

MW Japan Fund April 2026 Newsletter

% Returns	Month	Year to Date	Since Inception (A&B: 4 th August 1999) (C: 16 th April 2015)
MW Japan Fund A (\$)	+3.2%	+6.9%	+618.3%
MW Japan Fund B (\$)	+3.2%	+6.9%	+584.8%
TOPIX Net Total Return (\$)	+8.4%	+9.9%	+185.9%
MW Japan Fund C (\$ hedged)	+1.9%	+8.3%	+341.2%
TOPIX Net Total Return (¥)	+6.6%	+10.3%	+189.3%

Sources: Bloomberg and Waystone Management Company (IE) Limited

TOPIX rose 6.6% in yen terms in April, recovering quickly from the weakness seen the previous month. Gains were led by a narrow group of large-cap technology and semiconductor stocks, which did not help the fund's relative performance. The yen strengthened sharply towards the end of the month to ¥157/\$ after the Bank of Japan intervened in the foreign exchange market.

The BoJ left interest rates unchanged at its April monetary policy meeting. Unusually, however, the vote was split 6-3, with the minority calling for a rate rise. At the same time, the BoJ upgraded its inflation forecasts and now expects core CPI to exceed its 2% target for the next two fiscal years. Bond yields continued to rise with the 10-year JGB yield reaching 2.5%, its highest level in more than 25 years.

Companies have begun reporting results for the year ended 31st March which have generally been positive, with construction companies notably strong. Kinden reported excellent results alongside a significant dividend increase and a share buyback of almost 17%, aimed at halving the stake held by parent company Kansai Electric Power. We have been encouraging management to address this issue for many years. Kyocera, which has been slow in tackling its inefficient balance sheet, announced a more generous dividend policy alongside a buyback of 7% of its shares. It has also appointed a new president who was previously responsible for business transformation.

Denso announced a 6% buyback to repurchase the stake held by Toyota Industries, which was recently taken private. Denso also withdrew its proposed bid for semiconductor company Rohm, which is itself discussing a three-way merger with two competitors. Canon Marketing, which published Q1 results, again reported strong numbers driven by its IT business.

M&A activity increased by 90% last fiscal year to a record ¥43 trillion. In April, KKR launched a bid for ink manufacturer Taiyo Holdings and EQT is exploring a deal to acquire Kakaku.com. Swedish group EQT had recently raised \$15.6bn for an Asia-focused private equity fund, the largest ever capital raising for the region. More than twenty investors are reportedly considering bids for some or all of Fuji Media's real estate portfolio, valuing it at ¥500-800 billion. Elsewhere, the government recommended that Asian private equity group MBK withdraw its bid for machine tool maker Makino Milling on national security grounds. A Japanese private equity fund has since made a higher offer for Makino. Ahead of the AGM season in June, an investor has submitted proposals to portfolio holding Medipal calling for a higher dividend and a substantial buyback to improve ROE.

Recent earnings announcements confirm the continued improvement in corporate governance and shareholder returns, which has accelerated since the Tokyo Stock Exchange campaign began three years ago and has been helped by pressure from activists and institutional investors. Consensus forecasts for TOPIX earnings for the new fiscal year have declined over the past month due to higher oil prices, although Nomura still forecasts EPS growth of 12% for the year to March 2027. We remain positive on the outlook for improving shareholder returns and greater operational improvement from our portfolio.

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

Fund	
Fund size	\$89m
Number of holdings	56

Valuations	
Average PBR	1.00
Median EV/OP* (3/26e)	7.0
Weighted Average P/E (3/26e)	16.0
Net cash as % of market cap*	46%

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

Top Ten Holdings	% Fund
Hyakugo Bank	4.0
Sumitomo Mitsui Trust	3.2
Inpex	3.1
Nippon Television Network	3.0
Sumitomo Mitsui Financial	3.0
Tokyo Broadcasting System	2.9
Kurabo Industries	2.7
Nippon Densetsu Kogyo	2.7
Japan Wool Textile	2.6
Dai-Ichi Life Holdings	2.6

Market Cap Breakdown	% Fund
Large Cap (>\$10bn)	22.9
Mid Cap (\$2 - 10bn)	25.7
Small Cap (< \$2bn)	48.0
Cash	3.4

NAV at 30 th April 2026	
A Shares	\$71.01
B Shares	\$68.38
C Shares	\$441.21

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-investordealings@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	Offshore OEIC, domiciled in Ireland	Minimum investment	\$100,000 (across all shares)
Fund currency	US Dollar	Dealing frequency	Daily
Launch date	August 1999	Deal cut-off point	11.00am (Irish time)
Geographic exposure	100% Japanese equities	Valuation point	12.00pm (Irish time)
AMC/OCF	A Shares: 1.0% A Shares: 1.25%* B Shares: 1.0% B Shares: 1.25%* C Shares: 1.0% C Shares: 1.25%* <small>*Fund charges capped at 1.25% by Investment Manager</small>	Settlement	T+4 (subscriptions/redemptions)

Share types A Shares, B Shares, C Shares (hedged) Fund administrator

Waystone Fund Administrators
(IE) Limited
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Share Identifiers	Bloomberg code	SEDOL	ISIN
A Shares	MWJPNAI ID	BWCH400	IE00BWCH4002
B Shares	MWJPNBI ID	BWCH411	IE00BWCH4119
C Shares	MWJPNCI ID	BWCH422	IE00BWCH4226

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 based on the Fund Nav and is shown net of charges. Data are as at 30th April 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/>.

A copy of the firm's ADV2A Brochure is available at <https://adviserinfo.sec.gov/firm/summary/138189>

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