

Key information

as of 31 January, 2023

Total Net Assets (m)	£164.69
Total Net Asset Value per Share	145.72 p
Share Price	136.00p
Discount	-6.67%
Bloomberg Ticker	NAVF LN

Performance

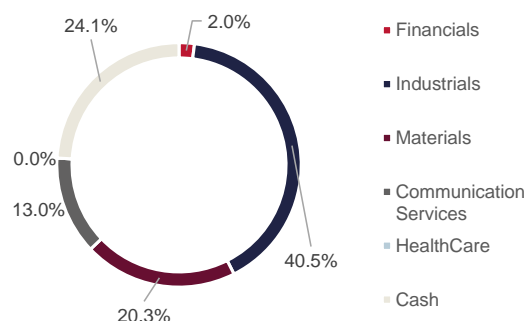
Performance	Month	Since Inception
Total Return		
NAVF Share Price	+15.74%	+36%

NAVF Net Asset Value	+3.74%	+45.7%
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Portfolio characteristics

Equity Investments	79.94%
Price / Book	130.53%
Price / Earnings	12.6x
EV / EBITDA	4.8x
Net Cash / Market Cap	24.69%
Adjusted Cash / Market Cap	36.71%
Net Working Capital / Market Cap	45.75%

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 31 January, 2023

1 INTAGE HOLDINGS	(Communication Services)	12.9%
2 MITSUBOSHI BELTING LTD	(Industrials)	11.2%
3 IHARA SCIENCE CORP	(Industrials)	8.7%
4 EBARA JITSUGYO	(Industrials)	8.4%
5 NIPPON FINE CHEM	(Materials)	8.0%
6 MEISEI INDUSTRIAL CO LTD	(Industrials)	4.5%
7 VITAL KSK HD	(Health Care)	4.0%
8 ISHIHARA CHEMICAL	(Materials)	3.6%
9 BUNKA SHUTTER CO	(Industrials)	3.5%
10 KONISHI CO LTD	(Materials)	3.0%

Monthly Market Commentary

First, some good news. The reversal of the Yen's weakness that began late last year has continued to provide a mild wind at our back. This, coupled with strong portfolio performance, has contributed to the fund reaching new highs in its NAV and overall size, and this has led, in part, to a narrowing of the share price's discount. Investor sentiment, as revealed in recent meetings with RSM management, seems positive and upbeat.

On 10th January, NAVF and its co-investors Michael 1825 and Hikari Aquisition (all advised by RSM and collectively the 'concert party'), launched their first tender offer (TOB) for a portfolio company. T&K Toka is a leading manufacturer of industrial inks and synthetic resin products and has been held by our US cousin, Dalton Investments, for over thirteen years. Although technically not part of the bidding concert party, if Dalton's holding is combined with the bidders', we have control of over 22% of the Company's equity (ex-treasury stock). We are offering Y1300 per share to existing shareholders to take our combined position to 40-44% of the Company's equity. We are not seeking control, merely some influence over the Company's capital allocation policies. *Further information is available on both NAVF and the Company's website.*

Important notice

Nippon Active Value Fund (“NAVF”) 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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