

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.

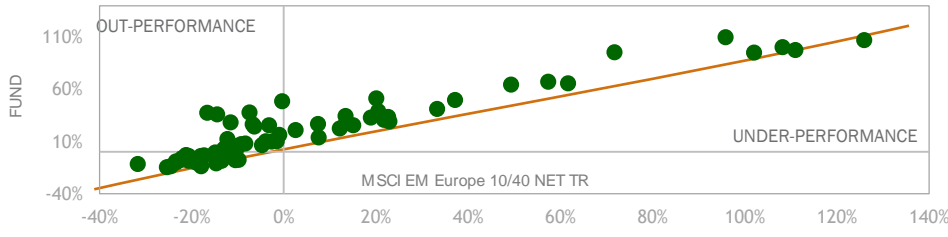
Fund Objective

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.

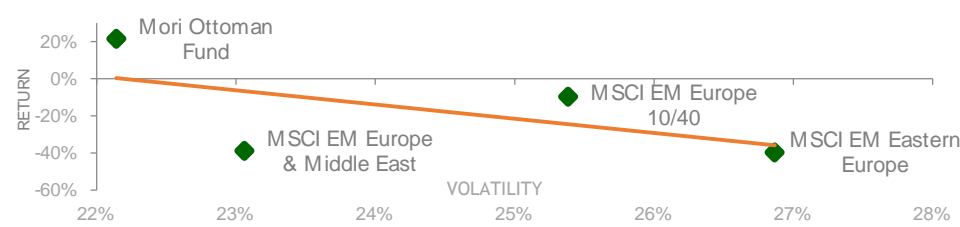
Investment Process

- 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 Returns⁴ (Since Inception to 30 September 2016, A Share Class: Monthly, %)



Total Return / Volatility⁴ (Since Inception to 30 September 2016, A Share Class, %)



Performance² (%)

	1mth	3mth	6mth	YTD	2015	Since Inception
Fund	1.4%	1.8%	3.8%	8.7%	-1.1%	23.8%
Index	0.5%	3.3%	2.0%	11.1%	-5.0%	-6.7%

Annual Performance³ (%)

	2014	2013	2012	2011	2010	2009	2008	2007	2006
Fund	-7.1%	-8.9%	41.2%	-24.8%	19.6%	73.1%	-56.3%	33.2%	7.0%
Index	-19.7%	-8.5%	25.5%	-21.9%	26.2%	84.1%	-65.1%	21.0%	25.3%

Portfolio Overview⁴ (%)

	% of Port.	vs. Index
Country Breakdown		
Turkey	37.0	19.4
Russia	36.2	-19.2
Czech Republic	4.0	1.8
Romania	2.2	2.2
Austria	1.4	1.4
Poland	1.3	-14.7
Greece	1.0	-3.7
Ukraine	0.9	0.9
Other	0.7	0.7
Cash Equivalents	4.9	4.9
Sector Breakdown		
Financials	31.1	-2.7
Energy	13.6	-20.6
Materials	12.2	3.4
Industrials	8.4	6.5
Consumer Staples	7.3	0.1
Telecommunications	5.3	-0.1
Real Estate	5.0	4.3
Consumer Discretionary	4.5	0.5
Utilities	3.6	0.6
Health Care	2.2	1.1
Information Technology	1.1	1.2
Index Derivatives	10.4	10.4
Cash & Equivalents	4.9	4.9

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 47.1m

Portfolio Characteristics

	Fund	Index
(%) Volatility	21.9	25.1
(%) Active Share	53.5	
(%) Tracking Error	12.3	
Information Ratio	0.22	

Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	8.4	10.5
Price to Book	1.2	1.5
Return on Equity	14.2	6.9
Dividend Yield	3.4	4.1

Top 10 Holdings

Gazprom	8.0
Sberbank	7.3
Lukoil	4.6
Halkbank	4.0
Isbank	3.3
Vakifbank	2.9
Turk Telekom	2.9
Karsan	2.8
Petkim	2.6
Haci Omer Sabanci	2.3

Market Cap

> 5 Bln	49.9%
1-5 Bln	19.7%
< 1 Bln	25.5%

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 30 September 2016.

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Performance

All eyes were on the US Fed and the language they used in their statement in September. The Fed stayed mute last month, which led to a short term rebound in equities, but hinted that there could be an interest rate hike by the end of the year. News regarding Deutsche Bank troubles, however, took centre stage toward the end of September, which put a cap on equity markets. Most major Emerging European indices closed the month in red with the exception of Russian equities. The net asset value of the Mori Ottoman Fund increased by 1.4% in euro terms (C share-class) in September, outperforming the MSCI Emerging Europe 10/40 Index which was up 0.5%.

We are pleased to inform our investors that during the course of last month, Mori Ottoman Fund received industry recognition from two prestigious fund selectors across Europe. Mori Ottoman Fund received two gold medals from Sauren Fund Manager Ratings-2016 for excellent fund management in the category "Equity Emerging Markets". Furthermore, Feri EuroRating Services nominated Mori Ottoman Fund in the category "Central/Eastern Europe" for the FERi EuroRating Awards 2017 in Germany and Austria. This places Mori Ottoman Fund among the best five of its category.

Portfolio Activity

In Russia, we actively traded Gazprom shares as there was news flow that Ministry of Finance may demand minimum 50% of net profits from state owned companies to be distributed in the form of dividends regardless of the investment program. Close followers may recall that Gazprom requested an exemption early this year for 2015 dividends citing the company's investments. Based on our projections and assumption of a 25-30% payout ratio, Gazprom stock is yielding about 5-6% in dividends per annum at the current share price. Obviously, increasing the payout ratio would have a significant positive impact on the dividend yields. We took the mid-month market weakness to top up on the Bank St. Petersburg position as we continue to believe that it is one of the cheapest banks in the region. We locked in some profits in the Russian retailer X5 after the stock's stellar performance since the beginning of July.

The credit ratings agency Moody's proved to be moody and, in an unexpected move, cut Turkey's rating to one notch below investment grade. This move came only a few days after the agency made a number of positive remarks about the country. The rating cut led to a short term sell-off in Turkish equities during the last week in September. However, our hedges helped weather this surprise move last month.

After updating our projections and valuation in view of the recently released financials, we decided to buy Erste Bank stock. Although we think revenue growth outlook remains challenging in many of Erste's markets, in our view, the bank's profitability is recovering quickly due to improvements of the loan book.

The Polish market was the worst performing exchange last month. Our light positioning in Poland contributed to the fund's outperformance as we have shied away from most Polish stocks during the course of 2016 due to their rich valuation

Outlook

We think Moody's move on Turkey's credit rating may result in a short term technical rebalancing for index tracking funds and ETFs. However, we think company valuations and several macroeconomic fundamentals are too strong to ignore with inflation and the current account deficit declining and the country will still likely post a GDP growth of about 3.5% despite a very challenging domestic, regional and global economic and political environment. Russian ruble and hence equities would likely benefit from oil price trying to break through USD 50 per barrel in the short term. On the global front, the upcoming US presidential elections in November will likely be closely watched by the capital markets.



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SOURCE: Bloomberg as of 30 September 2016, 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 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*	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	123.78
AA GBP	8.42
C EUR	10.32
C USD	10.40
C GBP	9.74
Bloomberg Codes	
A EUR	GRIOTTO ID
AA GBP	RAOTAAG ID
C EUR	RAOTTCE ID
C USD	RAOTTCC ID
C GBP	RAOTTCC ID
ISIN Codes	
A EUR	IE00B0T0FN89
AA GBP	IE00B87G5S97
C EUR	IE00B8G12179
C USD	IE00B4XYZP64
C GBP	IE00B87PYK12