



Nippon Active Value Fund plc



Half-Yearly Report

For the six months ended 30 June 2025

RIISING SUN MANAGEMENT LTD



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Investment Objective, Financial Information and Performance Summary

Investment Objective

The investment objective of Nippon Active Value Fund plc (“the Company” or “NAVF” or “the Fund”) is to provide Shareholders with attractive long-term capital growth primarily through the active management of a focused portfolio of quoted companies that have the majority of their operations in, or revenue derived from, Japan, or a majority of whose consolidated net assets are held in Japan, or that are included in the TOPIX, and that have been identified by the Investment Adviser as being undervalued.

Financial Information

	As at 30 June 2025	As at 31 December 2024
Net assets - (£'millions)	386.8	365.4
Net asset value (“NAV”) per Ordinary Share (“Share”) - (pence) ¹	204.5	193.2
Share price - (pence)	200.0	187.5
Share price discount to NAV - (%) ²	2.2	3.0
Ongoing charges - (annualised) - (%) ²	1.16	1.18

Performance Summary

	For the period to 30 June 2025 ³ % change	For the period to 30 June 2024 ³ % change
NAV total return per Share ²	+7.6	+6.9
Share price total return per Share ²	+8.5	+6.6
MSCI Japan Small Cap Index (sterling terms)	+5.0	+0.1

1 This is measured on a cum income basis.

2 These are Alternative Performance Measures (“APMs”), which is a financial measure of historic or future financial performance, financial position, or cash other than a financial measure defined or specified in the applicable financial reporting framework. Definition of these and other APMs used in this report, together with how these APMs have been calculated are disclosed on page 24 of this report.

3 Total returns are stated using the GBP equivalents, including dividends reinvested.



Chairman's Statement

Performance

I am pleased to present Nippon Active Value Fund's interim report, covering the period from 1 January to 30 June 2025.

Over that period the Company's net asset value rose by +7.6% while the share price rose by +8.5%. In comparison, the MSCI Japan Small Cap Index (total return in sterling terms) rose by +5.0%. Since the launch of the Company in February 2020, the Net Asset Value ("NAV") of the Company has increased by +119.3% and the share price by +100.9%, compared to a return in the MSCI Japan Small Cap Index of 32.7% (in sterling terms with dividends reinvested). Since the end of the accounting period, the Company's NAV has returned 9.9%, compared to a MSCI Japan Small Cap Index total return of 10.4%.

At the end of June, the discount was -2.2%, having ranged between a discount of -10.1% and a premium of +1.5% over the first half of the year.

The Japanese market performed in a similar way to other developed markets over the first half of the year, with a sharp sell-off in response to the US President's announcement of "reciprocal tariffs" at the beginning of April. By the end of June, both large and small cap Japanese indices had recovered, and in July the broad Japanese index, TOPIX, reached a new high. Whilst there is still significant uncertainty in the economic and policy environments, and markets could sell off again in response to specific events, at the time of writing investors seem confident that overall fundamentals are supportive.

Our strategy does not target any index or seek to reflect the Japanese market as a whole. The focus remains on medium and small capitalised companies, where we can build up significant stakes to enable productive engagement with their management. The strategy focuses on improving the representation of independent directors on boards, and targets companies with inefficient capital management, usually trading on a low price to book ratio and with high levels of cash reserves. This results in a relatively concentrated portfolio, and returns can vary significantly from both the TOPIX and small cap indices, depending on the results of our Advisers' engagement with the portfolio holdings. Nonetheless, we expect the focus on balance sheet assets to provide a margin of safety and to help support positive outcomes.

Our Investment Adviser's Report which follows, discusses some of the major contributors to returns, as well as examples of engagement with target companies.

Unlisted Investments

NAVF may hold up to 10% of its net asset value in unquoted investments, allowing the Company to avail of potential return opportunities in companies that might delist as a consequence of our engagement and related corporate actions.

In September 2024, Bain & Co announced a tender offer for one of our holdings, Trancom, which concluded on 31 October 2024. The Trancom shares were delisted on 15 January 2025. NAVF, along with co-investors from Dalton-related entities, acquired a stake in the delisted entity in April 2025, reinvesting some of the proceeds realised from tendering Trancom shares. This is our second investment in an unlisted company (T&K Toka was the first), both of which were previously held in the portfolio as publicly traded shares. As of 30 June 2025, the cost price of T&K Toka was JPY 282,970,588 and in Trancom was JPY 300,863,043, with the two unlisted equity holdings amounting to 0.76% of NAV. The Company has engaged Competant Inc, a Tokyo based accountancy firm, to act as an independent valuer of our unlisted equity holdings. Competant will provide valuations on at least a six monthly basis.

Corporate Governance Developments

The strategy is designed to benefit from the improvements in corporate governance in Japan and the increasing engagement with Japanese corporations by activist investors. Some of the key factors supporting activism include (i) Japan Exchange Group's (JPX) requirement that listed entities pay attention to their profitability and the liquidity of their shares, (ii) the Ministry of Economy, Trade and Industry's (METI) measures to improve the transparency of corporate actions, in particular take-over bids, (iii) increasing pressure from Japanese regulators and (iv) institutional investors' continuing unwinding of long-term cross shareholdings.

There was considerable coverage of activist engagement in the first half of the year, including NAVF's campaign regarding with Fuji Media Holdings in light of the reported sexual harassment scandal, which has been described in detail in the Company's monthly factsheets and more fully in the Investment Adviser's report.

There were other widely-reported actions involving large, capitalised companies that NAVF or its affiliate Dalton were not active in; these had outcomes that illustrate that incumbent management continue to resist the trends and policies being implemented. In July 2025, Alimentation Couche-Tard, the Canadian multinational operator of convenience stores,

Chairman's Statement continued

withdrew its bid for Seven & I Holdings due to “a lack of constructive engagement” by the latter. Rumours that Toyota Motors would buy-out the non-group shareholders of Toyota Industries was positively received by the market. When the bid was announced, however, it was at a discount to the prevailing market price; their valuation for the bid was not required to adjust assets, including shareholdings, to market prices. We firmly believe that the incentives to consider activists' proposals are greater in the small and medium cap sectors, whose companies are under greater pressure to comply with JPX's listing requirements. That sector is, and will remain, the core focus of our Investment Adviser's efforts.

NAVF submitted shareholder proposals at twelve Annual General Meetings in the first half of 2025. Eiken Chemical agreed to appoint two of the directors proposed by Dalton (on NAVF's and other Dalton funds' behalf) before the AGM. Additionally, NAVF's proposed candidate for Hoky Medical was appointed to that board. In all, including the two delisted holdings, NAVF has influenced board representation on five of our holding companies during the period under review.

Investment Policy Clarification

A minor inconsistency was identified between the Company's Investment Policy and its Investment Restrictions. Following legal review, the Board approved a small amendment to align the position and remove the contradiction. This amendment does not alter our investment approach and does not require regulatory or shareholder approval, it simply ensures that the stated Investment Policy accurately reflects the Investment Restrictions already in place.

Gearing

As I outlined in the annual report, the Company has a £70 million borrowing facility with The Northern Trust Company, which can be drawn down on in shorter term scenarios if required to support the Company's strategic initiatives. £5 million was drawn down in February 2025, £1 million of which was repaid in late June 2025, so that borrowing at the end of the reporting period was £4m. The balance was repaid in July and currently the facility is undrawn.

Share Issuance

In July and August 2025, the Company issued 1,513,282 Ordinary Shares via tap issuance at an average price of 221 pence per Ordinary Share. This demand reflects a continued and growing confidence, not only in the longer-term prospects for the Japanese economy, but also in the abilities of the Company's Investment Advisers to outperform. New shares were issued at a premium to the prevailing NAV. As at 12 September 2025, the Company's issued ordinary share capital comprises 190,654,986 Ordinary Shares, with none held in treasury, and therefore, the total number of Ordinary Shares in the Company with voting rights is 190,654,986. We look forward to continuing to grow the Company both through performance and issuance to satisfy market demand.

Continuation Vote

I am pleased to report that, at the Company's Annual General Meeting (“AGM”) held in June 2025, Shareholders voted overwhelmingly in favour of the continuation of the Company, with 99.99% of votes cast in favour of the resolution. My fellow Board members and I thank Shareholders for their ongoing support. The next continuation vote will be held in 2027.

Outlook

The Company's strategy is to invest in a relatively concentrated number of deeply undervalued companies. To unlock that valuation discount, the strategy targets companies where there is a strong potential for engagement with management to improve returns to shareholders through, for example, higher dividend payouts or share buybacks. Our Investment Advisers continue to identify new opportunities in both the small and mid-cap sectors, and your Board is satisfied that the opportunity set identified in the Company's original prospectus remain valid. With the return on investment of listed Japanese companies still significantly below those in the US and UK, the Japanese financial regulators are increasingly vocal in calling for a greater focus on profitability and shareholder returns. As this regulatory momentum accelerates and policy frameworks continue to evolve in support of the transition, the number of investment opportunities available, affirms that the Company retains significant runway to execute a well-established and effective strategy. The strategy is a highly selective, concentrated approach and we expect the Company's returns to be relatively lowly correlated to the broader Japan equities market. Even if investors' focus shifts to opportunities away from Japan, or markets respond negatively to continued macroeconomic uncertainty, we are confident that the activist approach will continue to perform well.

Rosemary Morgan

Chairman

15 September 2025

Investment Adviser's Report

Investment Adviser's Report

Investment results for the first half of the calendar year for the Nippon Active Value Fund (“NAVF”) were broadly satisfactory. The Company’s growth in asset value exceeded that of the relevant Japanese stock indices, despite the yen’s continuing weakness against sterling. Additionally, NAVF’s publicly quoted stock price closed the discount to NAV. Complete figures may be found in the table below, as well as in the detailed commentary on the first and second quarters, available on our website www.nipponactivevaluefund.com. A table indicating the investments that contributed to or detracted meaningfully from our results is also included.

NAVF performance of the Company for 2020, 2021, 2022, 2023, 2024 and YTD:

Period	Absolute (ex-inc) ¹		Cumulative (ex-inc) ¹	
	JPY %	GBP %	JPY %	GBP %
21 February 2020 to 31 December 2020	10.6	13.6	10.6	13.6
Year Ended 31 December 2021	35.0	22.3	49.3	38.9
Year Ended 31 December 2022	5.3	3.5	57.2	43.7
Year Ended 31 December 2023	39.6	23.1	119.5	76.9
Year Ended 31 December 2024	26.3	15.2	177.2	103.8
2025 Half-Year	8.0	7.6	199.4	119.3
21 February 2020 to 30 June 2025	22.4	15.6	199.4	119.3

¹ This is measured on an ex-income basis, excluding dividend reinvested.

Attribution

H1 2025	NAVF	AVG Weight %	Total Return %	Contribution %
Top 5 Contributors	Fuji Media Holdings, Inc.	9.0	93.0	5.8
	Bunka Shutter Co., Ltd.	6.9	23.4	1.6
	ASKA Pharmaceutical Holdings Co., Ltd.	7.1	17.4	1.2
	Meisei Industrial Co., Ltd.	6.8	6.3	0.7
	Teikoku Sen-I Co., Ltd.	4.7	14.0	0.7
Bottom 5 Detractors	Teikoku Tsushin Kogyo Co., Ltd.	1.6	-9.6	-0.2
	Ebara Jitsugyo Co., Ltd.	4.6	-5.4	-0.3
	Sekisui Jushi Corporation	4.0	-6.1	-0.3
	Stella Chemifa Corporation	3.0	-9.6	-0.3
	Hogy Medical Co., Ltd.	11.5	-14.9	-2.0

We believe it is important for our Shareholders to maintain a long-term perspective, and to that end we try very hard not to provide much “elevator music” in our commentary. By that we mean an extensive discussion structured around short-term share price movements. Rather, if you are an investor in NAVF, you should think of yourself as a co-venturer on a great crusade to bring economic rationality to undermanaged businesses in the Japanese market. If we are successful in this endeavour, we believe superior investment results will follow.

Investment Adviser's Report continued

We cannot control individual stock prices, which are set every day in the marketplace by thousands of investors making individual decisions, but in the longer run we believe company stock prices will gravitate toward their intrinsic investment values.

Corporate Japan has under-managed its assets for several decades. The entrenched behaviour of a generation scarred by a long bear market in stocks and a devastating collapse in real estate prices has caused company managements to adopt a bunker mentality, huddling together for comfort in excess capital and assets. The Japanese stock market has over-corrected for this mismanagement, driving the stock prices of many companies to levels substantially below their intrinsic value. In most developed markets, such mispricing would not exist for long. Sharp-eyed investors, followed by private equity funds, would snap up the shares and drive the stock price toward fair value, either through aggressive purchases or by an outright acquisition of the entire company. But such behaviour is unusual in Japan.

Therein lies the opportunity: our goal is to help Japan accelerate change in corporate behaviour to ensure that stock prices properly reflect underlying economic reality. We think of ourselves as both a voice and a force for economic rationality.

NAVF distinguishes itself not only through its stock-picking acumen but also through its hands-on approach to corporate engagement. The Company actively challenges underperforming or poorly governed Japanese companies, leveraging shareholder proposals, public campaigns, and private negotiations to drive meaningful change. Our engagement is led by a dedicated team of investment and legal professionals in Tokyo. They are all Japanese nationals and thus, NAVF has local insights, context and presence in the Japanese market. Below is a detailed exploration of NAVF's engagement with four key portfolio companies during the first half of 2025, illustrating the Company's strategy, tactics, and outcomes.

Fuji Media Holdings: Dismantling the Old Guard

Fuji Media Holdings ("FMH") became a focal point of NAVF's activism in early 2025, following years of frustration with the company's entrenched management and governance failures. The catalyst was a high-profile sexual harassment scandal that exposed deep-seated issues within the company's leadership. NAVF launched a public campaign, publishing five open letters to FMH's board and creating a media storm in Japan. The letters called for the resignation of long-serving executive Hisashi Hieda, dubbed the "Emperor" for his four-decade reign, and a breakup of the company's inefficient conglomerate structure.

The pressure escalated in February 2025, as NAVF criticised the reappointment of five directors from the so-called "Old Boys' Club" just days before the release of an independent governance report. When the report was published on 31 March, it vindicated NAVF's concerns, revealing systemic mismanagement. The market reacted immediately; FMH's stock surged 8.7% on the day of the report's release, even as broader indices declined due to external macroeconomic pressures.

NAVF's campaign culminated at FMH's AGM in June 2025. Following the resignation of the entire board in April, we proposed a slate of twelve independent directors to replace them. While none of NAVF's nominees were elected, the company subsequently unveiled a sweeping "Reform Action Plan", which included:

- A commitment to achieve an 8% return on equity ("ROE");
- The divestiture of ¥100 billion in strategic shareholdings within three years;
- A ¥250 billion investment plan over five years, focused on content creation and IP monetisation;
- The abolition of the Executive Managing Adviser system, effectively removing Hieda and his allies;
- Mandatory retirement ages and term limits for directors.

Although NAVF's director candidates were not elected, the AGM marked a turning point. The new board, installed by FMH, adopted most of the reforms NAVF had demanded. The stock rallied 30.4% in the second quarter, reflecting investor confidence in the company's new direction. NAVF continues to monitor FMH closely, ready to re-engage if progress stalls.



Hogy Medical: Pushing for Privatisation

Hogy Medical presented a different challenge. The company's full-year earnings revision in March 2025, revealed not only disappointing sales of new medical kits but also a loss of more than one billion yen on investment securities and aggressive inventory write-downs. While these accounting moves did not impact cash flow, they signalled deeper operational issues. NAVF, which had been in private discussions with management about the company's future as a listed entity, saw an opportunity to accelerate change.

At the Hogy Medical AGM in June, NAVF submitted a shareholder proposal to appoint three of its representatives, including CIO, James Rosenwald to the board. The proposal was partially successful; Rosenwald was elected as an outside director, giving NAVF a direct voice in the company's strategic decisions. His appointment was a strategic coup, as it positioned NAVF to advocate for a management buyout ("MBO") or privatisation from within.

The engagement with Hogy Medical underscores NAVF's willingness to use both public pressure and behind-the-scenes negotiation. The company's stock declined 17.4% in the second quarter due to weak earnings, but NAVF's board presence ensures the company can now influence decisions on capital allocation, cost management, and potential delisting, a process that we believe could unlock significant value for shareholders.

Eiken Chemical: Boardroom Reform for Long-Term Value

Eiken Chemical, a global leader in diagnostic reagents, faced criticism for its lacklustre financial performance and conservative growth targets. NAVF's analysts believed the company's technology, particularly in faecal immunochemical testing, was undervalued due to weak governance. In response, NAVF submitted a shareholder proposal ahead of the AGM, recommending six independent directors to strengthen the board's oversight and strategic acumen.

The company accepted two of NAVF's nominees, marking a rare instance of a Japanese firm voluntarily adopting activist-recommended directors. This concession was significant; for the first time, Eiken's board included members with deep capital markets experience, capable of evaluating strategic options beyond organic growth. NAVF's engagement here was less about immediate financial engineering and more about ensuring the board could objectively assess opportunities such as divestitures, partnerships, or even a sale of the entire company.

While Eiken's stock declined 6% in the second quarter due to disappointing full-year results, we remain optimistic. The Company believes the revised board will improve transparency, enhance shareholder dialogue, and ultimately drive better capital allocation decisions.

Meisei Industrial: Accumulating Influence

Meisei Industrial, a manufacturer of industrial components, experienced significant share price volatility in early 2025. NAVF and its affiliates responded by aggressively accumulating shares, building a stake of more than 9.5% of the company's free float. This accumulation was a deliberate strategy to gain influence and push for operational improvements.

By the end of the first half, Meisei's stock had rebounded nearly 16%, erasing its earlier losses. NAVF's growing ownership stake has positioned the Company as a key voice in Meisei's future. While no formal proposals have been tabled yet, the Company's presence has already prompted management to engage in discussions about cost efficiency, capital returns, and potential strategic alternatives. NAVF's approach with Meisei demonstrates its patience and willingness to build influence gradually, using ownership as a lever for change.

The Broader Impact of NAVF's Engagement

NAVF's activism is not only about individual companies; it reflects our belief in a broader, ongoing shift in Japan's corporate culture. The Company's campaigns have contributed to a record number of going-private transactions. In Q1 2025 alone, 32 Japanese firms announced delisting plans, more than double the number from the same period in 2024. This trend is partly driven by NAVF and other activists, who highlight the costs of public listing, regulatory compliance, shareholder demands, and short-term pressure, against the benefits of private ownership.

The Company's success also reflects the growing influence of the Tokyo Stock Exchange ("TSE") and regulators, who are pushing for higher returns on equity, better disclosure, and stronger shareholder rights. NAVF's engagements with Fuji Media, Hogy Medical, Eiken Chemical, and Meisei Industrial are case studies in how activist investors can catalyse change in a market historically resistant to outside influence.

Investment Adviser's Report continued

NAVF's engagement strategy combines public advocacy, shareholder proposals, and board-level intervention to drive governance reforms and operational improvements. The Company's willingness to take on entrenched management, its ability to mobilise other shareholders, and its focus on long-term value creation set it apart in the Japanese market. As the Company continues to expand its influence, its actions are likely to inspire further reforms, benefiting not only its own investors but also the broader ecosystem of Japanese equities.

Paul folkes Davis

Rising Sun Management Limited

15 September 2025

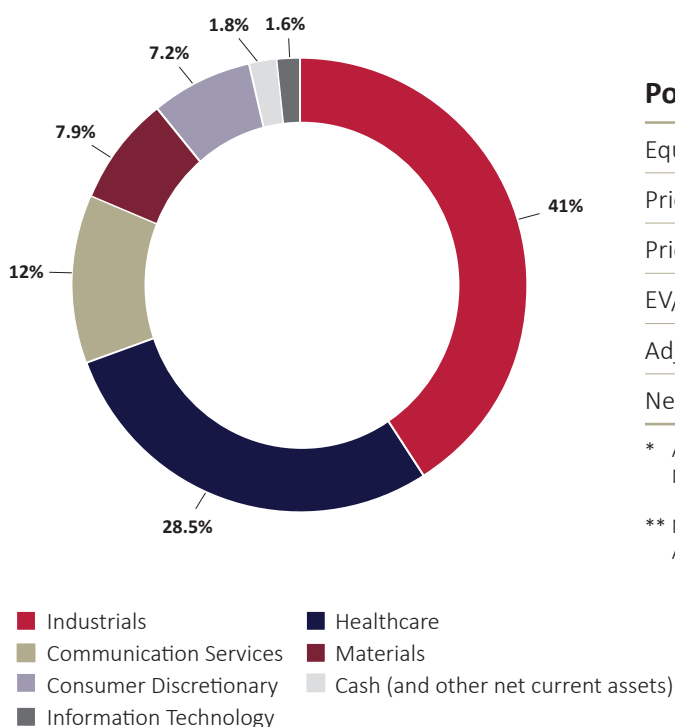
Portfolio

As at 30 June 2025

Top ten holdings as a percentage of net assets

Company	Sector	Value (£'000)	% of net assets
Fuji Media Holdings, Inc.	Communication Services	42,151	10.9
Hogy Medical Co., Ltd.	Healthcare	39,360	10.2
Eiken Chemical Co., Ltd.	Healthcare	34,731	9.0
Meisei Industrial Co., Ltd.	Industrials	30,511	7.9
Bunka Shutter Co., Ltd.	Industrials	29,907	7.7
ASKA Pharmaceutical Holdings Co., Ltd.	Healthcare	29,465	7.6
Murakami Corporation	Consumer Discretionary	22,360	5.8
Teikoku Sen-I Co., Ltd.	Industrials	20,360	5.3
Ebara Jitsugyo Co., Ltd.	Industrials	16,926	4.4
Sekisui Jushi Corporation	Industrials	14,966	3.9

Sector breakdown



Portfolio characteristics

Equity Investments	98.6%
Price/Book	1.1x
Price/Earnings	5.3x
EV/EBITDA	7.5x
Adjusted Cash/Market Cap*	33.8%
Net Working Capital/Market Cap**	42.4%

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

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

Interim Management Report

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authority (“FCA”) Disclosure Guidance and Transparency Rules (“DTR”), and consider the Chairman’s Statement and the Investment Adviser’s Report in this half-yearly report to provide details of the important events which have occurred during the period and their impact on the financial statements. The following statements on Related Party Transactions, Going Concern and the Directors’ Responsibility Statement, together constitute the Interim Management Report of the Company for the period ended 30 June 2025. The outlook for the Company for the remaining six months of the year ending 31 December 2025 is discussed in the Chairman’s Statement and the Investment Adviser’s Report.

Risks and uncertainties

The principal and emerging risks, together with a summary of the processes and internal controls used to manage and mitigate risks where possible, are outlined in the Annual Report for the year ended 31 December 2024. The Board is responsible for the management of risks and uncertainties faced by the Company. However, it relies on the Investment Adviser and the Alternative Investment Fund Manager (“AIFM”), who seek to mitigate these risks through active asset management initiatives, and by carrying out due diligence work on potential targets before entering into any investments.

The risks, as outlined in the 2024 Annual Report, remain largely unchanged. However, since the release of the 2024 Annual Report, the Board has observed increased market volatility driven by geopolitical shifts, rising inflation and interest rate pressures, evolving global regulatory frameworks, and escalating regional conflict, all of which continue to weigh on investor sentiment and confidence. The Board and AIFM closely monitor and assess these continued uncertainties as to how they could impact and affect the Company’s trading position, portfolio and Shareholders, and, where appropriate, endeavour to mitigate the risk. The Board is of the opinion that these principal and emerging risks and uncertainties remain, and are applicable to the remaining six months of the Company’s financial year.

Going concern

The Directors have adopted the going concern basis in preparing the financial statements. The Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the following twelve-month period from the date of this report.

The Directors do not foresee any immediate material risk to the Company’s investment portfolio; however, a prolonged and deep market decline could lead to falling values in the underlying business or interruptions to cash flow. The Company currently has more than sufficient liquidity available to meet any future obligations. The Company’s net assets at 30 June 2025, were £386,822,000 (30 June 2024: £339,142,000; 31 December 2024: £365,442,000). As at 30 June 2025, the Company held £8,079,000 (30 June 2024: £21,580,000; 31 December 2024: £19,889,000) in cash. The total expenses for the period ended 30 June 2025, were £2,258,000 (30 June 2024: £2,241,000; 31 December 2024: £6,197,000). The ongoing charges ratio represented approximately 1.16% (30 June 2024: 1.21%; 31 December 2024: 1.18%) of average net assets during the period. At the date of approval of this document, based on the aggregate of investments and cash held, the Company has substantial operating expenses cover.

As part of their assessment, the Board has fully considered and assessed the Company’s portfolio of investments, cash position, income and expense flows, giving careful consideration to the consequences for the Company of continuing uncertainties in the global economy.

Related party transactions

The Company’s Investment Adviser is Rising Sun Management (“Rising Sun”) and the Company’s AIFM is FundRock Management Company (Guernsey) Limited (“FundRock”). The Company, the AIFM and the Investment Adviser entered into the Investment Advisory Agreement on 7 January 2020, pursuant to which Rising Sun provide investment advisory services to FundRock and the Company, and are entitled to receive an annual fee of 0.85% of the Company’s net assets (exclusive of VAT), in respect of the services provided under the Investment Advisory Agreement.

Rising Sun is considered a related party under the UK Listing Rules. The total Investment Adviser and AIFM fees for the period to 30 June 2025 are shown in the Statement of Comprehensive Income on page 12. There have been no changes to the related party transactions that could have a material effect on the financial position or performance of the Company since the year ended 31 December 2024. Further information can be found in note 10 to the financial statements on page 21.



Directors' statement of responsibility for the half-yearly report

The Directors confirm to the best of their knowledge that:

- The condensed set of financial statements contained within the half-yearly report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as required by DTR 4.2.4R.
- The Interim Management Report includes a fair review of the information required by the FCA's Disclosure Guidance and Transparency Rules ("DTR"):
 - (a) DTR 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R, being related to party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

This half-yearly financial report has not been audited or reviewed by the Company's auditor.

Signed on behalf of the Board of Directors

Rosemary Morgan

Chairman

15 September 2025

Condensed Unaudited Statement of Comprehensive Income

For the six months ended 30 June 2025

		For the period to 30 June 2025			For the period to 30 June 2024			For the year ended 31 December 2024*		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments		–	23,969	23,969	–	20,363	20,363	–	46,508	46,508
Income	4	6,181	–	6,181	4,546	–	4,546	9,132	–	9,132
Foreign exchange gains/(losses)		–	209	209	–	15	15	–	(1,834)	(1,834)
Investment Adviser fees		(314)	(1,255)	(1,569)	(278)	(1,111)	(1,389)	(583)	(2,334)	(2,917)
Other operational expenses		(641)	–	(641)	(852)	–	(852)	(1,446)	–	(1,446)
Profit before finance costs and taxation		5,226	22,923	28,149	3,416	19,267	22,683	7,103	42,340	49,443
Finance costs		(48)	–	(48)	–	–	–	–	–	–
Profit before taxation		5,178	22,923	28,101	3,416	19,267	22,683	7,103	42,340	49,443
Taxation	5	(574)	–	(574)	(454)	–	(454)	(913)	–	(913)
Profit and comprehensive income for the period		4,604	22,923	27,527	2,962	19,267	22,229	6,190	42,340	48,530
Earnings per Ordinary Share - basic and diluted	8	2.43p	12.12p	14.55p	1.57p	10.19p	11.76p	3.27p	22.39p	25.66p

* Audited

There is no other comprehensive income and therefore the “Profit and comprehensive income for the period” is the total comprehensive income for the period.

The total column of the above statement is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations.

The supplementary revenue and capital columns, including the earnings per Ordinary Share, are prepared in accordance with the Statement of Recommended Practice (“SORP”) issued by the Association of Investment Companies.

The notes on pages 16 to 24 form an integral part of these financial statements.

Condensed Unaudited Statement of Financial Position

As at 30 June 2025

	Note	As at 30 June 2025 £'000	As at 30 June 2024 £'000	As at 31 December 2024* £'000
Non-current assets				
Investments held at fair value through profit or loss	3	381,613	319,232	345,593
Current assets				
Cash and cash equivalents		8,079	21,580	19,889
Trade and other receivables		1,264	2,677	1,270
		9,343	24,257	21,159
		390,956	343,489	366,752
Current liabilities				
Purchases for future settlement		(169)	(4,168)	(1,186)
Other payables		(167)	(179)	(124)
Non-current liabilities				
Loans payable		(3,798)	–	–
Total liabilities		(4,134)	(4,347)	(1,310)
Net assets		386,822	339,142	365,442
Equity				
Share capital	7	1,891	1,891	1,891
Share premium		231,834	231,834	231,834
Capital reserve		147,973	101,978	125,050
Revenue reserve		5,124	3,439	6,667
Total equity		386,822	339,142	365,442
Net asset value per Ordinary Share	9	204.51p	179.31p	193.21p

* Audited

Approved by the Board of Directors on 15 September 2025 and signed on their behalf by:

Rosemary Morgan

Chairman

Nippon Active Value Fund plc is incorporated in England and Wales with registration number 12275668.

The notes on pages 16 to 24 form an integral part of these financial statements.

Condensed Unaudited Statement of Changes in Equity

For the six months ended 30 June 2025

For the six months ended 30 June 2025	Note	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 1 January 2025		1,891	231,834	125,050	6,667	365,442
Profit and comprehensive income for the period		–	–	22,923	4,604	27,527
Dividends paid	6	–	–	–	(6,147)	(6,147)
Closing balance as at 30 June 2025		1,891	231,834	147,973	5,124	386,822

For the six months ended 30 June 2024	Note	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 1 January 2024		1,891	231,834	82,710	3,503	319,938
Profit and comprehensive income for the period		–	–	19,268	2,962	22,230
Dividends paid	6	–	–	–	(3,026)	(3,026)
Closing balance as at 30 June 2024		1,891	231,834	101,978	3,439	339,142

Year ended 31 December 2024*	Note	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance as at 1 January 2024		1,891	231,834	82,710	3,503	319,938
Profit and comprehensive income for the year		–	–	42,340	6,190	48,530
Dividends paid	6	–	–	–	(3,026)	(3,026)
Closing balance as at 31 December 2024		1,891	231,834	125,050	6,667	365,442

* Audited

The revenue reserve and realised element of the capital reserve represents the amount of the Company's retained and distributable reserves.

The notes on pages 16 to 24 form an integral part of these financial statements.

Condensed Unaudited Statement of Cash Flows

For the six months ended 30 June 2025

	Note	For the period to 30 June 2025 £'000	For the period to 30 June 2024 £'000	For the year ended 31 December 2024* £'000
Operating activities cash flows				
Profit before finance costs and taxation		28,149	22,683	49,443
Adjustment for:				
Gains on investments		(23,969)	(20,363)	(46,508)
Decrease/(increase) in receivables		6	(18)	(177)
Increase/(decrease) in payables		43	(1)	(56)
Tax withheld on overseas income	5	(574)	(454)	(913)
Net cash flow from/(used in) operating activities		3,655	1,847	1,789
Investing activities cash flows				
Purchase of investments		(33,984)	(97,591)	(163,798)
Sale of investments		20,916	98,093	162,667
Capital distributions received		–	–	–
Net cash flow used in investing activities		(13,068)	502	(1,131)
Financing activities cash flow				
Dividends paid	6	(6,147)	(3,026)	(3,026)
Bank loans drawn		4,957	–	–
Bank loans repaid		(1,022)	–	–
Loan interest and other charges paid		(48)	–	–
Effect of foreign exchange movement		(137)	–	–
Net cash flow from financing activities		(2,397)	(3,026)	(3,026)
Decrease in cash and cash equivalents		(11,810)	(677)	(2,368)
Cash and cash equivalents at start of period		19,889	22,257	22,257
Cash and cash equivalents at end of period		8,079	21,580	19,889

* Audited

The notes on pages 16 to 24 form an integral part of these financial statements.

Notes to the Condensed Unaudited Financial Statements

1. GENERAL INFORMATION

The Company is a closed-ended investment company incorporated on 22 October 2019 in England and Wales with registered number 12275668 and registered as an investment company under Section 833 of Companies Act 2006, as amended from time to time. On 21 February 2020, the Company's shares were admitted to the Specialist Fund Segment of the Main Market of the London Stock Exchange. On the same day, trading of the Ordinary Shares commenced on the London Stock Exchange. On 11 October 2023, the Company's Ordinary Shares were admitted to the Official List of the FCA and trading on the main market for listed securities of the London Stock Exchange.

The investment objective of the Company is to provide Shareholders with attractive long-term capital growth primarily through the active management of a focused portfolio of quoted companies that have the majority of their operations in, or revenue derived from, Japan, or a majority of whose consolidated net assets are held in Japan, or that are included in the TOPIX, and that have been identified by the Investment Adviser as being undervalued.

The principal activity of the Company is that of an investment trust company within the meaning of section 1158 of the Corporation Tax Act 2010.

FundRock Management Company (Guernsey) Limited acts as the Company's Alternative Investment Fund Manager (the "AIFM") for the purposes of the UK's implementation of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, together with Commission Delegated Regulation (EU) No. 231/2013 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, and any transposing legislation incorporating the same into UK law (including, but not limited to, the UK Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773), as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019), all as may be amended or supplemented from time to time.

The Company's Investment Adviser is Rising Sun Management Limited.

NSM Funds (UK) Limited, the Company's appointed Administrator, (the "Administrator") provides administrative and company secretarial services to the Company under the terms of an administration agreement between the Company and the Administrator.

The Company's registered office is 4th floor, 46-48 James Street, London W1U 1EZ.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

Statement of compliance

The Company's condensed unaudited half-yearly financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and the Disclosure Guidance and Transparency Rules ("DTRs") of the UK's Financial Conduct Authority. When presentational guidance set out in the Statement of Recommended Practice ("SORP") for Investment Companies issued by the Association of Investment Companies ("AIC") in July 2022 is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The financial statements were approved and authorised for issue by the Board on 15 September 2025. This half-yearly report will be made available to the public at the Company's registered office. It will also be made available on the Company's website: www.nipponactivevaluefund.com

Going Concern

The Directors have adopted the going concern basis in preparing the financial statements. The Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for at least the following twelve-month period from the date of this report. The Directors do not foresee any immediate material risk to the Company's investment portfolio, however, a prolonged and deep market decline could lead to falling values in the underlying business or interruptions to cash flow. Further details on the Directors' considerations of Going Concern can be found on page 10.

Notes to the Condensed Unaudited Financial Statements continued

Use of estimates and judgements

The preparation of the financial statements and the manner in which they are presented requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. See below paragraph for judgement around determination of the functional and presentation currency.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected. There have been no estimates, judgements or assumptions which have had a significant impact on the financial statements for the year.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

Functional and presentation currency

The financial statements are presented in sterling, which is the Company's functional currency. The Company's investments are denominated in Japanese yen. However, the Company's Shares are issued in sterling. In addition, a substantial majority of the Company's expenses are paid in sterling. It is also expected that the Company's dividend shall be declared and paid in sterling. All financial information presented in sterling has been rounded to the nearest thousand pounds.

The Company is required to identify its functional currency, being the currency of the primary economic environment in which the Company operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which its Shareholders operate, has determined that sterling is the functional currency. Sterling is also the currency in which the financial statements are presented.

Accounting Policies

The accounting policies used by the Company in preparing these half-yearly unaudited financial statements are the same as those applied by the Company in its financial statements as at and for the year ended 31 December 2024.

3. INVESTMENT HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments held at fair value through profit or loss:

	As at 30 June 2025 £'000	As at 30 June 2024 £'000	As at 31 December 2024 £'000
Investment at fair value through profit or loss			
Listed on a recognised overseas exchange	378,656	319,232	345,593
Unquoted investments	2,957	—	—
Total	381,613	319,232	345,593

Fair Value Measurements of Financial Assets and Financial Liabilities

The financial assets and liabilities are either carried at their fair value, or the amount is a reasonable approximation of fair value (due from brokers, dividends receivable, accrued income, due to brokers, expense accruals and cash and cash equivalents).

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the Fair Value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs including quoted prices.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

Notes to the Condensed Unaudited Financial Statements continued

3. INVESTMENT HELD AT FAIR VALUE THROUGH PROFIT OR LOSS continued

The table below sets out fair value measurements using the Fair Value Hierarchy.

As at 30 June 2025	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	375,699	–	2,957	378,656
Total	375,699	–	2,957	378,656

As at 30 June 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	319,232	–	–	319,232
Total	319,232	–	–	319,232

As at 31 December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	344,150	–	1,443	345,593
Total	344,150	–	1,443	345,593

The movement on the Level 3 unquoted investments during the year is shown below:

	As at 30 June 2025 £'000	As at 30 June 2024 £'000	As at 31 December 2024 £'000
Opening balance	1,443	–	–
Additions during the year	1,553	–	1,443
Disposals during the year	–	–	–
Unrealised gains/(losses) on investments	(39)	–	–
Total	2,957	–	1,443

There were no transfers between the levels during the period (30 June 2024: none; 31 December 2024: none).

Notes to the Condensed Unaudited Financial Statements continued

4. INCOME

	For the period to 30 June 2025 £'000	For the period to 30 June 2024 £'000	For the year ended 31 December 2024 £'000
Income from investments:			
Overseas dividends	6,180	4,541	9,125
Other income:			
Bank interest income	1	5	7
Total income	6,181	4,546	9,132

5. TAXATION

Analysis of tax charge in the period:

	For the period to 30 June 2025			For the period to 30 June 2024			For the year ended 31 December 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas withholding tax	574	–	574	454	–	454	913	–	913
Total tax charge for the period	574	–	574	454	–	454	913	–	913

6. DIVIDEND

Dividends paid during the year

The Company does not have a specific dividend policy. Any distributions will be made at the discretion of the Board, taking into consideration the requirement to ensure the Company continues to be approved as an investment trust in accordance with s1158 and 1159 of the Corporation Tax Act 2010. The Board has not declared a dividend for the half year ended 30 June 2025 (2024: Nil).

Dividends paid during the respective periods are detailed in the below table:

	For the period to 30 June 2025		For the period to 30 June 2024		For the year ended 31 December 2024*	
	Pence per Share	£'000	Pence per Share	£'000	Pence per Share	£'000
Interim dividend - paid 23 May 2025	3.25	6,147	–	–	–	–
Interim dividend - paid 24 May 2024	–	–	1.6	3,026	1.6	3,026
Total	3.25	6,147	1.6	3,026	1.6	3,026

*Audited

Notes to the Condensed Unaudited Financial Statements continued

7. SHARE CAPITAL

Share capital represents the nominal value of shares that have been issued. The share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

	For the period to 30 June 2025		For the period to 30 June 2024		For the period to 31 December 2024	
	No. of shares	£'000	No. of shares	£'000	No. of shares	£'000
Allotted, issued and fully paid:						
Opening balance	189,141,704	1,891	189,141,704	1,891	189,141,704	1,891
Ordinary Shares of 1p each ("Ordinary Shares") issued	—	—	—	—	—	—
Total	189,141,704	1,891	189,141,704	1,891	189,141,704	1,891

There were no share issues or buybacks during the period to 30 June 2025 (2024: nil).

Since the period end, the Company has issued 1,513,282 Ordinary shares for aggregate gross proceeds of £3,347,500.

Rights attaching to the Ordinary Shares

Dividend rights: All Ordinary Shares are entitled to a distribution of dividends, in the event that the Directors resolve to make such a distribution to Shareholders, in the same proportions as capital is attributable to them.

Rights as respect to capital: On a winding-up or a return of capital, in the event that the Directors resolve to make a distribution to Shareholders, all Ordinary Shares are entitled to a distribution of capital in the same proportions as capital is attributable to them.

Voting rights: Every Shareholder shall have one vote for each Ordinary Share held.

8. EARNINGS PER ORDINARY SHARE

Total return per Ordinary Share is based on the return on ordinary activities, including income, for the period after taxation of £27,527,000 (30 June 2024: profit £22,229,000 and 31 December 2024: profit £48,530,000).

Based on the weighted average number of Ordinary Shares in issue for the period to 30 June 2025 of 189,141,704 (30 June 2024: 189,141,704 and 31 December 2024: 189,141,704), the returns per share were as follows:

	For the period to 30 June 2025			For the period to 30 June 2024			For the year ended 31 December 2024		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
(Loss)/Profit for the period (£'000)	4,604	22,923	27,527	2,962	19,267	22,229	6,190	42,340	48,530
Return per Ordinary Share	2.43p	12.12p	14.55p	1.57p	10.19p	11.76p	3.27p	22.39p	25.66p

The Company does not have any dilutive securities, therefore basic and diluted earnings per share are the same.

Notes to the Condensed Unaudited Financial Statements continued

9. NET ASSET VALUE PER SHARE

Total equity and the NAV per share attributable to the Ordinary Shareholders at the period end calculated in accordance with the Articles of Association were as follows:

	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
Net Asset Value (£)	386,822,000	339,142,000	365,442,000
Ordinary Shares in issue	189,141,704	189,141,704	189,141,704
NAV per Ordinary Share	204.51p	179.31p	193.21p

10. RELATED PARTY TRANSACTIONS

Transactions with the Investment Adviser

Total Investment Adviser and AIFM fees for the period to 30 June 2025 are shown in the Statement of Comprehensive Income. As at 30 June 2025, £11,000 of AIFM fees were outstanding.

A key member of the RSM team is a major shareholder of Rosenwald Capital Management, Inc. As at 30 June 2025, Rosenwald Capital Management, Inc. had notified the Company of its shareholding which remains unchanged as disclosed in the 2024 Annual Report.

Directors' fees and shareholdings

Directors' fees are payable at the rate of £31,700 per annum for each Director other than the Chair, who is entitled to receive £47,000 and the Chair of the Audit Committee who was entitled to an additional fee of £6,300 per annum.

The Directors had the following shareholdings in the Company, all of which were beneficially owned.

	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
Rosemary Morgan	41,450	41,450	41,450
Chetan Ghosh	40,000	40,000	40,000
Rachel Hill	115,791	115,791	115,791
Alicia Ogawa	25,000	25,000	25,000
Ayako Weissman	50,000	50,000	50,000
Claire Boyle	nil	nil	nil

11. PRINCIPAL RISKS AND CAPITAL MANAGEMENT

Risk management policies and procedures

As an investment trust the Company invests in equities for the long-term in order to achieve its investment objective stated on page 2. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends.

These risks, include market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk, credit risk, and the Directors' objectives, policies and processes for managing the risks and the methods used to measure the risks, are set out below.

11. PRINCIPAL RISKS AND CAPITAL MANAGEMENT continued

Market Risk

Economic conditions

Changes in economic conditions in Japan (for example, interest rates and rates of inflation, industry conditions, competition, political and diplomatic events and other factors) and in the countries in which the Company's investee companies operate, could substantially and adversely affect the Company's prospects.

Sectoral diversification

The Company is not subject to restrictions on the amount it may invest in any particular sector. Although the portfolio is expected to be diversified in terms of sector exposures, the Company may have significant exposure to portfolio companies from certain sectors from time to time. As there is no hard limit on the amount the Company may invest in any sector, the entire Portfolio may, at certain times, be invested solely in one sector. Greater concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and consequently its NAV and may materially and adversely affect the performance of the Company and returns to Shareholders.

Management of market risks

The Company is invested in a diversified portfolio of investments.

The Board will not set any limits on sector weightings or stock selection within the portfolio. The Board will apply the following restrictions on the size of its investments:

- not more than 20 per cent. of the Gross Asset Value at the time of investment will be invested in the securities of a single issuer; and
- the value of the four largest investments at the time of investment will not constitute more than 75 per cent. of the Gross Asset Value.

(a) Currency risks

The majority of the Company's assets will be denominated in a currency other than sterling (predominantly in Japanese yen) and changes in the exchange rate between sterling and Japanese yen may lead to a depreciation of the value of the Company's assets as expressed in sterling and may reduce the returns to the Company from its investments and, therefore, negatively impact the level of dividends paid to Shareholders.

Management of currency risks

The Company does not currently intend to enter into any arrangements to hedge its underlying currency exposure to investment denominated in Japanese yen, although the Investment Adviser and the Board may review this from time to time.

(b) Interest rate risks

The Company is exposed to interest rate risk specifically through its cash holdings. Interest rate movements may affect the level of income receivable from any cash at bank and on deposits. The effect of interest rate changes on the earnings of the companies held within the portfolio may have a significant impact on the valuation of the Company's investments.

Management of interest rate risks

Prevailing interest rates are taken into account when deciding on borrowings.

(c) Price risks

Price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of equity investments.

Management of price risk

The Company's Investment Adviser has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objective and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

(d) Liquidity risks

The securities of small-to-medium-sized (by market capitalisation) companies may have a more limited secondary market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they can be more vulnerable to adverse market factors such as unfavourable economic reports.

Management of liquidity risks

The Company's Investment Adviser monitors the liquidity of the Company's portfolio on a regular basis.

Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands. The Company's liquidity risk is managed on a daily basis by the Investment Adviser in accordance with established policies and procedures in place. Liquidity risk is not significant as the majority of the Company's assets are investments in quoted equities that are expected to be readily realisable under normal conditions.

(e) Credit risks

Cash and other assets held by the custodian

Cash and other assets that are required to be held in custody will be held by the custodian or its sub-custodians. Cash and other assets may not be treated as segregated assets and will therefore not be segregated from any custodian's own assets in the event of the insolvency of a custodian.

Cash held with any custodian will not be treated as client money subject to the rules of the FCA and may be used by a custodian in the course of its own business. The Company will therefore be subject to the creditworthiness of its custodians. In the event of the insolvency of a custodian, the Company will rank as a general creditor in relation thereto and may not be able to recover such cash in full, or at all.

Management of credit risks

The Company has appointed The Northern Trust Company as its custodian. The credit rating of Northern Trust was reviewed at the time of appointment and is reviewed on a regular basis by the Investment Adviser and/or the Board.

The Investment Adviser monitors the Company's exposure to its counterparties on a regular basis, and the position is reviewed by the Directors at Board meetings.

12. POST PERIOD-END EVENTS

Other than those included in these Financial Statements, there have been no significant events since the period end which would require revision of the figures or disclosure in the Financial Statements.

Alternative Performance Measures (“APMs”)

Discount

The amount, expressed as a percentage, by which the share price is less than the NAV per Ordinary Share.

As at 30 June 2025		Page	Pence
NAV per Ordinary Share	a	2	204.51
Share price	b	2	200.00
Discount	(b÷a)-1		2.21%

Total return

A measure of performance that includes both income and capital returns. This takes into account capital gains and reinvestment of dividends paid out by the Company into its Ordinary Shares on the ex-dividend date.

Period ended 30 June 2025		Page	Share price	NAV
Opening (pence)	a	2	187.50	193.21
Closing (pence)	b	2	200.00	204.51
Movement (b÷a)-1	c	n/a	6.67%	5.85%
Dividend reinvestment factor	d	n/a	1.80%	0.66%
Total return	(c+d)		8.47%	6.51%

Ongoing charges

A measure, expressed as a percentage of average NAV, of the regular, recurring annual costs of running an investment company.

Period ended 30 June 2025		Page	
Average NAV	a	2	£374,189,000
Annualised expenses	b	2	£4,342,000
Ongoing charges	(b÷a)		1.16%



Glossary

Administrator	The Company's administrator.
AIC	Association of Investment Companies.
Alternative Investment Fund or "AIF"	An investment vehicle under AIFMD. Under AIFMD (see below) the Company is classified as an AIF.
Alternative Investment Fund Managers Directive or "AIFMD"	A European Union Directive which came into force on 22 July 2013 and has been implemented in the UK.
Custodian	An entity that is appointed to safeguard a company's assets.
Depository	Certain AIFs must appoint depositaries under the requirements of AIFMD. A depository's duties include, inter alia, safekeeping of the Company's assets and cash monitoring. Under AIFMD the depository is appointed under a strict liability regime.
Dividend	Income receivable from an investment in shares.
Discount	The amount, expressed as a percentage, by which the share price is less than the Net Asset Value per share.
Ex-dividend date	The date from which you are not entitled to receive a dividend which has been declared and is due to be paid to Shareholders.
Financial Conduct Authority or "FCA"	The independent body that regulates the financial services industry in the UK.
Gearing	A way to magnify income and capital returns, but which can also magnify losses. A bank loan is a common method of gearing.
Index	A basket of stocks which is considered to replicate a particular stock market or sector.
Investment company	A company formed to invest in a diversified portfolio of assets.
Investment trust	A closed-end investment company which is based in the UK and which meets certain conditions which enable it to be exempt from UK corporation tax on its capital gains. This Company is an investment trust.
Market liquidity	The extent to which investments can be bought or sold at short notice.
Net assets	An investment company's assets less its liabilities.
Net Asset Value (NAV) per Ordinary Share	Net assets divided by the number of Ordinary Shares in issue (excluding any shares held in treasury).
Ordinary Shares	The company's Ordinary Shares in issue.
Ongoing charges	A measure, expressed as a percentage of average net assets, of the regular, recurring annual costs of running an investment company.

Glossary continued

Portfolio	A collection of different investments constructed and held in order to deliver returns to Shareholders and to spread risk.
Share price	The price of a share as determined by buyers and sellers on the relevant stock exchange.
Total return	A measure of performance that takes into account both income and capital returns.
Volatility	A measure of how much a share moves up and down in price over a period of time.



Company Information

Board of Directors

Rosemary Morgan (Chairman)
Chetan Ghosh (Audit Chairman)
Claire Boyle
Rachel Hill
Alicia Ogawa
Ayako Weissman

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Administrator and Company Secretary

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Custodian

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Registrar

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Ticker: NAVF
SEDOL: BKLGLS1
Website: www.nipponactivevaluefund.com
LEI: 213800JOFEGZJYS21P75
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