee.

Rosemary studied Japanese at the Australian National University in Canberra before being awarded the Monbusho Scholarship at Kobe University in Japan and then studying for a Master of Arts in Japanese Literature at Harvard University in the United States.

After university, Rosemary worked as a Japanese equity fund manager for 16 years at John Govett before joining the institutional client team at Fidelity International and then moving to the Royal Bank of Scotland as Head of Asia and Emerging Markets (Multi Manager Funds), where she managed long only and alternative funds of funds, specialising in Japan and Emerging Markets.

Chetan Ghosh (non-executive director)

Chetan is the Chief Investment Officer for Centrica's pension scheme arrangements and is responsible for providing support to the directors of the investment committee. His role covers investment strategy considerations, asset class and manager research, and liaising with the investment advisers. This role is now carried out within Schroders under an OCIO (Outsourced Chief Investment Officer) arrangement.

Prior to joining Centrica in 2009 Chetan worked in a number of roles, ranging from pensions actuary at Towers Perrin to investment consultant at Aon Hewitt and Lane Clark & Peacock. Whilst at financial services firm Alexander Forbes, Chetan developed a fiduciary management offering to improve client governance structures.

Chetan has a first class degree in Mathematics from Kings College London.

Rachel Hill (non-executive director)

Since 2006, Rachel has been a director of Dragon Capital Markets (Europe) Limited and has been responsible for the European marketing of London Stock Exchange listed Vietnam Enterprise Investments Ltd and the Vietnam Equity (UCITS) fund. Rachel was also previously on the board of Dalton Asia Fund, which is a long/short Asian Investment fund managed by Dalton Investments LLC. Rachel has 32 years of experience in respect of equity and equity fund sales in Asian markets.

In addition, Rachel also currently serves on the board of DC Developing Market Strategies Ltd, a Dublin regulated UCITS fund investing in Vietnam; Quaero Capital Luxembourg Fund, a Luxembourg regulated UCITS platform with various sub funds investing in equities and bonds.

Rachel holds a BA (Hons) MA in Natural Science from Trinity Hall, Cambridge University and is also a Chartered Member of the Chartered Institute for Securities and Investment.

Ayako Hirota Weissman (non-executive director)

Ayako is a senior portfolio manager and director of Asia Strategy at Horizon Kinetics LLC. With over 30 years of investment experience, Ayako was previously a founder and Chief Investment Officer of AS Hirota Capital Management, LLC.

Ayako's prior experience also includes acting as a portfolio manager specialising in Japanese securities for Kingdon Capital Management, LLC, a New York-based hedge fund, two years as a partner and Portfolio Manager of Feirstein Hirota Japan Partners and 12 years at Salomon Smith Barney Asset Management, as a Managing Director and Senior Portfolio manager in the U.S. value equity group, with responsibility for approximately US\$2 billion in assets. Ayako is a director of Toshiba Corporation.

Ayako received an MBA from the International Institute for Management Development (IMD) in Lausanne, Switzerland and a BA in Liberal Arts from International Christian University in Tokyo, Japan. Ayako is a CFA® charterholder.

Alicia Ogawa (non-executive director)

Alicia is a director of the Project on Japanese Corporate Governance and Stewardship at the Center on Japanese Economy and Business (CJEB), Columbia Business School, NYC and has over 20 years of experience in the Asian financial markets. She also serves on the board of The Maureen and Mike Mansfield Foundation, Misaki Capital (from December 2019). She was also a member of the Assistant Adjunct Faculty, Columbia University School of International and Public Affairs from 2007-2021. She is currently a consultant for activist funds.

In her role as director of the Project on Japanese Corporate Governance and Stewardship, Alicia has been a featured speaker on Japanese financial markets issues for public and private sector conferences such as Goldman Sachs, SIFMA, Council of Institutional Investors, Japan Securities Dealers Association, CSIS, Peterson Institute, and Japan Society.

Prior to 2006, Alicia was a Managing Director and the Director of Global Research Product, Lehman Brothers, NYC and was tasked with leading the global analysts in development of a globally-themed equity research product focused on specific market sectors.

Alicia holds an M.I.A from the Columbia University School of International and Public Affairs in East Asian Studies and International Finance.

Proposed Director – Claire Boyle (non-executive director)

If the Scheme is implemented, in order to provide continuity for AJIT Shareholders, particularly with regard to the proposed structure of the Scheme whereby an in specie transfer of the AJIT portfolio comprising the Rollover Pool is made, it is intended that Claire Boyle will join the NAVF Board on the AJIT Scheme Effective Date. Claire Boyle will be a non-executive Director and is considered to be independent of the AIFM and the Investment Adviser.

Claire Boyle was appointed as an independent non-executive director of AJIT with effect from 1 February 2019 and was appointed Chair of the Audit and Risk Committee from October of that year. She is also the Chair of Life Science REIT plc, a non-executive director and Chair of the Audit Risk Committee of Fidelity Special Values plc and a director of The Monks Investment Trust PLC.

Claire is a Fellow of the Institute of Chartered Accountants in England and Wales, qualifying in 1993 whilst working in litigation support at Coopers & Lybrand. She has over 17 years' experience working in finance and equity investment management, working on funds over a wide range of sectors for international corporate, Government, State and retail clients, including unit and investment trusts. She started her investment career on the UK research desk at Robert Fleming, was a partner at Oxburgh Partners LLP with responsibility for their European Equity Hedge Fund, and prior to that a European Equity Fund Manager at American Express Asset Management, where her role included both equity investment and business development.

Proposed Director – Noel Lamb (non-executive director)

If the AJG Scheme is implemented, in order to provide continuity for AJG Shareholders, it is intended that Noel Lamb will join the NAVF Board on the completion of the AJG Scheme. Noel Lamb will be a non-executive Director and is considered to be independent of the AIFM and the Investment Adviser.

Noel Lamb was appointed to the board of AJG on 1 February 2011 and appointed as Chairman on 1st May 2014. He graduated from Exeter College, Oxford University and is a barrister-at-law. He joined Lazard Brothers & Co Limited in 1987 and from 1992 to 1997 he was the managing director of Lazard Japan Asset Management where he was the fund manager for their Japanese equities. In 1997, he moved to the Russell Investment Group where he established the investment management capability of Russell in London. In 2002, he was promoted to Chief Investment Officer in North America where he managed assets of \$150bn until his departure in 2008. In 2020, he was appointed as a director of Guinness Asset Management Funds and in January 2022 as chairman of Rockwood Strategic plc.

Board Composition

Notwithstanding the proposed appointments of Claire Boyle and Noel Lamb, following the absorption of the new assets from AJIT and AJG into the NAVF portfolio pursuant to the AJIT Scheme and AJG Scheme, it remains the intention of the NAVF Board over the longer-term to reduce the number of NAVF Directors back to a maximum of five. Assuming that the AJIT Scheme and AJG Scheme complete and Claire Boyle and Noel Lamb join the NAVF Board, it is intended that one NAVF Director will retire and not stand for re-election at each of the annual general meetings of NAVF to be held in 2025 and 2026 respectively, thereby returning the number of Directors to five.

GENERAL

Further details of NAVF and the New NAVF Shares are set out in the NAVF Prospectus. Shareholders are strongly recommended to read the NAVF Prospectus before making an Election. A hard copy of the NAVF Prospectus is available to non-Excluded Shareholders on request by emailing NAVFCOSEC@apexfs.group or calling 020 3327 9720.

PART 6

ADDITIONAL INFORMATION

1 TRANSFER AGREEMENT

Provided that the Scheme is approved by Shareholders and becomes effective, the Company (acting by the Liquidators) will enter into the Transfer Agreement with the Liquidators and NAVF pursuant to the Scheme. The Transfer Agreement is, as at the date of this document, in a form agreed between the Company, the Liquidators and NAVF. The Transfer Agreement provides for the transfer of the cash, undertaking and other assets of the Company comprising the Rollover Pool to NAVF (or its nominee), in consideration for the allotment of New NAVF Shares to the Liquidators (as nominees for the Shareholders entitled to them), such shares to be renounced by the Liquidators in favour of the holders of Reclassified Shares with "A" rights on the basis referred to in paragraph 8 of Part 3.

Thereafter, the Liquidators will renounce the allotments of New NAVF Shares in favour of Shareholders and such New NAVF Shares will be issued by NAVF to such Shareholders pursuant to the Scheme. The Transfer Agreement excludes certain liability on the part of the Liquidators for entering into or carrying into effect the Transfer Agreement, save for customary carve-outs.

The Transfer Agreement will be available for inspection as stated in paragraph 4 below.

2 DISSENTING SHAREHOLDERS

The Scheme is a reconstruction to which Section 111(2) of the Insolvency Act 1986 applies. Under Section 111(2) any Shareholder who does not vote in favour of the Resolutions to approve the Scheme to be proposed at the First General Meeting may, within seven days of the passing of the Resolutions at the First General Meeting, express his dissent in writing to the proposed Liquidators at the registered office of the Company for the attention of the proposed Liquidators. If Dissenting Shareholders validly exercise their rights under Section 111 in respect of more than 5 per cent. of, in aggregate, the issued Ordinary Share capital of the Company, the Directors have discretion under the Scheme to decide that the Scheme should not proceed.

The Liquidators may, at their discretion, abstain from implementing the Scheme or else purchase the interest(s) of the Dissenting Shareholder(s). The purchase price for such Dissenting Shareholders' Ordinary Shares will not exceed that which the Dissenting Shareholder(s) would receive on a straightforward winding-up of the Company and will only be paid once all liabilities have been settled or provided for to the Liquidators' satisfaction.

3 MISCELLANEOUS

- 3.1 Shore Capital has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 3.2 The Liquidators have given and not withdrawn their written consent to the inclusion of their names and references to them in this document in the form and context in which they appear.
- 3.3 As at the close of business on 30 August 2023, the Company held 3,389,548 Ordinary Shares in treasury (representing approximately 21 per cent. of the issued share capital of the Company).

4 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) at the registered office of the Company until the Effective Date:

- (a) the Articles (containing the full terms of the amendments proposed to be made at the First General Meeting);
- (b) the NAVF Prospectus;

- (c) the NAVF 2023 Interim Report;
- (d) the NAVF KID;
- (e) the NAVF pre-investment disclosure document;
- (f) the NAVF Articles;
- (g) the audited report and accounts of NAVF for each of the financial period ended 31 December 2020 and the financial years ended 31 December 2021 and 2022;
- (h) letters of undertaking from the Liquidators, NAVF and the Company to enter into the Transfer Agreement;
- (i) the Transfer Agreement, in a form agreed between the Company, the Liquidators and NAVF as at the date of this document;
- (j) the letters of consent from Shore Capital and the Liquidators referred to in paragraphs 3.1 and 3.2 of this Part of the document, respectively; and
- (k) this document, the Form of Election, the Forms of Proxy and the Form of Direction.

The Articles of Association of the Company (including the articles of association of the Company containing the full terms of the amendments proposed to be made) will be available at the First General Meeting for at least 15 minutes prior to and during that meeting. The proposed amended articles of association will also be available for inspection of the Company's website and at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>, from the date of this document.

1 September 2023

PART 7

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

2023 Annual Report	the annual report of the Company for the financial year ending 31 March 2023;
“A” rights	the rights attaching to Shares in respect of which the holders have made or are deemed to have made valid Elections for the Rollover Option;
Accredited Investor or AI	any “accredited investor” within the meaning of Rule 501 of Regulation D under the US Securities Act;
Admission	means the admission of the New NAVF Shares to be issued pursuant to the AJIT Scheme or AJG Scheme (as the context requires) to listing on the Official List and to trading on the Premium Segment of the Main Market of the London Stock Exchange;
AI/QP Investor Letter	an Accredited Investor/Qualified Purchaser investor letter, the form of which is annexed to the NAVF Prospectus;
AIFM	means alternative investment fund manager, being, in the case of the Company, abrdn Fund Managers Limited and in the case of NAVF, FundRock Management Company (Guernsey) Limited;
AJG	means Atlantis Japan Growth Fund Limited;
AJG Scheme	means the proposed scheme of reconstruction and voluntary winding up of AJG under section 391(1)(b) of the Companies (Guernsey) Law, 2008;
AJIT FAV	means the difference between the Residual Net Asset Value and the Cash Pool NAV;
AJIT FAV per Share	means the AJIT FAV divided by the total number of Reclassified Shares with “A” rights (expressed in pence) and rounded down to six decimal places;
AJIT Scheme Effective Date	the date on which the AJIT Scheme becomes effective, which is expected to be 10 October 2023;
Annual General Meeting or AGM	means the annual general meeting of the Company convened for 4.30 p.m. on 28 September 2023 (or any adjournment thereof) notice of which is set out from page 84 of this document;
Articles or Articles of Association	means the articles of association of the Company;
“B” rights	the rights attaching to Shares in respect of which the holders have made valid Elections for the Cash Option;
Basic Entitlement	means, subject to the Scheme becoming effective in accordance with its terms, the entitlement of each Shareholder to elect for, and have accepted in full an election for, the Cash Option in respect of up to 25 per cent. by number of its holding of Ordinary Shares as at the Calculation Date, rounded down to the nearest whole share;
Board	means the board of the Company;

Business Day	means a day on which the London Stock Exchange is open for business;
Calculation Date	means the time and date to be determined by the Directors and the NAVF Directors (but expected to be 5.00 p.m.) on 6 October 2023, at which the Company's assets and liabilities will be determined for the creation of the Liquidation Pool, the Cash Pool and the Rollover Pool, and at which the Residual Net Asset Value, the Residual Net Asset Value per Share, the AJIT FAV per Share, the NAVF FAV per Share, the Cash Pool NAV, the Cash NAV per Share will be calculated for the purposes of the Scheme;
Cash Entitlement	means in respect of any Shareholder who elects for the Cash Option and to the extent that Election is accepted, an amount equal to such Shareholder's entitlement to the net realisation proceeds of the Cash Pool pursuant to the Scheme, with entitlements being rounded down to the nearest penny;
Cash NAV per Share	shall be equal to the Cash Pool NAV divided by the total number of Reclassified Shares with "B" rights, and rounded down to six decimal places;
Cash Option Discount	2 per cent. of the AJIT FAV per Share;
Cash Option	means the option for Shareholders to receive cash under the terms of the Scheme, as described in this document;
Cash Pool	means the pool of assets attributable to the Reclassified Shares with "B" rights excluding the assets attributable to any Reclassified Shares with "B" rights held by Dissenting Shareholders;
Cash Pool NAV	the AJIT FAV per share less the Cash Option Discount multiplied by the total number of Reclassified Shares with "B" rights;
certificated or in certificated form	means a share that is not in uncertificated form;
Companies Act	the Companies Act 2006, as amended from time to time;
Company or AJIT	means abrdrn Japan Investment Trust plc;
Company Secretary or Plan Manager	means abrdrn Holdings Limited;
CREST	means the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form;
CREST Manual	means the compendium of documents entitled "CREST Manual" issued by Euroclear from time to time;
C Shares	has the meaning given to it in the NAVF Prospectus;
Directors or Board	means the board of directors of the Company;
Dissenting Shareholder	a Shareholder who has validly dissented from the Scheme pursuant to section 111(2) of the Insolvency Act;
Dividend	means the interim dividend to be paid by the Company to Shareholders prior to winding-up in order to meet the requirements

on the Company as an investment trust, as described in Part 1 of this document;

Effective Date	means the date on which the Scheme becomes effective, which is expected to be 10 October 2023;
Election	means the choice made by a Shareholder for the Rollover Option and/or the Cash Option pursuant to the Scheme (including, where the context so permits, a deemed choice for the Rollover Option) and any reference to “ elect ” or “ election ” shall, except where the context requires otherwise, mean “ elect, or deemed to elect ” or “ election or deemed election ”, respectively;
Eligible US Shareholder	means a US Shareholder who is not an Ineligible US Shareholder;
Euroclear	means Euroclear UK and International Limited in its capacity as the operator of CREST;
EUWA	means the European Union (Withdrawal) Act 2018, as amended;
Excess Application	means that portion of an Election by a Shareholder for the Cash Option that exceeds that Shareholder’s Basic Entitlement;
Existing NAVF Shares	the NAVF Shares in issue as at the date of the NAVF Prospectus;
Excluded Shareholders	Overseas Shareholders and Sanctions Restricted Persons;
FAV	formula asset value;
Financial Conduct Authority or FCA	means the United Kingdom Financial Conduct Authority or any successor entity or entities;
First General Meeting	means the general meeting of the Company convened for 4.00 p.m. on 28 September 2023 (or any adjournment thereof) notice of which is set out from page 70 of this document;
Form of Election	means the forms of election for use by Shareholders holding their Ordinary Shares directly as principal or through the Share Plan, which accompanies this document;
Forms of Proxy	means the personalised forms of proxy for use by Shareholders in connection with the General Meetings and the Annual General Meeting;
FSMA	means the Financial Services and Markets Act 2000, as amended;
General Meeting	means the First General Meeting or the Second General Meeting, as the context may require and “ General Meetings ” means the First General Meeting and the Second General Meeting;
HMRC	means HM Revenue & Customs;
Ineligible US Shareholder	a US Shareholder which does not execute and return the AI/QP Investor to NAVF and which, by acquiring New NAVF Shares, the NAVF Board believes would: (i) give rise to an obligation on NAVF to register as an “investment company” under the US Investment Company Act or any similar legislation; (ii) give rise to an obligation on NAVF to register under the US Exchange Act or any similar legislation; (iii) result in NAVF no longer being considered a “foreign private issuer” for the purposes of the US Securities Act or the US

	Exchange Act; (iv) result in a US Person holding NAVF Shares in violation of the transfer restrictions put forth in any prospectus published by NAVF from time to time;
Insolvency Act	means the Insolvency Act 1986, as amended;
Investment Manager	means abrdn Japan Limited;
ISA	means an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended from time to time;
Latest Practicable Date	means 30 August 2023, being the latest practicable date prior to publication of this document;
Form of Direction	the form of direction for use by the Shareholders who hold their Shares through a Share Plan, at the First General Meeting, the Annual General Meeting and/or the Second General Meeting, as the context requires, which accompany this document for such Shareholders;
Liquidation Pool	means the pool of cash and other assets to be retained by the Liquidators to meet all known and unknown liabilities of the Company and other contingencies, as further provided in paragraph 3.2 of Part 3 of this document;
Liquidators	the liquidators of the Company being, initially, the persons appointed jointly and severally upon the resolution to be proposed at the Second General Meeting becoming effective;
Listing Rules	means the listing rules made by the Financial Conduct Authority under FSMA;
London Stock Exchange or LSE	means London Stock Exchange plc;
Main Market	the Main Market of the London Stock Exchange;
Migration	the proposed admission of the Existing NAVF Shares to the Official List (under Chapter 15 of the Listing Rules) and to trading on the premium segment of the Main Market;
NAV or Net Asset Value	the gross assets of the Company or NAVF, as appropriate, less its liabilities (including provision for such liabilities) determined by the relevant board of directors in their absolute discretion in accordance with accounting principles adopted by that company;
NAVF	means Nippon Active Value Fund plc;
NAVF Articles	means the articles of association of NAVF;
NAVF Board or NAVF Directors	means the board of directors of NAVF;
NAVF FAV	means the NAVF Net Asset Value at the Calculation Date in accordance with its normal accounting policies, on a cum income basis as adjusted for debt calculated at fair value post the costs of the Proposals and adjusted to exclude any dividends declared but not paid prior to the Effective Date by NAVF to NAVF Shareholders;

NAVF FAV per Share	means the NAVF FAV divided by the number of NAVF Shares in issue (excluding treasury shares) at the Calculation Date (expressed in pence) and rounded down to six decimal places;
NAVF General Meeting	the general meeting of NAVF convened for 9.30 a.m. on 20 September 2023 (or any adjournment thereof) to consider the adoption of the New NAVF Investment Policy and share allotment authorities in connection with the Scheme and a placing programme of New NAVF Shares;
NAVF 2023 Interim Report	means the unaudited report and accounts of NAVF for the six months ended 30 June 2023;
NAVF KID	means the key information document prepared in accordance with the PRIIPs Regulation in relation to the NAVF Shares;
NAVF Prospectus	means the prospectus dated on or around 1 September 2023 relating to the issue of New NAVF Shares pursuant to the Scheme and a placing programme of New NAVF Shares;
NAVF Share Allotment Authorities	the resolutions to be proposed at the NAVF General Meeting granting the NAVF Directors the authority to allot New NAVF Shares pursuant to the Scheme and a placing programme of New NAVF Shares and relating to the disapplication of pre-emption rights in respect of such shares;
NAVF Shareholders	means holders of shares in NAVF;
NAVF Shares	means the ordinary shares of 1 penny each in the capital of NAVF;
New NAVF Investment Policy	the proposed new investment policy of NAVF, in the form set out at Annex 3 of the NAVF Prospectus, to be adopted subject to the passing of the relevant resolution at the NAVF General Meeting;
New NAVF Shares	the ordinary shares of 1 penny each in the capital of NAVF to be issued to certain Shareholders pursuant to the Scheme or the NAVF placing programme;
Official List	means the official list maintained by the Financial Conduct Authority;
Ordinary Shares or Shares	means ordinary shares of 10 pence each in the capital of the Company;
Overseas Jurisdiction	means a jurisdiction outside of the United Kingdom, the Channel Islands or the Isle of Man;
Overseas Shareholder	means a Shareholder (excluding any Eligible US Shareholder) who has a registered address outside of, or who is a resident in, or citizen, resident or national of, any jurisdiction outside the United Kingdom, the Channel Islands or the Isle of Man;
PRIIPs Regulation	means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products and its implementing and delegated acts, as they form part of the domestic law of the United Kingdom by virtue of the EUWA;
Proposals	means the proposals for the members' voluntary liquidation and scheme of reconstruction of the Company, as set out in this document;

Proposed Directors	means Claire Boyle and Noel Lamb;
QP	a “qualified purchaser” as defined in Section 2(a)(51)(A) of the US Investment Company Act;
Reclassified Shareholders	holders of Reclassified Shares;
Reclassified Shares	means Shares with “A” or “B” rights arising as a result of the Proposals;
Record Date	means 6.00 p.m. on 6 October 2023 (or such other date as determined at the sole discretion of the Directors), being the record date for determining Shareholders’ entitlements under the Proposals;
Receiving Agent or Computershare	means Computershare Investor Services PLC, a public limited company incorporated in England and Wales (registered number 03498808) whose registered office is at The Pavilions, Bridgwater Road, Bristol BS13 8AE;
Register	means the register of members of the Company;
Regulatory Information Service	means the regulatory information service provided by the London Stock Exchange;
Relevant Time	has the meaning given to it in paragraph 4.1 of Part 3 of this document;
Residual Net Asset Value	equal to the gross assets of the Company as at the Calculation Date less the value of the cash and other assets appropriated to the Liquidation Pool (which includes any assets attributable to any Dissenting Shareholders) and adjusted for any dividends declared by the Company including the Dividend;
Residual Net Asset Value per Share	equal to the Residual Net Asset Value divided by the number of Shares in issue (excluding any Shares held in treasury) (expressed in pence) but excluding any Shares held by Dissenting Shareholders, rounded down to six decimal places;
Resolution or Resolutions	means the ordinary and special resolutions to be proposed at the Annual General Meeting or any of them as the context may require;
Rising Sun	Rising Sun Management Ltd.;
Rising Sun Contribution	has the meaning given to it paragraph 3 of Part 1;
Rollover Option	means the option for Shareholders to elect to receive New NAVF Shares under the terms of the Scheme, as described in this document;
Rollover Pool	means the pool of cash and other assets to be established under the Scheme to be transferred to NAVF pursuant to the Transfer Agreement;
Sanctions Authority	each of: <ul style="list-style-type: none"> (i) the United States government; (ii) the United Nations; (iii) the United Kingdom;

- (iv) the European Union (or any of its member states);
- (v) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or

the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury;

Sanctions Restricted Person

each person or entity:

- (i) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority; or
- (ii) that is, or is directly or indirectly owned or controlled by a Person that is, described, or designated in (a) the current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at <https://ofac.treasury.gov/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists>; and/or (b) the current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: <https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>; or (c) the current "Consolidated list of financial sanctions targets in the UK" (which as at the date hereof can be found at <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets/consolidated-list-of-targets>);
- (iii) that is otherwise the subject of or in violation of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (a) the current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found <https://ofac.treasury.gov/consolidated-sanctions-list-non-sdn-lists/sectoral-sanctions-identifications-ssi-list>) (the "**SSI List**"), (b) Annexes 3,4,5 and 6 of Council Regulation No. 833/2014 (the "**EU Annexes**"), or (c) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes;

Scheme or AJIT Scheme

means the proposed scheme of reconstruction of the Company under Section 110 of the Insolvency Act 1986, as set out in Part 3 of this document;

Scheme Resolution or Scheme Resolutions

means the special resolutions to be proposed at the General Meetings or any of them as the context may require;

SEC

United States Securities and Exchange Commission;

SDRT

means UK stamp duty reserve tax;

Second General Meeting

means the general meeting of the Company convened for 3.00 p.m. on 10 October 2023 (or any adjournment thereof) notice of which is set out from page 82 of this document;

Share Plan or Share Plans	the abrdn Share Plan, the abrdn Investment Plan for Children and the abrdn Investment Trusts ISA;
Shareholders	means holders of Ordinary Shares;
sterling or £	means Pounds sterling, the lawful currency of the UK;
TCGA	means the UK Taxation of Chargeable Gains Act 1992;
Transfer Agreement	means the agreement for the transfer of assets from the Company to NAVF and the sale of assets by the Company to NAVF pursuant to the Scheme, a summary of which is set out in paragraph 1 of Part 6;
TTE Instruction	means transfer to escrow instruction (as described in the CREST Manual);
UK	means the United Kingdom of Great Britain and Northern Ireland;
uncertificated or in uncertificated form	means recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
United States or US	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
US Exchange Act	the United States Exchange Act of 1934;
US Investment Company Act	The United States Investment Company Act of 1940;
US Person	a “US person” as defined in Regulation S under the US Securities Act;
US Securities Act	the United State Securities Act of 1933;
US Shareholder	a Shareholder who is a US Person; and
VAT	means UK value added tax.

NOTICE OF FIRST GENERAL MEETING

ABRDN JAPAN INVESTMENT TRUST PLC (the “Company”)

(Incorporated in England and Wales with registered number 03582911 and registered as an investment company under Section 833 of the Companies Act 2006)

Notice is hereby given that a General Meeting of the Company will be held at Dentons UK & Middle East LLP, 1 Fleet Place, London, EC4M 7WS, at 4.00 p.m. on 28 September 2023 for the purpose of considering and, if thought fit, passing the following resolutions, both of which will be proposed as special resolutions:

Special Resolutions

1 That:

- 1.1 with effect from the date on which the amendment to the Official List of the Financial Conduct Authority to reflect the reclassification of the ordinary shares of 10 pence each in the capital of the Company (the “**Shares**”) (the “**Amendment**”) becomes effective but subject always to paragraph 1.5 of this Resolution, each of the Shares in issue at the date of the passing of this Resolution (other than any Shares held by the Company in treasury) shall be reclassified as shares with “A” rights or shares with “B” rights as the case may be (the “**Reclassified Shares**”), in such respective numbers as may be required to give effect to any election validly made (or deemed to have been made) by the holders of the Shares and otherwise in accordance with the terms of the Scheme set out in Part 3 of the circular to Shareholders of the Company dated 1 September 2023 (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting;
- 1.2 for the purposes of this special resolution:
 - (a) to the extent any holder of Shares shall have validly elected (or shall be deemed to have validly elected) for, and under terms of the Scheme will become entitled to receive, New NAVF Shares, such Shares shall be reclassified as shares with “A” rights; and
 - (b) to the extent any holder of Shares shall have (a) validly elected for, and under the terms of the Scheme will become entitled to receive, cash pursuant to the Cash Option; or (b) validly dissented from the Scheme under section 111(2) of the Insolvency Act, such Shares shall be reclassified as shares with “B” rights;
- 1.3 each of the holders of the shares with the rights set out in paragraph 1.2 above shall have the respective rights set out in the Articles of Association of the Company as amended by this special resolution;
- 1.4 with effect from the date on which the Amendment becomes effective, but subject always to paragraph 1.5 of this resolution, the Articles of Association be and are hereby amended by:
 - (a) the insertion of the following as a new Article 5.2 and the updating of the numbering accordingly:

“Every reference in these Articles to shares shall be construed as a reference to the ordinary shares of 10 pence each in the capital of the Company which are designated as shares with either “A” rights or “B” rights as set out in Article 5.3 below. Notwithstanding anything to the contrary in these Articles, each class of share will have attached to it the respective rights and privileges and be subject to the respective limitations and restrictions set out in Article 5.3”;

The insertion of the following as a new Article 5.3:

“Words and expressions defined in the circular to shareholders of the Company dated 1 September 2023 (the “**Circular**”) shall bear the same meanings in this Article 5.3, save where the context otherwise requires:

The rights attaching to the Shares with “A” rights and the Shares with “B” rights shall be identical to each other, save that in a winding up of the Company in the circumstances set out in the Circular (subject to the Scheme becoming unconditional in all respects in accordance with its terms), the Reclassified Shares shall have the following additional rights, notwithstanding anything to the contrary in these Articles:

- (1) the rights of holders of Shares with “A” rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof of the number of New NAVF Shares to which they shall be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme;
 - (2) the rights of holders of Shares with “B” rights in respect of the assets of the Company shall be satisfied by the payment to the holders thereof of the amount of cash to which they shall respectively be entitled in accordance with the Scheme together with their entitlement to any Relevant Cash (as defined below) in accordance with the Scheme; and
 - (3) any cash arising in the Company after the transfer of the Rollover Pool and any surplus remaining in the Liquidation Pool (“**Relevant Cash**”) shall be distributed in accordance with the Scheme”:
- (b) the deletion of Article 137 relating to the continuation of the Company; and
 - (c) such further amendments to the Articles of Association of the Company as may be required to give effect to this Resolution; and
- 1.5 if the Scheme does not become unconditional by the end of the Second General Meeting, the amendments to the Articles of Association effected by paragraph 1.4 of this Resolution shall be further amended such that the insertion of new Article 5.2 and the insertion of new Article 5.3 shall cease to have effect as from the close of that meeting (or any adjourned meeting), the reclassification of Shares provided for by this Resolution shall be reversed and each Reclassified Share shall revert to being a Share ranking *pari passu* in all respects; and
- 1.6 the terms defined in the Circular have the same meanings in this special resolution, save where the context otherwise requires.

2 THAT:

- 2.1 subject to: (i) the passing of resolution 1 above at this meeting (or at any adjournment hereof) and it becoming unconditional; (ii) the Scheme becoming unconditional in accordance with its terms on or prior to 31 October 2023; and (iii) the passing at a general meeting of the Company convened for 10 October 2023 (or any adjournment thereof) of a resolution for the voluntary winding-up of the Company and the appointment of the Liquidators:
- 2.2 the Scheme set out in Part 3 of the circular to Shareholders of the Company dated 1 September 2023 (the “**Circular**”), a copy of which has been laid before the meeting and signed for the purpose of identification by the Chair of the meeting, be and is hereby approved and the liquidators of the Company when appointed (jointly and severally the “**Liquidators**”) be and hereby are authorised to implement the Scheme and to execute any document and do anything for the purpose of carrying the Scheme into effect;
- 2.3 the Liquidators, when appointed, will be and hereby are authorised and directed:
- (a) under this special resolution and the Articles of Association of the Company, and pursuant to Section 110 of the Insolvency Act 1986, to enter into and give effect to the Transfer Agreement (in their personal capacity and on behalf of the Company) referred to in the Circular with NAVF and in the form of the draft laid before the meeting and signed for the purpose of identification by the Chair of the meeting with such amendments as the parties thereto may from time to time agree;
 - (b) to request that, in accordance with the Scheme, NAVF issue and distribute New NAVF Shares to the holders of Shares to which such holders of Shares are entitled in accordance with the Scheme (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective interests in as much of the property and assets of the Company as will be so transferred to NAVF in accordance with the Transfer Agreement and with the Scheme;
 - (c) to procure that the Rollover Pool be vested in NAVF (or its nominees) on and subject to the terms of the Transfer Agreement;

- (d) to distribute cash among the holders of Shares with “B” rights by way of satisfaction and discharge of their interests in so much of the Company as shall comprise the Cash Pool in accordance with the Scheme;
- (e) to convert into cash any assets in the Liquidation Pool and to raise the money to purchase the interest of any member who validly dissents from this resolution under Section 111(2) of the Insolvency Act 1986 from the Liquidation Pool (as defined in the Scheme);
- (f) to transfer any surplus in the Liquidation Pool in accordance with the Scheme; and
- (g) to apply for the admission of the Shares to the premium segment of the Official List and to trading on the main market of the London Stock Exchange’s market for listed securities to be cancelled with effect from such date as the Liquidators may determine.

2.4 the Articles of Association of the Company be and are hereby amended by the insertion of the following as a new article 113A:

*“Notwithstanding the provisions of these Articles, upon the winding-up of the Company in connection with the scheme (the **“Scheme”**) set out in Part 3 of the circular to shareholders of the Company dated 1 September 2023 (the **“Circular”**), the liquidators of the Company will give effect to the Scheme and will enter into and give effect to the transfer agreement with NAVF (as duly amended where relevant), a draft of which was tabled at the general meeting of the Company convened for 28 September 2023 by a notice attached to the Circular, in accordance with the provisions of this Article and Articles 5.2 and 5.3 and the holders of Ordinary Shares will be entitled to receive New NAVF Shares and/or cash, in each case in accordance with the terms of the Scheme. The definitions in the Circular have the same meanings in this Article 113A, save where the context otherwise requires.”; and*

2.5 the definitions contained in the Circular have the same meanings in this special resolution.

By Order of the Board

abrdn Holdings Limited
Company Secretary

Dated: 1 September 2023

Registered office:
280 Bishopsgate
London
EC2M 4AG

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

1. Voting record date

Only members registered in the Register of Members of the Company at close of business on 26 September 2023 or, if the General Meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to vote at the General Meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the General Meeting.

In the case of joint holders of a voting right, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

2. Rights to attend and vote

A PINK Form of Proxy is enclosed with this notice. To be valid, the PINK Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or notarially certified copy of such power or authority) must be deposited with the Receiving Agent not later than 4.00 p.m. on 26 September 2023.

Completion and return of the PINK Form of Proxy will not preclude Shareholders from attending and voting at the meeting, if they wish.

A Form of Direction is enclosed with this notice. Share Plan holders, if you wish to attend, speak, and vote at the General Meeting ("the Meeting"), please tick the box marked "Intention to Attend" on the reverse of the Form of Direction. The trustees will issue you with a Letter of Representation which will enable you to vote, and you should bring this with you to the Meeting and hand to the Receiving Agent's staff on arrival. Alternatively, you may cast your vote by completing and returning the Form of Direction. In this case, if you wish to attend the Meeting you should bring along the Attendance Card and you will be admitted as a guest without the right to vote.

3. Right to appoint proxies

Pursuant to Section 324 of the Companies Act 2006, a member entitled to attend and vote at the meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

Shareholders are encouraged to appoint the Chair of the General Meeting as their proxy to vote on their behalf.

Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Companies Act 2006. Persons nominated to receive information rights under Section 146 of the Companies Act 2006 have been sent this notice of meeting and are hereby informed, in accordance with Section 149(2) of the Companies Act 2006, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of rights of Shareholders in relation to the appointment of proxies does not apply to nominated persons.

4. Proxies' rights to vote at the General Meeting

On a vote on a show of hands, each proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both "for" and "against" in order to reflect the different voting instructions.

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Companies Act does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

Voting on all resolutions will be conducted by way of a poll.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website, www.abrdnjapan.co.uk.

5. Voting by corporate representatives

A corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf, all of its powers as a Shareholder, provided that they do not do so in relation to the same shares. However, members should note that corporate representatives are not expected to be able to attend the General Meeting.

6. Receipt and termination of proxies

To be valid the enclosed Form of Proxy must be lodged with the Company's Receiving Agent, Computershare Investor Service PLC ("**Computershare**"), at The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible and in any event so as to arrive by not later than 4.00 p.m. on 26 September 2023. We strongly encourage you to appoint the Chair of the meeting as your proxy.

A member may terminate a proxy's authority at any time before the commencement of the General Meeting. Termination must be provided in writing and submitted to the Company's Receiving Agent. In accordance with the Company's Articles of Association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

Alternatively, Shareholders may register the appointment of a proxy electronically by logging on to the website www.investorcentre.co.uk/eproxy. To appoint a proxy electronically, you will require your Investor Code which can be found on your share certificate or by contacting the Company's Receiving Agent, Computershare. We strongly encourage you to appoint the Chair of the meeting as your proxy electronically. Electronic proxy appointments must be received by the Company's Receiving Agent, Computershare, no later than 48 hours before the time appointed for the meeting (excluding weekends and public holidays) or any adjournment of the meeting. Proxies received after that date will not be valid. Share Plan holders need not submit a Form of Proxy (see note 11 below). Any electronic communication found to contain a computer virus will not be accepted. For Share Plan holders electronic proxy appointments must be received five days before the time appointed for the meeting (excluding weekends and public holidays) or any adjournment of the meeting.

7. Communication with the Company

Members may not use any electronic address provided either in the notice of meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

8. Electronic receipt of proxies

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number 3RA50) no later than the deadline specified in Note 6. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Instructions on how to vote through CREST can be found on the website www.euroclear.com.

9. Questions at the General Meeting

Any member attending the General Meeting has the right to ask questions. Section 319A of the Companies Act requires the Directors to answer any question raised at the General Meeting which relates to the business of the General Meeting, although no answer need be given:

- (a) if to do so would interfere unduly with the proceedings of the General Meeting or involve disclosure of confidential information;
- (b) if the answer has already been given on the Company's website; or
- (c) if it is undesirable in the best interests of the Company or the good order of the General Meeting that the question be answered.

10. Website

A copy of the notice of the General Meeting, including these explanatory notes and other information required by Section 311A of the Companies Act, is included on the Company's website, www.abrdnjapan.co.uk.

11. Share Plans

There are special arrangements for holders of Shares in a Share Plan. These are explained in the Form of Direction which such holders will have received with this Circular.

12. Total voting rights at date of notice

As at 30 August 2023, the latest practicable date prior to publication of this document, the Company had 15,821,572 Ordinary shares in issue of which 3,389,548 were held as Treasury shares. Therefore, the total number of voting rights in the Company as at 30 August 2023 were 12,432,024.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of abrdn Japan Investment Trust plc will be held at Dentons UK & Middle East LLP, 1 Fleet Place, London, EC4M 7WS, at 4.30 p.m. on 28 September 2023 for the following purposes:

Ordinary Business

As ordinary business to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

1. To receive and adopt the Directors' Report and Financial Statements for the year ended 31 March 2023, together with the independent auditor's report thereon.
2. To receive and adopt the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the year ended 31 March 2023.
3. To approve the Directors' Remuneration Policy for the year ended 31 March 2023.
4. To re-elect Karen Brade as a Director of the Company.
5. To re-elect Claire Boyle as a Director of the Company.
6. To re-elect Sam Dean as a Director of the Company.
7. To re-elect Sir David Warren as a Director of the Company.
8. To appoint Johnston Carmichael LLP as independent auditor.
9. To authorise the Directors to agree the remuneration of the independent auditor.

Special Business

As special business to consider and, if thought fit, pass the following resolutions in the case of resolution 10 and 13 as an Ordinary Resolution and in the case of resolutions 11 and 12 as Special Resolutions:

10. THAT, in substitution for any existing authority under section 551 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the Directors of the Company be generally and unconditionally authorised for the purposes of Section 551 of the Act to allot Ordinary shares of 10p each in the Company ("shares") and to grant rights ("relevant rights") to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £124,320, such authorisation to expire at the earlier of the conclusion of the next Annual General Meeting of the Company to be held in 2024 or 30 September 2024 unless previously renewed, revoked or varied by the Company in general meeting, save that the Company may at any time before the expiry of this authorisation make an offer which would or might require shares to be allotted or relevant rights to be granted after the expiry of this authorisation and the Directors of the Company may allot shares or grant relevant rights in pursuance of any such offer or agreement as if the authorisation conferred hereby had not expired.
11. THAT, subject to the passing of the resolution numbered 10 set out in this notice of meeting ("Section 551 Resolution") and in substitution for any existing authority under sections 570 and 573 of the Companies Act 2006 (the "Act") but without prejudice to the exercise of any such authority prior to the date of this resolution, the directors of the Company be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) either pursuant to the authorisation conferred by the Section 551 Resolution or by way of a sale of treasury shares, in each case for cash as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:-
 - a. the allotment of equity securities (otherwise than pursuant to sub-paragraph (b) below) up to an aggregate nominal amount of £124,320 at a price not less than the undiluted net asset value per share at allotment, as determined by the Directors of the Company; and
 - b. the allotment of equity securities at a price not less than the undiluted net asset value per share at allotment, as determined by the Directors of the Company in connection with an offer to (a) all holders of such Ordinary shares of 10p each in the capital of the Company in proportion (as nearly as may be) to the respective numbers of Ordinary shares held by them and (b) to holders of other

equity securities as required by the rights of those securities (but subject to such exclusions, limits or restrictions or other arrangements as the Directors of the Company may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body of any stock exchange in any territory or otherwise howsoever);

and such power shall expire at the earlier of the conclusion of the next Annual General Meeting of the Company to be held in 2024 or 30 September 2024, but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

12. THAT the Company be and is hereby generally and, subject as hereinafter appears, unconditionally authorised, in accordance with Section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of 10p each in the capital of the Company ("Ordinary shares") and to cancel or hold in treasury such shares, provided that:
- a. the maximum aggregate number of Ordinary shares hereby authorised to be purchased shall be an aggregate of 1,863,560 Ordinary shares or, if less, the number representing 14.99 per cent. of the issued Ordinary share capital of the Company as at the date of the passing of this resolution;
 - b. the minimum price which may be paid for an Ordinary share shall be 10p (exclusive of expenses);
 - c. the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be the higher of:
 - i. 5 per cent. above the average of the market values of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the Ordinary shares for the five business days immediately preceding the date of purchase; and
 - ii. the higher of the price of the last independent trade in Ordinary shares and the highest current independent bid for Ordinary shares on the London Stock Exchange; and

unless previously varied, revoked or renewed, the authority hereby conferred shall expire at earlier of the conclusion of the Annual General Meeting of the Company to be held in 2024 or 30 September 2024, save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase Ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract or contracts.

13. THAT, in accordance with Article 137.1 of the articles of association of the Company, the continuation of the Company be approved.

By Order of the Board

abrdrn Holdings Limited
Secretary

1 September 2023

Registered office:
280 Bishopsgate
London
EC2M 4AG

Notes

- i. A member entitled to attend, speak and vote is entitled to appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise the rights attached to any one share. A reply-paid form of proxy is enclosed.
- ii. Forms of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority, should be sent to the address noted on the form of proxy so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the meeting. The return of a completed proxy form or other instrument of proxy will not prevent you attending the meeting and voting in person if you wish to do so. A member present in person or by proxy shall have one vote for every Ordinary share of which they are a holder. As a member, you have the right to put questions at the meeting relating to the business being dealt with at the meeting.
- iii. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the meeting referred to above a member must first have his or her name entered in the Company's register of members by not later than 6pm on the date two days (excluding non-working days) before the time fixed for the meeting (or in the event that the meeting be adjourned on the register of members by not later than 6pm on the date two days (excluding non-working days) before the time of the adjourned meeting). Changes to entries on that register after that time (or, in the event that the meeting is adjourned, on the register of members after 6pm on the date two days (excluding non-working days) before the time of any adjourned meeting) shall be disregarded in determining the rights of any member to attend and vote at the meeting referred to above.
- iv. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual which can be viewed at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- v. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) no later than 48 hours before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
- vi. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- vii. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- viii. Any person holding 3 per cent. of the total voting rights in the Company who appoints a person other than the Chairman as his proxy will need to ensure that both he and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
- ix. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes (i) and (ii) above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.
- x. It is possible that, pursuant to requests made by members of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
- xi. No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.
- xii. Information regarding the Annual General Meeting, including information required by Section 311A of the Companies Act 2006, is available from the Company's website, www.abrdnJapan.co.uk.

- xiii. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:
1. answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 2. the answer has already been given on a website in the form of an answer to a question; or
 3. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- xiv. The Register of Directors' Interests kept by the Company in accordance with Section 809 of the Companies Act 2006 will be open for inspection at the meeting.
- xv. Shareholders are advised that, unless otherwise stated, any telephone number, website or e-mail address which may be set out in this Notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.
- xvi. As at 30 August 2023, the latest practicable date prior to publication of this document, the Company had 15,821,572 Ordinary shares in issue of which 3,389,548 were held as Treasury shares. Therefore, the total number of voting rights in the Company as at 30 August 2023 were 12,432,024.
- xvii. There are special arrangements for holders of Shares in a Share Plan. These are explained in the Form of Direction which such holders will have received with this Circular.
- xviii. Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

Telephone: **0370 889 4084**

(Lines are open 9.00 am – 5.30 pm Mon–Fri.)

Telephone International: **+44 208 639 3399**

Website: **www-uk.computershare.com/investor**

E-mail is available via the above website.

APPENDIX TO NOTICE OF AGM

Directors' Report and Financial Statements

The 2023 Annual Report can be found on the Company's website at www.abrdnjapan.co.uk for the consideration of Shareholders.

Directors' Remuneration Report

The Remuneration Report is set out on page 49 of the 2023 Annual Report. It has been prepared in accordance with the regulations governing the disclosure and approval of Directors' remuneration.

Remuneration policy

The Board prepared the remuneration policy which is set out on page 53 of the 2023 Annual Report. The last remuneration policy was put to shareholders in 2020. The Remuneration Policy takes into consideration the principles of the UK Corporate Governance Code and the AIC's recommendations regarding the application of those principles to investment companies. The Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective.

Re-election of directors

All directors will stand for re-election at the AGM. The reasons for the Board's recommendations for their re-elections are set out in the Statement of Corporate Governance in the 2023 Annual Report at page 48. The biographies of the directors are set out on page 38 and 39 of the 2023 Annual Report.

Authority to allot shares

Resolution 10, which is an ordinary resolution, seeks to renew the authority to allot the unissued share capital up to an aggregate nominal amount of £124,320 (equivalent to 10 per cent. of the Company's existing issued share capital at the date of this notice).

Limited disapplication of Pre-emption Provisions

Resolution 11, which is a special resolution, seeks to renew the Directors' authority to allot Ordinary shares and sell shares held in treasury (see below), without first being required to offer those shares to shareholders, at a price above the undiluted NAV per share at the allotment. The authorisation is limited to:-

- a) the issue of shares otherwise than as described in (b) up to an aggregate nominal value of £124,320 (equivalent to 10 per cent. of the Ordinary shares in issue at the date of this notice); and
- b) the allotment of shares in connection with an offer to all holders of Ordinary shares in proportion to their holdings in the Company.

This authority will last until the conclusion of the Annual General Meeting held in 2024 or, if earlier, 30 September 2024 (unless previously varied, revoked or extended). The Company may hold such shares "in treasury" and then sell them at a later date for cash rather than simply cancelling them. Such sales are required to be on a pre-emptive, *pro rata*, basis to existing shareholders, unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, Resolution 12 will also give the Directors power to sell Ordinary shares held in treasury on a non pre-emptive basis, subject always in both cases to the limitations noted above. Pursuant to this power, Ordinary shares would only be issued for cash and treasury shares would only be sold for cash at a price not less than the NAV per share. Treasury shares are explained in more detail under the heading "Share Repurchases" below.

Share repurchases

Resolution 13, which is a special resolution, will be proposed to authorise the Company to make market purchases of its own Ordinary shares. The Company may do either of the following in respect of its own Ordinary shares which it buys back and does not immediately cancel but, instead, holds "in treasury":-

- a) sell such shares (or any of them) for cash (or its equivalent); or
- b) ultimately cancel the shares (or any of them).

The Directors intend to continue to take advantage of this flexibility. No dividends will be paid on treasury shares, and no voting rights attach to them. The maximum aggregate number of Ordinary shares which may be purchased pursuant to the authority is 14.99 per cent. of the issued Ordinary share capital of the Company as at the date of the passing of the resolution (approximately 2.0 million Ordinary shares at the date of this report). The minimum price which may be paid for an Ordinary share shall be 10p (exclusive of expenses). The maximum price (exclusive of expenses) which may be paid for the shares is the higher of:

- a) 5 per cent. above the average of the market value of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and
- b) the higher of the price of the last independent trade and the highest current independent bid on the main market for the Ordinary shares. This authority, if conferred, will only be exercised if to do so would result in an increase in NAV per Ordinary share for the remaining shareholders, and if it is in the best interests of shareholders generally. This authority will last until the conclusion of the Annual General Meeting of the Company to be held in 2024 or, if earlier, 30 September 2024 (unless previously revoked, varied or renewed).

Auditor

Subject to the implementation of the Scheme, the Board is satisfied that Johnston Carmichael remains independent and effective and supports their re-appointment as auditor and, if relevant, the Directors be authorised to negotiate their remuneration.

Continuation vote

Every year the Company has a defined discount monitoring period, being 90 days up to 31 March 2023. The average discount for the year's monitoring period was 14.0 per cent. above the target of 10.0 per cent. requiring a continuation vote to be put to shareholders at the next AGM. If the Scheme resolutions are approved, the continuation vote will be removed from the articles of the Company.

If the Scheme does not pass at the First General Meeting, a continuation vote will be put to the Shareholders. The Board supports the passing of the continuation vote. If the Scheme is not approved the Directors will consider the future of the Company.

NOTICE OF SECOND GENERAL MEETING

ABRDN JAPAN INVESTMENT TRUST PLC (the “Company”)

(Incorporated in England and Wales with registered number 03582911 and registered as an investment company under Section 833 of the Companies Act 2006)

Notice is hereby given that a General Meeting of the Company will be held at Dentons UK & Middle East LLP, 1 Fleet Place, London, EC4M 7WS, at 3.00 p.m. on 10 October 2023 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution:

Special Resolution

That (provided that the Directors shall not have resolved, prior to the date of this meeting (or any adjournment thereof) to abandon the Scheme):

- (a) the Company be and is hereby wound up voluntarily under the provisions of the Insolvency Act 1986 and that Gareth Rutt Morris and Andrew Martin Sheridan, both licensed insolvency practitioners of FRP Advisory Trading Limited, be and they are hereby appointed joint liquidators (the “**Liquidators**”) for the purposes of such winding-up and distributing the assets of the Company in accordance with the Scheme and any power conferred on them by law, the Articles of Association or by this resolution may be exercised by them jointly or by each of them alone;
- (b) the remuneration (plus VAT) of the Liquidators be determined by reference to the time properly given by them and their staff in attending to matters prior to and during the winding-up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and they be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them to give effect to the Scheme;
- (c) the Company’s books and records be held by the Company Secretary to the order of the Liquidators until the expiry of 12 months after the date of dissolution of the Company, when they may be disposed of, save for financial and trading records which will be kept for a minimum of six years following the vacation of the Liquidators from office;
- (d) the Liquidators be empowered and directed to carry into effect the provisions of the Articles of Association as amended by the Special Resolutions set out in the notice of the First General Meeting of the Company contained in this document;
- (e) the Liquidators be and are hereby authorised pursuant to section 165 of the Insolvency Act 1986 to exercise the powers laid down in Part I of Schedule 4 to that Act as may be necessary or desirable in their judgment, acting jointly and severally, to give effect to the Scheme and/or to carry out the winding-up of the Company; and
- (f) the definitions contained in the circular to Shareholders of the Company, dated 1 September 2023 (the “**Circular**”), have the same meanings in this special resolution.

By Order of the Board
abrdn Holdings Limited
Company Secretary

Dated: 1 September 2023

Registered office:
280 Bishopsgate
London
EC2M 4AG

Notes:

These notes should be read in conjunction with the notes on the Form of Proxy.

1. Voting record date

Only members registered in the Register of Members of the Company at close of business on 6 October 2023 or, if the General Meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to vote at the General Meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the General Meeting.

In the case of joint holders of a voting right, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

2. Rights to attend and vote

A GREEN Form of Proxy is enclosed with this notice. To be valid, the GREEN Form of Proxy, together with the power of attorney or other authority, if any, under which it is executed (or notarially certified copy of such power or authority) must be deposited with the Receiving Agent not later than 3.00 p.m. on 6 October 2023.

Completion and return of the GREEN Form of Proxy will not preclude Shareholders from attending and voting at the meeting, if they wish.

A Form of Direction is enclosed with this notice. Share Plan holders, if you wish to attend, speak, and vote at the General Meeting ("the Meeting"), please tick the box marked "Intention to Attend" on the reverse of the Form of Direction. The trustees will issue you with a Letter of Representation which will enable you to vote, and you should bring this with you to the Meeting and hand to the Receiving Agent's staff on arrival. Alternatively, you may cast your vote by completing and returning the Form of Direction. In this case, if you wish to attend the Meeting you should bring along the Attendance Card and you will be admitted as a guest without the right to vote.

3. Right to appoint proxies

Pursuant to Section 324 of the Companies Act 2006, a member entitled to attend and vote at the meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

Shareholders are encouraged to appoint the Chair of the General Meeting as their proxy to vote on their behalf.

Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Companies Act 2006. Persons nominated to receive information rights under Section 146 of the Companies Act 2006 have been sent this notice of meeting and are hereby informed, in accordance with Section 149(2) of the Companies Act 2006, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of rights of Shareholders in relation to the appointment of proxies does not apply to nominated persons.

4. Proxies' rights to vote at the General Meeting

On a vote on a show of hands, each proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both "for" and "against" in order to reflect the different voting instructions.

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Companies Act does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

Voting on all resolutions will be conducted by way of a poll.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website, www.abrdnJapan.co.uk.

5. Voting by corporate representatives

A corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf, all of its powers as a Shareholder, provided that they do not do so in relation to the same shares. However, members should note that corporate representatives are not expected to be able to attend the General Meeting.

6. Receipt and termination of proxies

To be valid the enclosed Form of Proxy must be lodged with the Company's Receiving Agent, Computershare Investor Service PLC ("**Computershare**"), at The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible and in any event so as to arrive by not later than 3.00 p.m. on 6 October 2023. We strongly encourage you to appoint the Chair of the meeting as your proxy.

A member may terminate a proxy's authority at any time before the commencement of the General Meeting. Termination must be provided in writing and submitted to the Company's Receiving Agent. In accordance with the Company's Articles of Association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

Alternatively, Shareholders may register the appointment of a proxy electronically by logging on to the website www.investorcentre.co.uk/eproxy. To appoint a proxy electronically, you will require your Investor Code which can be found on

your share certificate or by contacting the Company's Receiving Agent, Computershare. We strongly encourage you to appoint the Chair of the meeting as your proxy electronically. Electronic proxy appointments must be received by the Company's Receiving Agent, Computershare, no later than 48 hours before the time appointed for the meeting (excluding weekends and public holidays) or any adjournment of the meeting. Proxies received after that date will not be valid. Share Plan holders need not submit a Form of Proxy (see note 11 below). Any electronic communication found to contain a computer virus will not be accepted. For Share Plan holders electronic proxy appointments must be received five days before the time appointed for the meeting (excluding weekends and public holidays) or any adjournment of the meeting.

7. Communication with the Company

Members may not use any electronic address provided either in the notice of meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

8. Electronic receipt of proxies

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number 3RA50) no later than the deadline specified in Note 6. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Instructions on how to vote through CREST can be found on the website www.euroclear.com.

9. Questions at the General Meeting

Any member attending the General Meeting has the right to ask questions. Section 319A of the Companies Act requires the Directors to answer any question raised at the General Meeting which relates to the business of the General Meeting, although no answer need be given:

- (a) if to do so would interfere unduly with the proceedings of the General Meeting or involve disclosure of confidential information;
- (b) if the answer has already been given on the Company's website; or
- (c) if it is undesirable in the best interests of the Company or the good order of the General Meeting that the question be answered.

10. Website

A copy of the notice of the General Meeting, including these explanatory notes and other information required by Section 311A of the Companies Act, is included on the Company's website, www.abrdnJapan.co.uk.

11. Share Plans

There are special arrangements for holders of Shares in a Share Plan. These are explained in the Form of Direction which such holders will have received with this Circular.

12. Total voting rights at date of notice

As at 30 August 2023, the latest practicable date prior to publication of this document, the Company had 15,821,572 Ordinary shares in issue of which 3,389,548 were held as Treasury shares. Therefore, the total number of voting rights in the Company as at 30 August 2023 were 12,432,024.

REGISTERED OFFICE OF THE ISSUER

abr dn Japan Investment Trust plc

280 Bishopsgate

London

EC2M 4AG

INVESTMENT MANAGER

abr dn Japan Limited

9th Floor, Otemachi Financial City Grand Cube

9-2 Otemachi 1 Chome

Chiyoda-ku

Tokyo

ALTERNATIVE INVESTMENT FUND MANAGER

abr dn Fund Managers Limited

280 Bishopsgate

London

EC2M 4AG

LEGAL ADVISORS TO THE ISSUER

Dentons UK and Middle East LLP

One Fleet Place

London

EC4M 7WS

BROKER AND FINANCIAL ADVISOR

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited

Cassini House

57 St James' Street

London

SW1A 1LD

INDEPENDENT STATUTORY AUDITOR OF THE ISSUER

JOHNSTON CARMICHAEL LLP

7-11 Melville Street

Edinburgh

EH3 7PE

RECEIVING AGENT

Computershare Investor Services PLC

The Pavilions

Bridgwater Road

Bristol

BS13 8AE

COMPANY SECRETARY

abr dn Holdings Limited

1 George Street

Edinburgh

EH2 2LL

