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MW Japan Fund
February 2026 Newsletter

% Returns	Month	Year to Date	Since Inception (A&B: 4th August 1999) (C: 16th April 2015)
MW Japan Fund A ($)	+9.7%	+17.2%	+687.6%
MW Japan Fund B ($)	+9.7%	+17.2%	+650.8%
TOPIX Net Total Return ($)	+9.0%	+16.1%	+201.9%
MW Japan Fund C ($ hedged)	+11.3%	+17.2%	+377.4%
TOPIX Net Total Return (¥)	+10.5%	+15.6%	+203.2%

Sources: Bloomberg and Waystone Management Company (IE) Limited

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 6% and EPS to rise 13%, exceeding the growth estimates for Topix. Shareholder returns continue to improve, with dividends now forecast to grow by 16% and 70% of the fund's holdings having announced share buybacks with an average size of 4.5%.

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. 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	$99m
Number of holdings	58

Valuations	
Average PBR	1.15
Median EV/OP* (3/26e)	9.2
Weighted Average P/E (3/26e)	15.7
Net cash as % of market cap*	41%

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

Top Ten Holdings	% Fund
Hyakugo Bank Ltd/The	4.1
Sumitomo Mitsui Trust	3.0
Sumitomo Mitsui Financial Group	2.9
Nippon Television Network	2.8
Tokyo Broadcasting System	2.8
Japan Wool Textile	2.8
Nippon Densetsu Kogyo	2.8
Dai-Ichi Life Holdings Inc	2.6
Kurabo Industries	2.6
Inpex	2.6

Market Cap Breakdown	% Fund
Large Cap (>$10bn)	25.2
Mid Cap ($2 - 10bn)	29.4
Small Cap (< $2bn)	41.9
Cash	3.5

NAV at 27th February 2026	
A Shares	$77.86
B Shares	$74.98
C Shares	$477.38

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 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/.

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

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