

Key information

as of 30 November 2024

Total Net Assets (m)	£371.3
Total Net Asset Value per Share	196.31p
Share Price	184.50p
Discount	-6.0%
Bloomberg Ticker	NAVF LN

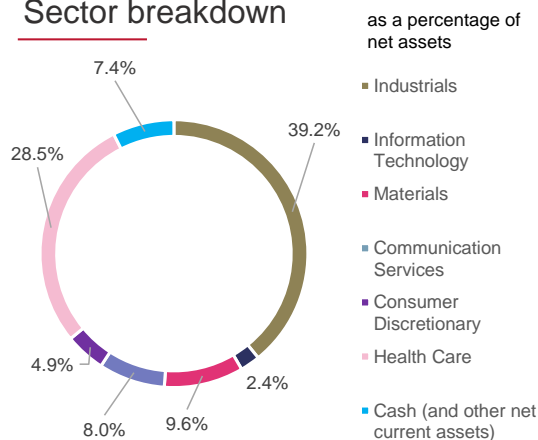
Performance

Performance	Month	Since Inception
Total Return		
NAVF Share Price	+3.4%	+95.1%
NAVF Net Asset Value	+2.3%	+107.1%

Portfolio characteristics

Equity Investments	92.6%
Price / Book	1.1x
Price / Earnings	10.6x
EV / EBITDA	5.9x
*Adjusted Cash / Market Cap	41.0%
**Net Working Capital / Market Cap	47.8%

Sector breakdown



About NAVF

Nippon Active Value Fund ("NAVF" or the "Fund") is an Investment Trust admitted on the Main Market of the London Stock Exchange. 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 30 November 2024

1	HOGY MEDICAL CO	(Healthcare)	10.2%
2	EIKEN CHEMICAL CO	(Healthcare)	10.1%
3	BUNKA SHUTTER CO	(Industrials)	6.6%
4	FUJI MEDIA HOLDINGS INC	(Communication Services)	6.1%
5	EBARA JITSUGYO CO	(Industrials)	5.8%
6	MEISEI INDUSTRIAL	(Industrials)	5.5%
7	ASKA PHARMACEUTICA	(Healthcare)	5.5%
8	MURAKAMI CORP	(Consumer Discretionary)	4.9%
9	SEKISUI JUSHI CORP	(Industrials)	4.5%
10	TEIKOKU SEN-I CO	(Industrials)	4.3%

Monthly Market Commentary

The Armchair Trader published an article by Rising Sun Management's Chairman during the month, which asserted that the economic and governance conditions obtaining after both the Japanese and US elections remained firmly supportive of our activist strategy. It also posited that the Yen weakness that had returned, and led to a period of dull performance of the fund, as we do not hedge, would not last. By the end of November the currency's appreciation had resumed, and an interest rate rise by the BoJ is widely anticipated before the end of the year.

It has been a busy month for our analysts with many portfolio companies reporting, including: Stella Chemifa, Nasu Denki Tekko, Konishi, Broadmedia, Teikoku Sen-I, Bunka Shutter, Murakami Corp, Aska Pharma, Teikoku Tsushin and Meisei Industrial, amongst others where we have not yet declared an interest.

The highlight of the month was the week-long periodic visit to Tokyo by RSM's principals, where, together with our Chairman and the relevant analysts, visits were made to several portfolio companies, as well as the FCA, and a number of PE houses, ironically regarded by Japanese managements as White Knights. All the meetings were fascinating, particularly that with the regulator, whose promotion of market reform remains undaunted and clearly supportive of disruptive actors like NAVF. The overriding take-away was the reinforcement of our long-held belief: that Japan remains unique as the only first world country with uniformly third world valuations. There is still a long way to go.

*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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