

MORANT WRIGHT

MANAGEMENT LIMITED

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WS Morant Wright Nippon Yield Fund November 2025 Newsletter

£ Returns	Month	Year to Date	Since Inception (1 st October 2008)
B Accumulation	+4.6%	+29.0%	+886.5%
TOPIX Net Total Return	-0.5%	+18.0%	+283.9%

Sources: Bloomberg and Waystone Management (UK) Limited

TOPIX Net Total Return rose by 1.4% over the month in local currency terms while the yen was weaker against most major currencies. A diplomatic spat with China led to an immediate decrease in Chinese tourism and some falls in consumer-related stocks, to which the fund has little exposure.

Prime Minister Takaichi announced a new economic stimulus package with a headline total of ¥21.3trn, which would be approximately 3% of GDP. The effect on growth and on the fiscal deficit is less dramatic than the numbers suggest as supplementary budgets happen almost every year. The addition of this fiscal package means that the increase in total government spending compared to last year will now be around ¥3.8trn (0.6% of GDP). Many of the new measures are aimed at combatting the squeeze on consumers from inflation, which remains well above the Bank of Japan's 2% target. These include cuts to fuel taxes and utility prices and an increase to the tax-free income threshold. There were also measures to promote investment in a total of 17 strategic industries, although the specific allocations for each area are not yet detailed.

Most Japanese companies have a financial year end in March and therefore have recently published half year results. For TOPIX overall, companies are now expecting EPS to grow by 1% which is an improvement on their initial forecast for a 3% decline. For the fund, EPS profit is forecast to grow by 12% versus the original estimate of a 8% rise. Over 40% of our holdings raised profit forecasts compared with just over 10% which revised down. The bank and broadcasting holdings all revised up as did almost all our construction companies. For the banks this was heavily influenced by higher net interest income while for many other companies it reflected better pricing conditions rather than large volume improvements. The car sector was more mixed. Honda revised down and cited the supply of components from Chinese owned semiconductor manufacturer Nexperia as a major concern, although production resumed towards the end of the month.

As well as profits there was a small increase in forecast dividends, while share buybacks continued to be strong. This was especially evident in our larger bank holdings: Sumitomo Mitsui Trust, Sumitomo Mitsui Financial Group, Mitsubishi UFJ Financial and Yokohama Financial all announced share buybacks as well as increasing dividends.

M&A and shareholder activism continue to be an important feature of the market. Activist investor Elliott announced a stake in Toyota Industries as it believes the proposed acquisition price by Toyota Real Estate is too low, a view we share. European company EssilorLuxottica increased its stake in Nikon to 13%, while KKR has launched a bid for staffing company Forum Engineering at a 33% premium. Taiyo Pacific, which is majority owned by the Nintendo family office, has bid for Star Micronics at a 29% premium, possibly signalling a new investment approach. Finally, Canon announced a takeover bid for its listed subsidiary Canon Electronics at a 32% premium.

There is no sign of any deceleration in the pressure on company management to improve their corporate governance and especially their capital efficiency. We believe this trend will continue to benefit the portfolio.

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

Fund	
Fund size	£995m
Number of holdings	65

Valuations	
Average PBR	1.05
Median EV/OP* (3/26e)	9.0
Weighted Average P/E (3/26e)	13.3
Net cash as % of market cap*	36%
*Net cash (including investment securities) and EV/OP figures exclude financials	

Top Ten Holdings	% Fund
Sumitomo Mitsui Financial Group	3.6
Sumitomo Electric Industries	3.5
Inpex	3.5
Yokohama Financial Group	3.2
Sumitomo Mitsui Trust	3.2
Dai-ichi Life Holdings	3.0
Honda Motor	3.0
Mitsubishi UFJ Financial Group	2.9
NHK Spring	2.5
Fuji Media Holdings	2.4

Market Cap Breakdown	% Fund
Large cap (>\$5bn)	44.1
Mid cap (\$1-5bn)	49.2
Small cap (<\$1bn)	4.0
Cash	2.7

NAV as at 28 th November 2025	
B Accumulation	950.40p
B Income	607.79p

Dealing	
If you would like to deal in the fund please contact Waystone Management (UK) Limited. Their telephone number is 0345 922 0044 and their email is wtas-Electronic.Dealing@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	UK authorised OEIC	Minimum investment	£5,000
Fund currency	Sterling	Dealing frequency	Daily
Launch date	October 2008	Deal cut-off point	12pm
Geographic exposure	100% Japanese equities	Valuation point	12pm
AMF	1.0%	Settlement	T+4 (subscriptions/redemptions)
OCF	1.14%	ACD	Waystone Management (UK) Limited
Share types	Accumulation and Income	Fund administrator	Waystone Fund Administrators Limited Central Square 29 Wellington Square Leeds, LS1 4DL wtas-investorservices@waystone.com Tel: 0345 922 0044 Fax: 0113 224 6001

Share Identifiers	Bloomberg code	SEDOL	ISIN
B Accumulation	CFMWNBA LN	B42MKS9	GB00B42MKS95
B Income	CFMWNYB LN	B2R83B2	GB00B2R83B20

Performance (%)	2024	2023	2022	2021	2020	2019	Since inception (1 st October 2008)
B Accumulation Shares	+19.4	+18.9	+8.8	+11.6	-5.9	+11.9	+886.5
TOPIX Net Total Return	+10.1	+12.3	-5.0	+1.9	+9.1	+15.2	+283.9

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 (UK) Limited. Index data are taken from Bloomberg. Performance is given in sterling terms based on the Fund NAV. Data are as at 28th November and accurate as at that date.

Dividends

Ex-Dividend Date	31 Oct 2020	30 Apr 2021	31 Oct 2021	30 Apr 2022	31 Oct 2022	30 Apr 2023	31 Oct 2023	30 Apr 2024	31 Oct 2024	30 Apr 2025	31 Oct 2025 (est.)
Dividend per 'B' Income Share	4.1192	5.8480	5.0278	6.8290	5.631	7.0071	5.7134	7.0283	7.5343	8.8519	8.1266

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 (UK) Limited (<https://www.fundsolutions.net/uk/morant-wright-management-limited/ws-morant-wright-nippon-yield-fund/ws-morant-wright-nippon-yield-fund/>) or ourselves, along with the Fund Prospectus and the latest report and accounts.

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