

## Key Information Document

**Purpose:** This document provides you with key information about this investment Product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this Product and to help you compare it with other products.

**Product:** Ordinary shares of £0.01 each in the capital of Nippon Active Value Fund PLC (the “Ordinary Shares” or the “Product”)

**ISIN:** GB00BKLGLS10

**PRIP Manufacturer:** Nippon Active Value Fund PLC (the “Company”)

**Website:** [www.nipponactivevaluefund.com](http://www.nipponactivevaluefund.com)

**Call:** +44 207 653 9690 for more information.

**Competent Authority:** The Ordinary Shares will be admitted to trading on the Specialist Fund Segment of the London Stock Exchange and subject to the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority

**This document was produced:** 21 August 2020

### What is this Product?

**Type:** Ordinary shares in a public company limited by shares, incorporated in England and Wales and listed on the London Stock Exchange Specialist Fund Segment. There is no fixed maturity date. Save for payments of dividends made in accordance with its dividend policy from time to time or other returns (e.g. on a winding up), the Company is not expecting to pay you and you are expected to generate returns through selling your shares through a bank or stockbroker. The Product is bought and sold via markets. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it and brokers may additionally charge commissions.

**Objectives:** The Company’s investment objective will aim to provide shareholders with attractive capital growth through its investment in a focussed portfolio of quoted companies which have the majority of their operations in, or revenues derived from, Japan (although it may, in certain limited circumstances, invest up to 10% of the net asset value in unquoted investments). The Company may use borrowing and other gearing to seek to enhance investment returns. As a result, this may increase the volatility of the net asset value per share of the Product.

**Intended retail investor:** Typical investors for whom the Ordinary Shares are intended are institutional, professional, professionally-advised or knowledgeable and financially sophisticated non-advised private investors who are capable themselves of evaluating the merits and risks of an investment in the Company and who have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses that may result from their investment. Such investors may wish to consult an independent financial adviser prior to investing in the Ordinary Shares.

### What are the risks and what could I get in return?

#### Risk Indicator



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in or sell your securities on the secondary market at an early stage and you may get less back.

The summary risk indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this Product as 3 out of 7, which is a medium-low risk class.

The Risk Indicator rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact your ability to realise your position.

This Product does not include protection from future market performance so you could lose some or all of your investment. The whole amount of your invested capital in the Company is at risk and there can be no guarantee that you will get back any or all of the amount invested on a sale of shares in the Company. The price at which shares in the Company are sold in the market may not track the Company's net asset value per share. **REFERENCES TO THE COMPANY PAYING YOU MONEY ARE REQUIRED. WHILE YOU MAY RECEIVE SOME DIVIDENDS FROM THE COMPANY DURING YOUR INVESTMENT YOU SHOULD EXPECT THE MAJORITY OF YOUR RETURN TO BE FROM THE BUYER OF YOUR SHARES WHEN YOU SELL.**

### Performance Scenarios

**MARKET DEVELOPMENTS IN THE FUTURE CANNOT BE ACCURATELY PREDICTED. THE SCENARIOS SHOWN ARE ONLY AN INDICATION OF SOME OF THE POSSIBLE OUTCOMES BASED ON RECENT RETURNS FROM A SIMILAR PRODUCT. ACTUAL RETURNS COULD BE LOWER.**

The table shows the money you could get back over the next 5 years under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past and are not an exact indicator. What you may get will vary depending on how the market performs and how long you keep the investment. The figures are calculated according to the PRIIPs methodology and take into account, among other things, movements in share prices.

The stress scenario shows what you might get back in extreme market circumstances and it does not take into account the situation where we are not able to pay you. In the opinion of the Product Manufacturer, and based on the current expected portfolio construction, the Product is unlikely to and is not designed to, achieve consistent performance in line with the favourable scenario presented.

The figures shown include all the costs of the Product itself and do not include any costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect the amount you get back.

Investment £10,000		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	£4,614	£5,208	£4,208
	Average return each year	-53.86%	-19.54%	-15.90%
Unfavourable scenario	What you might get back after costs	£8,037	£6,538	£5,542
	Average return each year	-19.63%	-13.21%	-11.13%
Moderate scenario	What you might get back after costs	£9,645	£8,959	£8,322
	Average return each year	-3.55%	-3.60%	-3.61%
Favourable scenario	What you might get back after costs	£11,548	£12,251	£12,469
	Average return each year	15.48%	7.00%	4.51%

The table shows the money you could get back over the next 5 years under different scenarios, assuming that you invest £10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you may get will vary depending on how the market performs and how long you keep the investment.

Furthermore, this information is compiled according to prescribed formulae which take into account, amongst other things, past performance. In the opinion of the Product Manufacturer, and based on the current portfolio construction, the Product is unlikely, and not designed to achieve consistent performance in line with the favourable scenario presented.

The figures shown include all the costs of the Product itself and do not include any costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect the amount you get back.

#### What happens if Nippon Active Value Fund PLC is unable to pay out?

As a shareholder of the Company you would not be able to make a claim to the Financial Services Compensation Scheme nor any other compensation body about the Company in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. If you sell your shares on the Specialist Fund Segment of the London Stock Exchange, your bank or stockbroker will receive cash on delivery of your shares and should pass that to you.

**REFERENCES TO THE COMPANY PAYING YOU MONEY ARE REQUIRED, WHILE YOU MAY RECEIVE SOME DIVIDENDS FROM THE COMPANY DURING YOUR INVESTMENT THE MAJORITY OF YOUR RETURN WILL LIKELY BE FROM THE BUYER OF YOUR SHARES WHEN YOU SELL.**

#### What are the costs?

Costs over time	Presentation of costs
	<p>The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs (where applicable).</p> <p>The amounts shown here are the cumulative costs of the Product itself, for three different holding periods. The figures assume that you invest £10,000. The figures are estimates and may change in the future.</p> <p>The Company is required by law to include the information above and below without any changes. That law was drafted for investment products which pay returns directly to investors, not those for which a return is expected to be delivered by the investor selling shares on a market. The Performance Scenarios above are shown based on share price returns from a hypothetical comparator product together with returns from dividends or other distributions net of estimated costs. The costs shown below, all of which are borne by the Company, will have an impact on the Company's net asset value but may or may not have a direct impact on share price performance of the Company's ordinary shares.</p> <p>If you chose to sell your shares, you would pay your bank's or stockbroker's dealing charges and be selling at the then available market offer price. That is likely to be lower than the bid price at which other investors could buy shares at that time. Prices quoted for shares in the media are typically the mid-price, being halfway between the offer price and the bid price.</p>

The person selling to you or advising you about this Product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment £10,000	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of recommended holding period of 5 years
<b>Total Costs</b>	£134	£374	£590
<b>Impact on return (RIY) per year</b>	1.34%	1.34%	1.34%

#### Composition of Costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- What the different cost categories mean.

One Off Costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment (no entry charges apply).
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures (no exit charges apply).
Ongoing Costs	Portfolio transaction costs	0.10%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.24%	The impact of the costs that we take each year for managing your investments and the costs associated with running the Company.
Incidental Costs	Performance fees	0.00%	The impact of the performance fee (no performance fees apply).
	Carried Interests	0.00%	The impact of carried interests (no carried interests apply).

#### How long should I hold it and can I take money out early?

Listed funds are designed to be long term investments and the returns from them can be volatile during their life.

The recommended holding period for the Product is 5 years, however, the Ordinary Shares trade continuously on the London Stock Exchange and you are not bound by any prescribed redemption or sale restrictions, you can expect to sell them at any time through your bank or stockbroker.

#### How can I complain?

As a shareholder of Nippon Active Value Fund PLC you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the Company. Any complaints concerning the Product or the Key Information Document should be sent by email to [London@praxisifm.com](mailto:London@praxisifm.com); or by post to Nippon Active Value Fund PLC, 1st Floor, Senator House, 85 Queen Victoria Street, London, England, EC4V 4AB - Attention: Company Secretary.

#### Other relevant information

**You should be prepared to assume the risk that you could lose all your investment.**

We are required to provide you with further documentation, such as the Company's latest prospectus and annual and semi-annual reports. In particular, investors should have regard to the risk factors set out in the prospectus. These documents and other information relating to the Company are available online at: [www.nipponactivevaluefund.com](http://www.nipponactivevaluefund.com)

Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary. Past performance of the Company or its Investment Adviser is not indicative of future performance.