

MORANT WRIGHT

MANAGEMENT LIMITED

43 St James's Place, London, SW1A 1NS
Telephone: 020 7499 9980 Email: enquiries@morantwright.co.uk Website: www.morantwright.co.uk

Morant Wright Sakura Fund April 2026 Newsletter

% Returns	Month	Year to Date	Since Inception (7 th May 2013) (Yen B: 17 th April 2018)
Yen (unhedged)	+3.4%	+12.7%	+427.2%
TOPIX Net Total Return	+6.6%	+10.3%	+302.5%
Euro (hedged)	+3.5%	+13.1%	+422.2%
Sterling (hedged)	+3.6%	+13.8%	+463.1%
Swiss Franc (hedged)	+3.2%	+12.3%	+370.7%
US Dollar (hedged)	+3.6%	+13.7%	+514.8%
Yen B shares (unhedged)	+3.7%	+12.2%	+206.8%

Performance given for accumulation shares

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	\$2,009m
Number of holdings	70

Valuations	
Average PBR	1.15
Median EV/OP* (3/26e)	8.5
Weighted Average P/E (3/26e)	15.8
Net cash as % of market cap*	36%
*Net cash (including investment securities) and EV/OP figures exclude financials	

Top Ten Holdings	% Fund
Inpex	3.3
Sumitomo Mitsui Financial	3.3
Sumitomo Mitsui Trust	3.1
Yokohama Financial Group Inc	3.1
Dai-ichi Life Holdings Inc	3.0
Japan Post Insurance Co Ltd	2.9
Honda Motor Co. Ltd	2.9
Mitsubishi UFJ Financial Group	2.7
Mitsubishi Gas Chemical Co	2.7
Tokyo Broadcasting System	2.7

Market Cap Breakdown	% Fund
Large Cap (>\$10b)	39.3
Mid Cap (\$2b - \$10b)	45.4
Small Cap (< \$2b)	10.8
Cash	4.5

NAV at 30 th April 2026	
Yen	¥5,272.45
Sterling	£56.31
US Dollar	\$61.48
Euro	€52.22
Swiss Franc	CHF47.07
Yen B	¥3,067.97

Dealing
The fund is now closed to new investors but existing investors can deal in the fund by contacting 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	May 2013	Deal cut-off point	11.00am (Irish time)
Geographic exposure	100% Japanese equities	Valuation point	12.00pm (Irish time)
AMC	1.00% (JPY B Class: 0.75%)	Settlement	T+4 (subscriptions/redemptions)
OCF	1.16% (JPY B Class: 0.91%)		
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	MWSKEUR	B7ST847	IE00B7ST8472
Euro Dist Unhedged		BYWNV45	IE00BYWNV454
Yen Acc Unhedged	MWSKYEN	B9140F8	IE00B9140F89
Yen B Acc Unhedged	MWSKYBA	BF1FZN6	IE00BF1FZN69
Sterling Acc Hedged	MWSKSTL	B840XH9	IE00B840XH97
Sterling Dist Unhedged		BYWNV34	IE00BYWNV348
Swiss Franc Acc Hedged	MWSKCHF	B93V6N7	IE00B93V6N72
US Dollar Acc Hedged	MWSKUSD	B8JTQR2	IE00B8JTQR23
US Dollar Dist UnHedged	MWSUSDD	BYWNV56	IE00BYWNV561

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 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 at <https://www.morantwright.co.uk/morant-wright-sakura-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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