

## Key information

as of 30 September, 2022

<b>Total Net Assets (millions)</b>	£148.24
<b>Total Net Asset Value per Share</b>	131.16 p
<b>Share Price</b>	115.00 p
<b>Discount of Share Price of NAV</b>	-12.32%
<b>Bloomberg Ticker</b>	NAVF LN

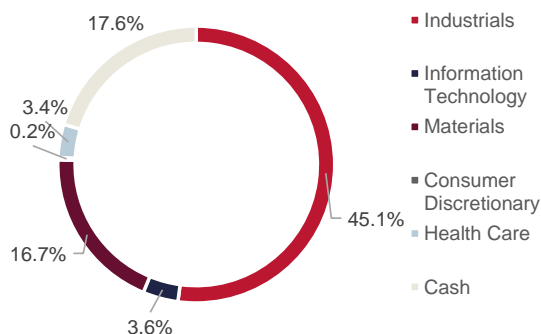
## Performance

Performance	Month	Since Inception
<b>Total Return</b>		
NAVF Share Price	1.77%	+15%
NAVF Net Asset Value	-2.80%	+31.2%

## Portfolio characteristics

<b>Equity Investments</b>	83.21%
<b>Price / Book</b>	116.49%
<b>Price / Earnings</b>	11.7x
<b>EV / EBITDA</b>	4.1x
<b>Net Cash / Market Cap</b>	27.80%
<b>Adjusted Cash / Market Cap</b>	42.26%
<b>Net Working Capital / Market Cap</b>	56.53%

## Sector breakdown



## About NAVF

Nippon Active Value Fund ("NAVF") is an Investment Trust listed on the Specialist Fund Segment of the London Stock Exchange. The investment advisor of the Fund is Rising Sun Management Limited.

NAVF is targeting attractive levels of capital growth for shareholders from the active management of a focused portfolio of quoted small cap Japanese equity investments.

The investment advisor, Rising Sun Management Limited, targets companies which are attractive, undervalued and have a substantial proportion of their market capitalisation held in cash and/or listed securities and/or realisable assets.

### Top 10 holdings as a percentage of net assets

as of 30 September, 2022

1	<b>INTAGE HOLDINGS</b>	(Communication Service)	14.0%
2	<b>MITSUBOSHI BELTING LTD</b>	(Industrials)	12.7%
3	<b>IHARA SCIENCE CORP</b>	(Industrials)	9.1%
4	<b>EBARA JITSUGYO</b>	(Industrials)	7.9%
5	<b>NIPPON FINE CHEM</b>	(Materials)	6.9%
6	<b>MEISEI INDUSTRIAL CO LTD</b>	(Industrials)	4.4%
7	<b>TEIKOKU ELECTRIC</b>	(Industrials)	4.1%
8	<b>ISHIHARA CHEMICAL</b>	(Materials)	3.9%
9	<b>VITAL KSK HD</b>	(Health Care)	3.5%
10	<b>BUNKA SHUTTER CO</b>	(Industrials)	3.4%

## Monthly Market Commentary

A key recent theme continues, that of currency weakness both of the Yen and sterling. Although for much of the month NAVF has never been higher, the Fund has arguably never been cheaper! This is a function of the double discount of the share price to NAV and the Yen to just about everything.

We have been taking advantage of the strength in some of our favourite stocks (favourite because they listened to us and implemented capital allocation improvements), as well as reducing others we are not so positive about, to build a war chest for some anticipated corporate actions. There are currently 25 stocks in the portfolio but we would expect this to fall slightly as we sell out of some names.

Lastly, we have recently added Stella Chemifa and T&K Toka to the portfolio. These are two longstanding Dalton holdings, which we are buying under the aegis of our recent MOU, because our American 'cousins' feel they may benefit from the application of a more activist approach. We'll see...

## Important notice

**Nippon Active Value Fund (“NAV”) is an investment trust, listed on the London Stock Exchange in the United Kingdom, and advised by Rising Sun Management Limited. The value of its shares, and any income from them, can fall as well as rise and investors may not get back the amount invested.**

### The specific risks associated with the NAVF include:

NAVF invests in overseas securities. Changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.

NAVF can borrow money to make further investments (sometimes known as “gearing” or “leverage”). The risk is that when this money is repaid by NAVF, the value of the investments may not be enough to cover the borrowing and interest costs, and NAVF will make a loss. If NAVF’s investments fall in value, any invested borrowings will increase the amount of this loss.

NAVF can buy back its own shares. The risks from borrowing, referred to above, are increased when a trust buys back its own shares.

Market values for securities which have become difficult to trade may not be readily available and there can be no assurance that any value assigned to such securities will accurately reflect the price NAVF might receive upon their sale.

NAVF can make use of derivatives which may impact on its performance.

Investment in smaller companies is generally considered higher risk as changes in their share prices may be greater and the shares may be harder to sell. Smaller companies may do less well in periods of unfavourable economic conditions.

NAVF’s exposure to a single market and currency may increase risk.

The aim of NAVF is to achieve capital growth. It does not target a specific yield and might not pay a dividend every year.

NAVF is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority.

The numbers used in this factsheet are provisional and taken from Rising Sun Management Ltd’s Bloomberg feed. They are liable to change at short notice.

This information has been issued and approved by Rising Sun Management Limited and does not in any way constitute investment advice. This factsheet does not constitute an offer or invitation to deal in securities.

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