

Key information

as of 31 March 2024

Total Net Assets (m)	£337.42
Total Net Asset Value per Share	178.39p
Share Price	178.00p
Discount	-0.2%
Bloomberg Ticker	NAVF LN

Performance

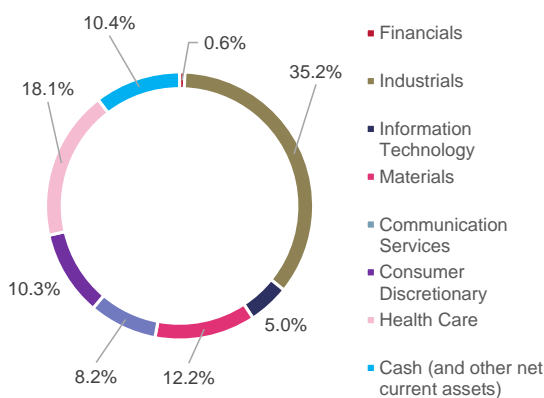
Performance	Month	Since Inception
Total Return		
NAVF Share Price	+5.3%	+78.0%
NAVF Net Asset Value	+2.3%	+78.4%

Portfolio characteristics

Equity Investments	89.6%
Price / Book	114.0%
Price / Earnings	12.9x
EV / EBITDA	5.4x
*Adjusted Cash / Market Cap	42.0%
**Net Working Capital / Market Cap	48.8%

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



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 31 March 2024

1	FUJI MEDIA HOLDINGS INC	(Communication Services)	7.1%
2	BUNKA SHUTTER CO	(Industrials)	6.6%
3	MEISEI INDUSTRIAL	(Industrials)	6.1%
4	EIKEN CHEMICAL CO	(Healthcare)	5.9%
5	RINNAI CORP	(Consumer Discretionary)	5.4%
6	EBARA JITSUGYO CO	(Industrials)	4.9%
7	ASKA PHARMACEUTICAL	(Healthcare)	4.3%
8	HOGY MEDICAL CO	(Healthcare)	4.3%
9	MURAKAMI CORP	(Consumer Discretionary)	4.3%
10	TEIKOKU SEN-I CO	(Industrials)	4.1%

Monthly Market Commentary

The Bank of Japan's move away from negative interest rates and yield curve control marks the end of an era. However, the authorities have a difficult balancing act on their hands to avoid too rapid a reversal of the Yen's fortunes, with all the damage that a suddenly strong currency might do to the country's export boom. So, in continuing not to allow interest rates to rise to a natural level, the Yen not only remains weak, but has actually reached new lows! NAVF's potential uplift from a strengthening currency will have to wait a little longer.

This notwithstanding, March was a decent month for the fund. In particular, the share price finally caught up with NAV and we have been trading close to that level or at a small premium for several weeks.

Bain & Co's tender offer for T&K Toka is now expected to conclude at the end of April. Negotiations have continued on the shape of the shareholder agreement that will govern NAVF's holding in the private entity. This is close to agreement and we expect those shares to be issued during May. Separately, we continue to engage with several managements over their future capital allocation policy. During the month Fuji Media announced decent results and a share buy-back which resulted in a pleasing appreciation in the share price towards the end of the month. We visited TeikouSen-I, a firefighting and disaster prevention company, on our February trip to Tokyo and were very impressed. Happily, it joins our top ten holdings.

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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