

## Key information

as of 30 April 2024

<b>Total Net Assets (m)</b>	£327.95
<b>Total Net Asset Value per Share</b>	173.39p
<b>Share Price</b>	170.00p
<b>Discount</b>	-2.0%
<b>Bloomberg Ticker</b>	NAVF LN

## Performance

Performance	Month	Since Inception
<b>Total Return</b>		
NAVF Share Price	-4.5%	+70.0%
NAVF Net Asset Value	-2.8%	+73.4%

## Portfolio characteristics

<b>Equity Investments</b>	94.5%
<b>Price / Book</b>	104.5%
<b>Price / Earnings</b>	10.3x
<b>EV / EBITDA</b>	3.7x
<b>*Adjusted Cash / Market Cap</b>	31.7%
<b>**Net Working Capital / Market Cap</b>	42.7%



## About NAVF

Nippon Active Value Fund ("NAVF" or the "Fund") is an Investment Trust admitted on the Premium Segment of the Main Market of the London Stock Exchange and to the Premium Listing Segment of the Official List. The Investment Adviser 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 and mid cap Japanese equity investments.

The Investment Adviser targets companies which are perceived by the Investment Adviser to be 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 April 2024

<b>1</b>	<b>FUJI MEDIA HOLDINGS INC</b>	(Communication Services)	7.3%
<b>2</b>	<b>BUNKA SHUTTER CO</b>	(Industrials)	6.6%
<b>3</b>	<b>MEISEI INDUSTRIAL</b>	(Industrials)	6.3%
<b>4</b>	<b>EIKEN CHEMICAL CO</b>	(Healthcare)	6.1%
<b>5</b>	<b>ASKA PHARMACEUTICA</b>	(Healthcare)	5.4%
<b>6</b>	<b>RINNAI CORP</b>	(Consumer Discretionary)	5.3%
<b>7</b>	<b>HOGY MEDICAL CO</b>	(Healthcare)	5.0%
<b>8</b>	<b>SEKISUI JUSHI CORP</b>	(Industrials)	4.8%
<b>9</b>	<b>EBARA JITSUGYO CO</b>	(Industrials)	4.6%
<b>10</b>	<b>TEIKOKU SEN-I CO</b>	(Industrials)	4.5%

## Monthly Market Commentary

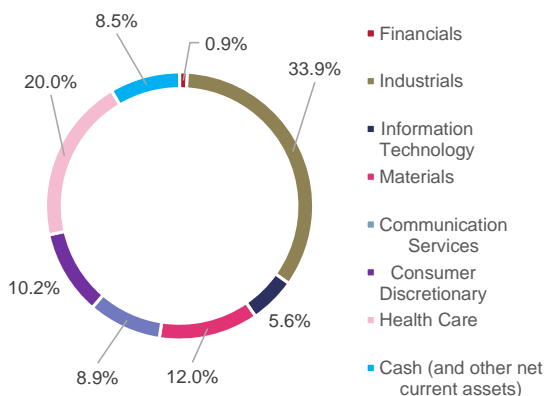
April proved to be a disappointing month for markets. NAVF was not immune to the general weakness, though it was heartening that we continued to trade at or around NAV. Volumes were also relatively subdued ahead of the preparations for Golden Week.

Behind the scenes, engagement continued apace. Our CIO will be in Tokyo towards the middle of May for portfolio company meetings, accompanied by colleagues from the Tokyo office. Several of these will involve responses to recommendations NAVF and its co-investors have made to the portfolio company AGMs. We expect the ritual formal rejection of our proposals, but this is increasingly followed by some favourable practical response, albeit usually smaller than our ask.

At the end of the month, one long-term target, Aizawa Securities, where our cousin Dalton held over 11% for many years and NAVF little less than 1% did finally acquiesce to our demands by announcing a special dividend, increased normal dividends and a large buyback. The stock instantly gained 15%, went to a premium to book value for the first time, and we withdrew our AGM proposals in appreciation. The company then proposed a Tostnet 3 operation in the market to take our wider 'group' out of its position. We were happy to oblige and sold everything at Y1750 per share, an almost 150% profit on our average cost. A very satisfactory end to the month and a testament to the power of patience.

## Sector breakdown

as a percentage of net assets



\*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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