

Key information

as of 31 July 2023

Total Net Assets (m)	£167.76
Total Net Asset Value per Share	148.43 p
Share Price	147.00p
Discount	-1.0%
Bloomberg Ticker	NAVF LN

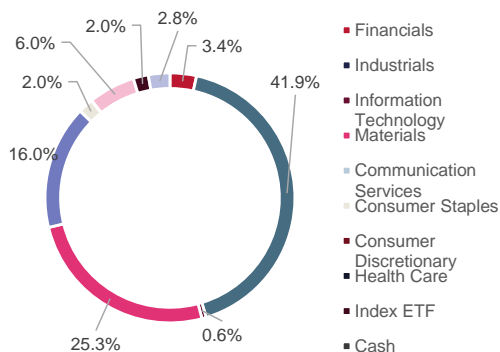
Performance

Performance	Month	Since Inception
Total Return		
NAV Share Price	+3.9%	+47.0%
NAV Net Asset Value	+1.2%	+48.4%

Portfolio characteristics

Equity Investments	97.8%
Price / Book	124.3%
Price / Earnings	16.1x
EV / EBITDA	5.7x
Adjusted Cash / Market Cap	35.1%
Net Working Capital / Market Cap	41.8%

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 July 2023

1	INTAGE HOLDINGS INC	(Communication Services)	12.1%
2	MITSUBOSHI BELTING	(Industrials)	10.0%
3	NIPPON FINE CHEM	(Materials)	8.4%
4	TOYOTA INDUSTRIES	(Industrials)	8.3%
5	EBARA JITSUGYO CO	(Industrials)	8.2%
6	MEISEI INDUSTRIAL	(Industrials)	4.6%
7	VITAL KSK HOLDINGS	(Healthcare)	4.1%
8	ISHIHARA CHEMICAL	(Materials)	4.0%
9	BUNKA SHUTTER CO	(Industrials)	3.6%
10	STELLA CHEMIFA	(Materials)	3.4%

Monthly Market Commentary

More great news! As announced on 11th August 2023 and, following a rigorous review process, NAVF has been selected by Atlantis Japan Growth Fund (AJG) as the successor vehicle in a second rollover scheme. The Rising Sun team are delighted by the confidence shown in our performance by both the boards of abrdn Japanese Investment Trust (AJIT) and now AJG, and by the fact that completion of both transactions (which are the subject of separate shareholder approvals) should increase NAVF's AUM towards the £300 million mark. We believe this will confirm NAVF's status as the UK's leading Japanese activist fund.

AJG is a long-only, non-activist investor in the smaller Japanese companies space. Like AJIT, it is facing a continuation vote, and the Board has determined that its future will be better served by being 'rolled-up' into another, more successful, fund.

In terms of the portfolio itself, there is little to report, other than we continue to sell down our positions in the two Topix-related ETFs we bought for cash management purposes. These funds are being steadily reinvested in our target counters. Discussions with several new portfolio company managements are commencing, while those with some old favourites continue to occupy our attention.

Adjusted Cash / Market Cap* = (Cash + Cross Shareholdings - Debt) / Market Cap

Net Working Capital / Market Cap** = (Cross Shareholdings + Total Current Assets - Total Liabilities) / Market Cap

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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