

Mori Eastern European Fund



Please note that on June 23, 2016, the Central Bank of Ireland approved renaming of the Renasset Eastern European Fund and Renasset Ottoman Fund to Mori Eastern European Fund and Mori Ottoman Fund, respectively.

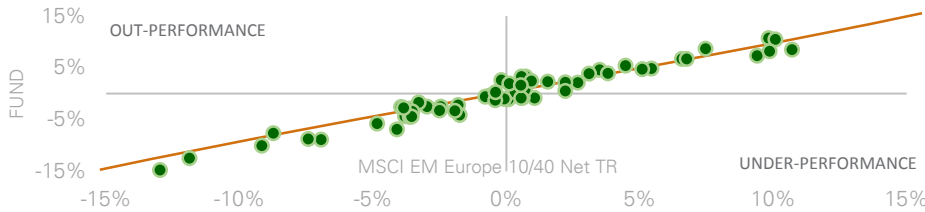
Fund Objective

The Fund seeks long-term capital appreciation through investments primarily in a portfolio of Eastern European securities. The manager uses a bottom-up approach to incorporate both stock and sector views. The manager's stock-picking style is a combination of proprietary valuation models, target prices, stock market capitalisation, liquidity and his view on the management's quality. Please note that A Euro shares are closed to new subscriptions.

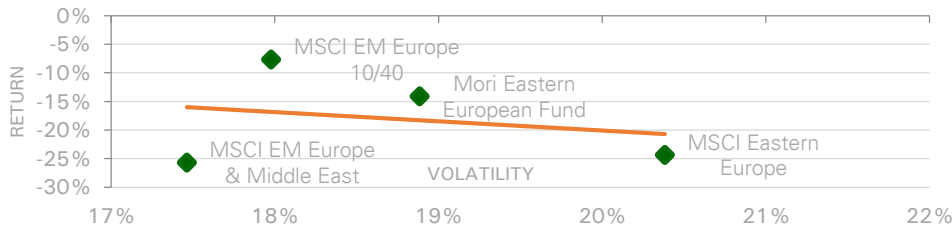
Investment Process

- Bottom-up stock picking
- In-house qualitative and quantitative proprietary valuation database
- Unconstrained, non-benchmark
- Active Beta management (1) Cash management (2) Opportunistic use of futures, options and FX hedging
- Disciplined "sell" process

Active Monthly Returns¹ (Since Inception to 31 January 2017, C Share Class: Monthly, %)



Total Return / Volatility¹ (Since Inception to 31 January 2017, C Share Class, %)



Performance² (%)

	1mth	3mth	6mth	YTD	2yr	Since Inception
C EUR	-0.1%	8.6%	17.2%	-0.1%	18.5%	764.7%
Index	-0.6%	11.5%	19.0%	-0.6%	18.1%	361.8%

Annual Performance² (%)

	2016	2015	2014	2013	2012
C EUR	26.7%	-2.0%	-23.5%	-6.9%	-2.8% ⁴
Index	29.5%	-5.0%	-19.7%	-8.5%	2.2% ⁴

Portfolio Overview³ (%)

	% of Port.	vs. Index
Country Breakdown		
Russia	52.2	-5.2
Turkey	22.4	7.9
Poland	10.7	-6.1
Greece	4.6	0.1
Czech Republic	2.2	-0.3
Ukraine	1.4	1.4
Austria	0.9	0.9
Iraq	0.9	0.9
Kazakhstan	0.4	0.4
Cash & Equivalents	3.1	3.1
Sector Breakdown		
Financials	31.8	-0.9
Energy	27.4	-8.7
Materials	10.0	0.2
Consumer Staples	8.6	2.6
Industrials	7.9	6.3
Consumer Discretionary	3.6	-0.2
Telecommunications	2.8	-2.4
Real Estate	2.3	1.8
Information Technology	2.2	2.2
Utilities	0.7	-2.6
Index Derivatives	-1.6	-1.0
Cash & Equivalents	3.1	3.1

Fund Summary

Fund Type	UCITS IV
Domicile	Dublin
Currency	EUR
Index	MSCI EM Europe 10/40 Net TR EUR
Fund Manager	Aziz Unan (Since January 2015)
Launch Date	2 March 2012 (C)
AuM	EUR 85.7m

Portfolio Characteristics

	Fund	Index
(%) Volatility	18.7	17.8
(%) Active Share	44.3	
(%) Tracking Error	4.5	
Information Ratio	-0.29	

Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	8.5	7.9
Price to Book	1.6	1.0
Return on Equity	14.3	13.4
Dividend Yield	3.4	3.5

Top 10 Holdings

Sberbank	8.3
Gazprom	7.8
Lukoil	6.7
PKO	4.2
PZU	3.6
Magnit	3.5
Tatneft	3.3
Halkbank	3.2
Novatek	2.7
Severstal	2.4

Market Cap

> 5 Bln	62.9%
1-5 Bln	21.5%
< 1 Bln	10.8%

¹ Performance based on monthly total returns in EUR, since inception, net of fees, excluding initial charge. ² Performance based on monthly total returns in EUR, net of fees, except since inception (A EUR Share Class). ³ Table weights shown adjusted for delta exposure, pie chart shows table weights to 100. ⁴ Performance is from inception of share class to year end. Past performance is not a guide to future performance. The value of investments may go down as well as up and investors may lose money. SOURCE: Unless otherwise stated, all data sourced from Bloomberg as at 31 January 2017.

Mori Eastern European Fund



Performance

Following a strong month in December 2016, most equity markets consolidated in the month of January. In our region, Polish and Greek equities were the exceptions. While the Polish market rallied strongly last month adding over 7% in euro terms, the Greek index lost almost 5% during the same period. Other major emerging European indices closed similar to end of December levels. The net asset value of the Mori Eastern European Fund was almost flat losing 0.1% in euro terms (C share-class), while the MSCI Emerging Europe 10/40 Index lost 0.6% last month.

Portfolio Activity

Mr. Donald Trump officially became the US President on January 20 for which the markets had been eagerly waiting for. His tone for improving relations with Russia continued after he took over the Oval Office. He also said positive things about Turkey being a trusted long-term US and NATO ally. Although it is too early to draw any conclusions at this stage, if the relations improve during his presidency, it would have a significant positive impact for Emerging European markets.

We believe several Turkish stocks became extremely cheap in hard currency terms as a result of significant depreciation of the Turkish lira particularly during the last quarter of 2016. Thus, we decided to increase our exposure to Turkey buying Halkbank, Isbank and Garanti Bank. All these bank stocks trade significantly below their book values. Moreover, the aggregate net profit of the Turkish banking sector increased by 44% in Turkish lira terms in 2016 compared to the previous year. (Source: Banking Regulation and Supervision Agency). This translates into a 30% average net profit growth in euro terms. At the same time, the Turkish banking index lost 7% in euro terms last year despite a massive increase in profits. We do not complain about this kind of market behaviour as we believe that it creates a buying opportunity for long term investors like ourselves at cheap valuations and high conviction.

Russian equities were among the best performers in 2016 and it should not come as a surprise that the market may look to digest last year's stellar performance in the short term. However, we believe that our Russian stocks still offer decent upside from their current price levels.

In Central Europe, we continue to like our selected stocks particularly in the Czech Republic (i.e. Moneta Money Bank).

Outlook

Earnings reporting season is starting in Emerging Europe, which will give guidance on what to expect in the form of dividends on 2016 earnings. Dividends are typically distributed between April and July. As we have been arguing for some time dividend pay-out ratios have been on the rise in recent years as several companies have completed their investment programs and have become disciplined in terms of capital efficiency. Excluding the bank shares (for which regulators usually put a cap on dividend distribution), we estimate that the current dividend yield on the rest of our portfolio is north of 5%, which we believe is highly attractive.



Contacts

Investor Relations	Mori Capital Management Limited Regent House, Office 35 Bisazza Street, Sliema SLM 1640 Malta	+356 2033 0110 info@mori-capital.com
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SOURCE: Bloomberg as of 31 January 2017, unless stated otherwise. **Past performance is not a guide to future returns.**

Please Note For professional investors only
This investment is not for sale to US persons in the US

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Past performance is not a guide to future performance. The value of investments can fall as well as rise and you may get back less than what you originally invested. Where a fund invests in overseas currencies, changes in currency exchange rates may affect the value of your investment. Investments in small and/or emerging markets can be more volatile than in other more developed markets.

The information contained in this document is neither an offer to sell nor a solicitation of an offer to purchase interests in the Fund, nor does it represent a research report. Please consult your financial and tax advisers if you are considering investing in this Fund. For further information, a copy of the KIID or a copy of the current Prospectus please contact info@mori-capital.com.

This document may contain certain forward-looking statements with respect to the investment managers strategies or expectations. Forward-looking statements speak only as of the date they are made, and investment manager assumes no duty to and does not undertake to update forward-looking statements.

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Fund Facts	
Management Fees	1.65% (A), 1.75% (B) 2.0% (AA), 1.25% (C)
Performance Fees	A and B share classes: 15% and 20% (respectively) of the NAV per share increase over the higher of either the highest of any previous quarter end NAVs or the benchmark NAV calculated using the EUR 3 month LIBOR rate on a quarterly basis. AA and C share classes: no performance fee.
Initial Min. Investment	€ , £ 10,000 (B, AA) € , £ , \$ 1,000,000 (C)
Dealings	Daily
Redemptions	Daily
Redemption Notice	T+3 T+4 (GBP share classes)
Redemption Fee*	3.0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges*	Max. 5.0%
* At Investment Manager discretion.	
Launch Date	
A EUR	07.10.98
AA GBP	02.03.12
B EUR	27.11.09
C EUR	02.03.12
C GBP	02.03.12
M EUR	01.09.16
Current NAV	
A EUR	442.11
AA GBP	8.68
B EUR	94.47
C EUR	8.58
C GBP	10.21
M EUR	115.84
Bloomberg Code	
A EUR	GRIEUI ID
AA GBP	RAMEAG ID
B EUR	GRIEUB ID
C EUR	RAMEEC ID
C GBP	RAMEECG ID
M EUR	RAMEEME ID
ISIN Code	
A EUR	IE0002787442
AA GBP	IE00B74GCZ17
B EUR	IE00B53RTW70
C EUR	IE00B7D7TZ40
C GBP	IE00B762ZY72
M EUR	IE00BD03V952