

Mori Ottoman 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.

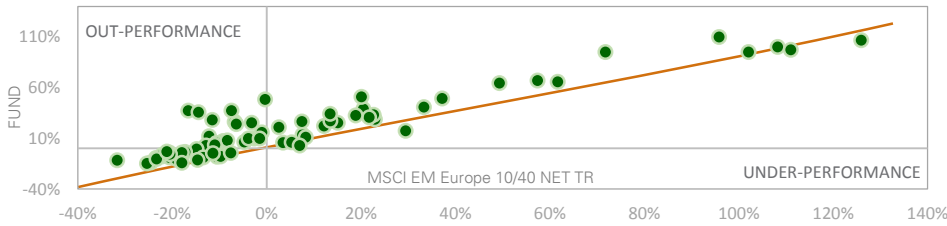
Fund Objective

The Fund seeks long-term capital appreciation through investment primarily in a portfolio of Emerging European securities and opportunistically Middle East and North Africa region securities. The Fund manager specialises in investment in Emerging Europe and uses a bottom-up approach that incorporates both stock and sector views. The stock-picking style uses proprietary valuation models, target prices, stock market capitalisation, liquidity and view on management's quality.

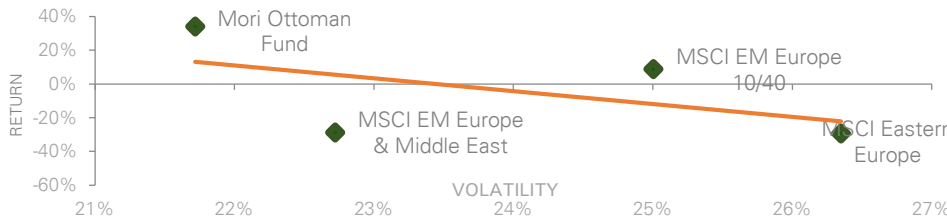
Investment Process

- 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

5-Year Rolling Returns¹ (Since Inception to 31 January 2017, A Share Class: Monthly, %)



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



Performance² (%)

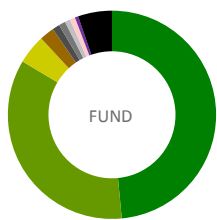
	1mth	3mth	6mth	YTD	2016	Since Inception
Fund	-0.3%	4.8%	12.1%	-0.3%	18.2%	33.5%
Index	-0.6%	11.5%	19.0%	-0.6%	29.5%	8.1%

Annual Performance³ (%)

	2015	2014	2013	2012	2011	2010	2009	2008	2007
Fund	-1.1%	-7.1%	-8.9%	41.2%	-24.8%	19.6%	73.1%	-56.3%	33.2%
Index	-5.0%	-19.7%	-8.5%	25.5%	-21.9%	26.2%	84.1%	-65.1%	21.0%

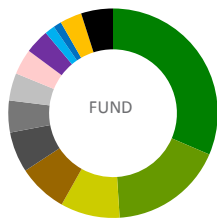
Portfolio Overview⁴ (%)

Country Breakdown



Country	% of Port.	vs. Index
Russia	46.9	-10.5
Turkey	33.9	19.5
Czech Republic	4.4	1.8
Romania	2.2	2.2
Poland	1.1	-15.7
Austria	1.0	1.0
Ukraine	0.8	0.8
Greece	0.8	-3.8
Kazakhstan	0.5	0.5
Cash	5.1	5.1

Sector Breakdown



Sector	% of Port.	vs. Index
Financials	32.6	-0.1
Energy	18.2	-17.8
Materials	9.5	-0.3
Industrials	7.9	6.3
Consumer Staples	6.5	0.5
Consumer Discretionary	5.1	1.4
Telecommunications	4.4	-0.7
Real Estate	4.1	3.6
Utilities	3.9	0.5
Health Care	1.6	0.5
Information Technology	1.3	1.3
Index Derivatives	-3.5	-3.5
Cash	5.1	5.1

Fund Summary

Fund Type	UCITS IV
Domicile	Dublin
Currency	EUR
Index	MSCI EM Europe 10/40 Index
Fund Manager	Aziz Unan (Since inception)
Launch Date	3 January 2006
AUM	EUR 49.5m

Portfolio Characteristics

	Fund	Index
(%) Volatility	21.6	25.0
(%) Active Share	58.6	
(%) Tracking Error	12.1	
Information Ratio	0.16	

Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	7.0	7.9
Price to Book	1.4	1.0
Return on Equity	14.3	13.4
Dividend Yield	7.0	3.5

Top 10 Holdings

Gazprom	9.0
Sberbank	8.9
Lukoil	5.2
Halkbank	4.4
Isbank	3.8
Karsan	3.2
Garanti	2.5
Vakifbank	2.4
Turk Telekom	2.2
Tupras	2.0

Market Cap

> 5 Bln	45.3%
1-5 Bln	21.6%
< 1 Bln	26.7%

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 (C Share Class), net of fees, except since inception (A EUR Share Class). ³ Performance based on monthly total returns in EUR, net of fees, A share class. ⁴ Table weights shown adjusted for delta exposure, pie chart shows table weights to 100. 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 of 31 January 2017.

Mori Ottoman 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 Mori Ottoman Fund decreased 0.3% 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) and we see good value in our Romanian holdings.

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

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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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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 Fee	1.75% (A), 2.00% (AA), 1.25% (C)
Performance Fees	15% of increase over highest of any previous quarter end NAV (A)
Initial Min. Investment	€, £ 10,000 (A, 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	03.01.06
AA GBP	10.05.13
C EUR	01.06.12
C USD	01.06.12
C GBP	01.11.12
Launch Price	
A EUR	100.0
AA GBP	10.00
C EUR	10.00
C USD	10.00
C GBP	10.00
Current NAV	
A EUR	133.48
AA GBP	9.03
C EUR	11.15
C USD	10.81
C GBP	10.47
Bloomberg Codes	
A EUR	GRIOTTO ID
AA GBP	RAOTAAG ID
C EUR	RAOTTCE ID
C USD	RAOTTCCU ID
C GBP	RAOTTCCG ID
ISIN Codes	
A EUR	IE00B0T0FN89
AA GBP	IE00B87G5S97
C EUR	IE00B8G12179
C USD	IE00B4XYZP64
C GBP	IE00B87PYK12