

Key information

as of 31 July 2024

Total Net Assets (m)	£360.02
Total Net Asset Value per Share	190.34p
Share Price	175.00p
Discount	-8.1%
Bloomberg Ticker	NAVF LN

Performance

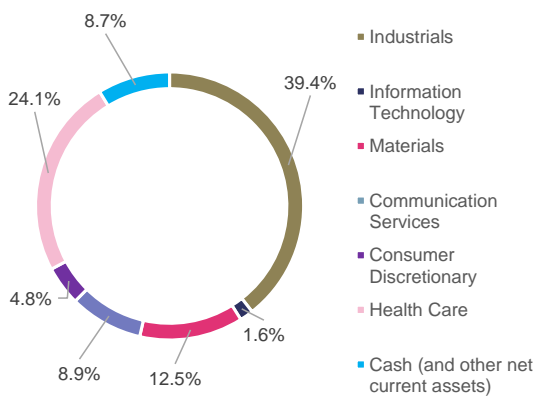
Performance	Month	Since Inception
Total Return		
NAVF Share Price	+2.3%	+75.0%
NAVF Net Asset Value	+6.2%	+90.3%

Portfolio characteristics

Equity Investments	94.4%
Price / Book	102.3%
Price / Earnings	7.5x
EV / EBITDA	5.2x
*Adjusted Cash / Market Cap	41.7%
**Net Working Capital / Market Cap	48.9%

Sector breakdown

as a percentage of net assets



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 ("RSM").

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 31 July 2024

1	EIKEN CHEMICAL CO	(Healthcare)	8.2%
2	HOGY MEDICAL CO	(Healthcare)	7.1%
3	FUJI MEDIA HOLDINGS INC	(Communication Services)	6.8%
4	BUNKA SHUTTER CO	(Industrials)	6.3%
5	MEISEI INDUSTRIAL	(Industrials)	5.9%
6	SEKISUI JUSHI CORP	(Industrials)	5.5%
7	EBARA JITSUGYO CO	(Industrials)	5.3%
8	ASKA PHARMACEUTICAL	(Healthcare)	5.3%
9	MURAKAMI CORP	(Consumer Discretionary)	4.8%
10	TEIKOKU SEN-I CO	(Industrials)	4.4%

Monthly Market Commentary

The last words I write in reports to the Board are normally about new lows in the Yen hampering performance. Time to change the tune; we are reasonably confident that a corner has finally been turned. The nadir of Yen weakness against GBP was Y207.706 on 11th July. On 30th July, with the rate still hovering around Y200, Governor Ueda announced (rather too directly) that he was raising the bank rate to 0.25% and halving government bond purchases. The effect was dramatic, with the Yen strengthening suddenly and immediately to around Y189. However, there was more to come, and it is ironic that the last day of July – the statement day for the purposes of this factsheet – coincided with NAVF's record high. The day following the BoJ's decision saw the Fund's NAV move through 190p per share and our AUM through £360 million, both for the first (and, for the moment, last) time. It is only cheating a little to anticipate next month's commentary and highlight how nervousness about a stronger yen, combined with warnings on 2nd August that the US could be about to enter recession, led to a panic crash in Japanese indices on Monday 5th August. Since then we have seen a substantial bounce back, and a market-wide hope that things will start stabilizing. What all this means for the fund will be discovered in time. But we believe that our largely-domestic smaller companies will ultimately benefit from a strengthening Yen and that the Japanese market's fundamental attractions (cheap, too much cash, inefficient use of capital, etc) remain intact. We'll soon find out if we're right, but no doubt the ride to the answer may be bumpy. Strap in!

*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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