

MORANT WRIGHT

MANAGEMENT LIMITED

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Morant Wright Fuji Yield Fund February 2026 Newsletter

% Returns	Month	Year to Date	Since Inception	TOPIX Net TR since inception*	Inception date
Yen (unhedged)	+13.9%	+20.9%	+445.2%	+257.2%	4 Nov 2014
TOPIX Net Total Return	+10.5%	+15.6%			
Sterling (hedged)	+14.2%	+21.5%	+492.5%	+257.2%	4 Nov 2014
US Dollar (hedged)	+14.1%	+21.5%	+537.1%	+246.7%	28 Nov 2014
Swiss Franc (hedged)	+13.9%	+20.8%	+247.9%	+155.8%	11 Dec 2017
Yen B shares (unhedged)	+13.3%	+20.0%	+357.5%	+215.6%	12 Mar 2015

Sources: Bloomberg and Waystone Management Company (IE) Limited
Performance and NAV given for accumulating shares; available distributing shares are shown overleaf

* Performance of TOPIX Net TR index since inception is shown in yen

The Topix Net Total Return Index rose 10.5% in local terms supported by a decisive election outcome, positive results from companies and foreign buying.

Prime Minister Takaichi and the Liberal Democratic Party won a resounding victory in the lower house election. The result marked the LDP's largest majority since its foundation in 1955 and the first time a single party has secured a two-thirds majority in postwar history. This will allow the government to pass legislation even if it is rejected by the upper house where it lacks a majority.

Companies have finished reporting results for the period ending December 2025. It was an overwhelmingly positive quarter for profit forecasts among our holdings which have steadily edged up as the fiscal year has progressed. Companies in the fund now expect recurring profit to rise 9% and EPS to rise 16%, exceeding the growth estimates for Topix. Shareholder returns continue to improve, with dividends now forecast to grow by 17% and almost 70% of the fund's holdings having announced share buybacks with an average size of 5.0%.

Among our holdings, construction company Toda Corp reported nine-month operating profit growth of 136%, raised its dividend forecast and announced plans to repurchase 2.3% of outstanding shares. Dai-Ichi Life raised its profit and dividend forecasts thanks to larger than expected gains on the sale of its cross-shareholdings. Most dramatically, Fuji Media bought back 30% of its outstanding shares following activist pressure. It also raised its dividend from ¥75 to ¥125 and promised to raise it again to ¥200 next year, while also agreeing to sell all or part of its real estate business. We took advantage of the share buyback to tender all our shares.

There were several other positive announcements from portfolio companies. Electronics conglomerate Kyocera intends to sell another ¥250bn of its shares in KDDI, a Japanese telecoms operator, and will use the proceeds for additional buybacks. It will also appoint a majority of external directors at the upcoming AGM. Chemicals company Toagosei published a new management plan committing to a 90% total payout ratio to reduce the build up of equity capital while simultaneously announcing a 2% buyback. TV Asahi announced a new 40% dividend payout policy and modest plans to reduce its cross-shareholdings; unremarkable in the context of the portfolio but notable for a company that has long been resistant to change.

The FSA published its proposed revisions to the Corporate Governance Code which included several positive changes to improve board accountability. Companies will be encouraged to make external directors available to meet with shareholders, publish their annual securities report (Yuho) well before the AGM and explain how the board will respond when company proposals face significant shareholder opposition.

Recent analysis from Jefferies shows the average Japanese company operates in 2.3 different industries compared to 1.5 in the US and Europe, indicating a much higher degree of diversification. We therefore continue to see considerable scope for companies to improve returns by addressing overcapitalised balance sheets and improving the focus of business portfolios.

**Stephen Morant, Ian Wright, Richard Phillips, Tom Mermagen, Andrew Millward,
Denis Clough, Nick Sinclair and Karin Ri**

Fund

Fund size	\$563m
Number of holdings	61

Valuations

Average PBR	1.26
Median EV/OP* (3/26e)	10.6
Weighted Average P/E (3/26e)	15.9
Net cash as % of market cap*	29%

*Net cash (including investment securities) and EV/OP figures exclude financials

Top Ten Holdings

	% Fund
Sumitomo Mitsui Financial	3.3
Inpex	3.3
Yokohama Financial Group Inc	3.2
Sumitomo Metal Mining Co Ltd	3.2
Dai-Ichi Life Holdings Inc	3.1
Sumitomo Mitsui Trust	3.1
Honda Motor Co. Ltd	2.9
Sumitomo Electric Industries	2.8
Mitsubishi UFJ Financial Group	2.7
Mitsubishi Gas Chemical Co	2.5

Market Cap Breakdown

	% Fund
Large Cap (>\$10b)	37.4
Mid Cap (\$2b - \$10b)	36.6
Small Cap (< \$2b)	23.3
Cash	2.7

NAV at 27th February 2026

Yen	¥5,451.84
Sterling	£59.25
US Dollar	\$63.71
Swiss Franc	CHF34.79
Yen B	¥4,574.86

Dealing

If you would like to deal in the fund, please contact Waystone Management Company (IE) Limited. You can contact them by telephone on +353 1 400 5300 or by emailing wfs-investordealing@waystone.com

Please refer to the further fund details and important regulatory information on the reverse of this document

Fund Information		Dealing Information	
Fund type	UCITS OEIC, authorised in Ireland	Minimum investment	¥1,000,000 (Japanese Yen shares) US\$5,000 (US Dollar shares) £5,000 (Sterling shares) CHF5,000 (Swiss Franc shares) €5,000 (Euro shares)
Fund currency	Japanese Yen Hedged classes available in £, \$, €, CHF Unhedged classes available in ¥, €, £ and \$	Dealing frequency	Daily
Launch date	November 2014	Deal cut-off point	11.00am (Irish time)
Geographic exposure	100% Japanese equities	Valuation point	12.00pm (Irish time)
AMC OCF	1.00% (JPY B Class 0.75%) 1.25% (JPY B Class: 1.00%)	Settlement	T+4 (subscriptions/redemptions)
Share types	Accumulation and Distributing	Fund administrator	Waystone Fund Administrators (IE) Limited 35 Shelbourne Rd, Ballsbridge, Dublin 4, D04 A4E0 Ireland wfs-dublinta@waystone.com Tel: +353 1 400 5300 Fax: +353 1 400 5350

Share Identifiers	Bloomberg code	SEDOL	ISIN
Euro Acc Hedged	MWFYEAH	BQ5BN33	IE00BQ5BN330
Euro Dist Hedged	MWFYEDH	BQT49G3	IE00BQT49G37
Euro Acc Unhedged	MWFYEAU	BDRKVZ5	IE00BDRKVZ52
Euro Dist Unhedged	MWFYEDU	BD1LVV0	IE00BD1LVV03
Yen Acc Unhedged	MWFYJAU	BQ5BN44	IE00BQ5BN447
Yen Dist Unhedged	MWFYJDU	BQT49H4	IE00BQT49H44
Yen B Acc Unhedged	MWFJBUH	BVOLL84	IE00BVOLL840
Sterling Acc Hedged	MWFYGAH	BQ5BN22	IE00BQ5BN223
Sterling Dist Hedged	MWFYGDH	BQT49F2	IE00BQT49F20
Sterling Dist Unhedged	MWFYGDU	BYWNV67	IE00BYWNV678
Swiss Franc Acc Hedged	MWFYCAH	BQ5BN66	IE00BQ5BN660
Swiss Franc Dist Hedged	MWFYCDH	BQT49K7	IE00BQT49K72
US Dollar Acc Hedged	MWFYUAH	BQ5BN55	IE00BQ5BN553
US Dollar Dist Hedged	MWFYUDH	BQT49J6	IE00BQT49J67
US Dollar Dist Unhedged	MWFYUDU	BD9BP98	IE00BD9BP985

Ex-Dividend Date	30 Oct 2020	30 Apr 2021	29 Oct 2021	28 Apr 2022	28 Oct 2022	28 Apr 2023	31 Oct 2023	30 Apr 2024	31 Oct 2024	30 Apr 2025	30 Oct 2025
Euro Distributing (hedged)	0.1272	0.1929	0.1663	0.2372	0.2173	0.2523	0.2400	0.3130	0.3364	0.4066	0.3990
Euro Distributing (unhedged)	0.1092	0.1589	0.1354	0.1869	0.1681	0.1873	0.1603	0.1972	0.2101	0.2498	0.2285
Sterling Distributing (hedged)	0.1244	0.1960	0.1637	0.2344	0.2086	0.2541	0.2418	0.3182	0.3448	0.4278	0.4195
Sterling Distributing (unhedged)	0.1179	0.1679	0.1387	0.1880	0.1726	0.1968	0.1656	0.2020	0.2107	0.2544	0.2411
Yen Distributing	12.9515	19.6050	17.2094	23.7748	22.8376	26.0838	24.2228	32.3163	33.9451	39.5233	39.6474
Dollar Distributing (hedged)	0.1397	0.2195	0.1888	0.2706	0.2597	0.2868	0.2859	0.3650	0.3907	0.5130	0.4787
Dollar Distributing (unhedged)	0.1095	0.1667	0.1402	0.1828	0.1494	0.1734	0.1512	0.1844	0.1990	0.2474	0.2303

TOPIX Net Total Return is used for the purpose of performance comparison only as it is a widely used benchmark which includes reinvestment of dividends (net of withholding tax) and which most closely reflects the type of companies in which the fund invests. All performance information is calculated by Morant Wright Management Limited using share price data provided by Waystone Management Company (IE) Limited. Index data are taken from Bloomberg. Performance is given in sterling terms based on the Fund NAV. Data are as at 27th February 2026 and accurate as at that date.

This document is issued and approved by Morant Wright Management Limited which is authorised and regulated by the Financial Conduct Authority.

Disclaimer

Please remember that past performance is not a guide to future performance. The value of the Fund and any income from it can fall as well as rise as a result of both market and currency fluctuations and investors may not get back the amount originally invested. Investors must be willing to accept some risk to their capital. Consequently, the fund may be suitable for investors who are looking to set aside their capital for the longer term (i.e. at least 5 years).

Before making an investment in the Fund you must read the KIID which can be obtained from Waystone Management Company (IE) Limited or ourselves <https://www.morantwright.co.uk/mw-fuji-yield-fund>, along with the Fund Prospectus and the latest report and accounts. The Fund Manager, Waystone Management Company (IE) Limited, a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland which is authorised by the Central Bank of Ireland has appointed Morant Wright Management Limited as Investment Manager to this fund. Waystone Management Company (IE) Limited, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive. A summary of investors rights may be found here: <https://www.waystone.com/waystone-policies/>

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