MORANT WRIGHT
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MW Japan Fund
August 2026 Newsletter

Marketing Material | For Investment Professionals Only

% Returns	Month*	Year to Date*	Since Inception* (A&B: 4th August 1999) (C: 16th April 2015)
MW Japan Fund A ($)	+4.1%	+19.8%	+705.0%
MW Japan Fund B ($)	+4.0%	+19.8%	+667.4%
TOPIX Net Total Return ($)	+3.8%	+20.5%	+213.5%
MW Japan Fund C ($ hedged)	+4.0%	+24.2%	+405.9%
TOPIX Net Total Return (¥)	+3.6%	+22.9%	+222.4%

Sources: Bloomberg and Waystone Management Company (IE) Limited **Performance figures to 28 August due to UK bank holiday*

TOPIX rose by 3.6% in local terms in August and reached a new all-time high during the month.

The government has acted to ease the inflationary burden on household income by agreeing to reduce the sales tax on food from 8% to 1% for two years from April 2027, as promised by Prime Minister Takaichi in her recent election campaign. Meanwhile, second quarter GDP data showed that employee compensation continued to grow at a faster rate than inflation, although the headline growth rate for the economy of 1.1% was below market expectations. A survey of 715 large companies by the Nikkei newspaper showed that capital investment is expected to rise by 14% this year.

Companies finished reporting their quarterly results to 30 June which were mostly positive. Recurring profit is now forecast to grow by 6% for the portfolio for the year to March 2027 compared to 5% estimated three months ago, while EPS growth is expected to be considerably higher thanks to extraordinary gains on the sale of shares. Chemicals company Adeka raised both profit and dividend forecasts for the full year mostly due to its globally dominant position in high-k dielectric materials for semiconductors. This business is seeing strong demand from its customers particularly South Korean DRAM manufacturers. The shares stand on a PBR of 1.4x, an EV/OP of 8x and a P/E of 14x, with net cash and investments worth a quarter of its market cap.

Aggregate dividend forecasts have also been revised up slightly for this year. Companies in the portfolio now estimate 11% dividend growth for March 2027, a number that is likely to rise further throughout the fiscal year. Over the last five years, our companies have increased their dividends at an average rate of 24% per year. This means that dividends have nearly tripled at our companies over that period, far exceeding the dividend growth for TOPIX.

Similarly, around a third of the portfolio has already announced share buybacks this fiscal year. In August, new buybacks were announced by Inpex (3.4% of shares outstanding) and Yokohama Financial (1%), while Eizo dramatically expanded its ongoing buyback from 4% to 14%. In fact, over the last five years almost all companies held in the portfolio have bought back shares and on average each company has cumulatively repurchased 13% of their shares outstanding. In response to recent announcements, Nomura has raised its forecast for buybacks by 20% for this fiscal year to another record high and estimates that almost 70% of profits will be paid out to shareholders.

Two large investment projects were announced by technology companies. Kioxia will invest $6.3bn to expand NAND flash memory at its Iwate plant while TMSC and Sony will jointly spend $4.7bn on image sensor production in Kumamoto. Both projects will be subsidised by the government as they fall within the 17 strategic industries it has identified for future growth.

Pressure from investors and ongoing corporate governance reforms continue to drive significant growth in dividends and buybacks at our companies. With net cash and investments worth 52% of market cap on average in the portfolio (excluding financials), we believe that this structural trend has much further to run.

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

Fund	
Fund size	$101m
Number of holdings	57

Valuations	
Average PBR	1.01
Median EV/OP* (3/26e)	6.8
Weighted Average P/E (3/26e)	13.9
Net cash as % of market cap*	52%

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

Top Ten Holdings	% Fund
Hyakugo Bank Ltd/The	4.0
Sumitomo Mitsui Trust	3.8
Sumitomo Mitsui Financial Group	3.2
Tokyo Broadcasting System	3.0
Japan Post Insurance Co Ltd	3.0
Nippon Television Network	3.0
Dai-Ichi Life Holdings Inc	2.9
Yokohama Financial Group Inc	2.7
Kurabo Industries	2.7
Inpex	2.5

Market Cap Breakdown	% Fund
Large Cap (>$10bn)	24.1
Mid Cap ($2 - 10bn)	27.2
Small Cap (< $2bn)	46.4
Cash	2.3

NAV at 28th August 2026	
A Shares	$79.58
B Shares	$76.63
C Shares	$505.86

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

AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY
REGISTERED IN ENGLAND NUMBER 3692692

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%* *Fund charges capped at 1.25% by Investment Manager	Settlement	T+4 (subscriptions/redemptions)
Share types	A Shares, B Shares, C Shares (hedged)	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
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 28th August 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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