

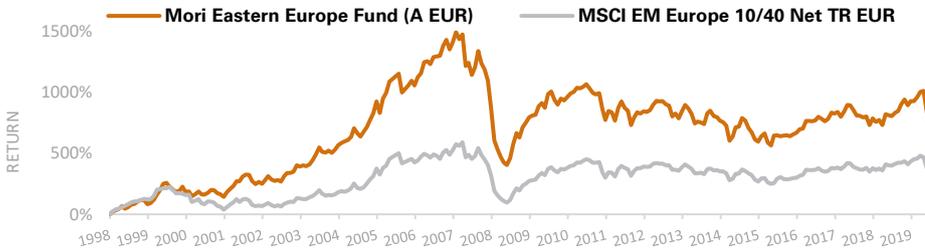
# Mori Eastern European Fund



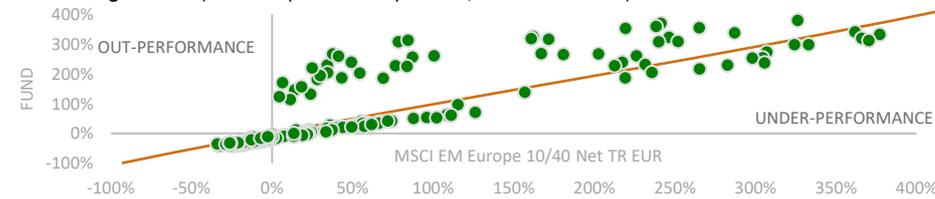
## Fund Objective

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.

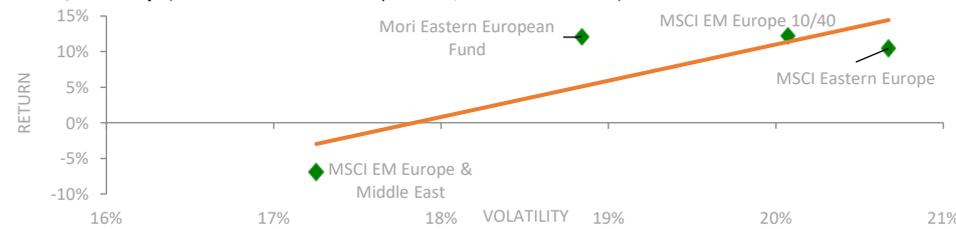
## Historical Performance<sup>1</sup> (Since inception to 30 April 2020, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 30 April 2020, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 30 April 2020, EUR M-Share Class)

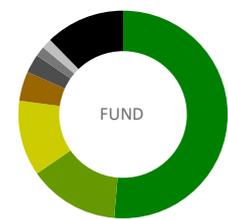


## Performance<sup>4</sup> (%)

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	7.5%	-25.1%	-10.8%	-8.5%	-6.9%	-7.1%	-25.3%	726.2%
Index	10.4%	-27.5%	-13.8%	-7.4%	-7.7%	-5.3%	-9.0%	340.9%

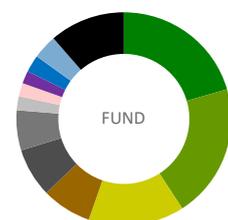
## Portfolio Overview<sup>5</sup> (%)

### Country Breakdown



	% of Port.	vs. Index
Russia	49.4	-12.7
Turkey	13.5	4.1
Poland	11.3	-4.9
Greece	4.4	-0.2
Multinational	2.8	2.8
Ukraine	1.5	1.5
Czech Republic	1.5	-0.9
Hungary	0.0	-5.2
Cash & Equivalents	11.8	11.8

### Sector Breakdown



	% of Port.	vs. Index
Energy	21.3	-15.4
Financials	21.1	-2.0
Materials	15.0	-2.2
Telecommunications	7.8	2.6
Consumer Staples	7.7	0.7
Industrials	6.3	5.2
Real Estate	2.2	2.2
Information Technology	2.1	-0.4
Consumer Discretionary	2.0	-1.2
Others	2.7	-1.2
Derivatives	-3.8	-3.8
Cash & Equivalents	11.8	11.8

## 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

## Fund Summary

Fund Type	UCITS
Domicile	Dublin
Currency	EUR
Index	MSCI EM Europe 10/40 Net TR EUR
Fund Manager	Aziz Unan (Since January 2015)
Launch Date	7 October 1998 (A)
AuM	EUR 57.6m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	18.8	20.1
(%) Active Share	49.8	
(%) Tracking Error	5.0	
Information Ratio	0.1	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	6.3	7.3
Price to Book	1.9	0.9
Return on Equity	30.9	13.7
Dividend Yield (12 months forward)	4.8	6.3

## Top 10 Holdings

Lukoil	7.8
Sberbank	6.3
Norilsk Nickel	4.4
Gazprom	4.1
PKO	3.5
Novatek	3.3
Wisdomtree Gold	2.8
PZU	2.8
MTS	2.7
Vakifbank	2.7

## Market Cap

> 5 Bln	49.8%
1-5 Bln	21.7%
< 1 Bln	16.7%

<sup>1</sup> Cumulative total returns in EUR (A Share Class), net of fees, excluding initial charge. <sup>2</sup> Performance based on total returns in EUR (A Share Class), net of fees, excluding initial charge. <sup>3</sup> Performance based on monthly total returns in EUR (M Share Class), net of fees, excluding initial charge. <sup>4</sup> Performance based on monthly total returns in EUR (M Share Class), net of fees, except 5-Year, 10-Year & since inception (A EUR Share Class). Benchmark index was the MSCI EM Europe Index to December 2008, then MSCI EM Europe 10/40 Net Total Return Index. <sup>5</sup> 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 and Northern Trust as at 30.04.2020.

# Mori Eastern European Fund



## Performance

Following the sell-off in late February and March, stock markets attempted to recover in April. We are truly living in extraordinary times that bring events and experiences for the first time in history. First of all, we all hope our partners, readers and followers are keeping safe and healthy during these difficult times. Oil price futures in the US dipped and even traded negative on April 20 and 21, falling as low as USD -40 and USD -17, respectively. This apparently happened for the first time because the contract holders who were not able to take physical delivery of oil were willing to pay the buyers (i.e. negative price of the future contracts). President Trump announced a USD 484 billion package to support the US oil producers, which helped the WTI oil price to settle at between USD 10-20 for the remainder of April. The net asset value of Mori Eastern European Fund increased by 7.5% in euro terms (M share class) in April, while the MSCI Emerging Europe 10/40 Total Return Index was up 10.4% on the month.

## Portfolio Activity

Russian indices outperformed their regional peers in April, as the Russian ruble appreciated last month in line with some stabilization and a rebound of oil prices towards the end of the month. Sberbank released its financials for the first quarter of 2020. Net income negatively surprised us and the street based on higher than expected provisions set aside for potential deterioration of the loan book. We reduced our exposure to Sberbank as we think that the bank may continue to set aside more provisions in the coming quarters as the Covid-19 pandemic came later to Russia and we think it will hit the country more in the second quarter.

We actively traded MLP Saglik Hizmetleri, which runs one of the largest private hospital chains in Turkey. Its stock price came down indiscriminately during the March sell-off despite its defensive nature. We also topped up Koza Altin in April. Koza Altin is one of the lowest cash cost producers we know of, has no debt and its cash position accounted for more than 40% of its market capitalization last month based on our projections.

## Outlook

Covid-19 pandemic statistics were improving somewhat in countries like Italy and Spain at the end of April, while the number of cases and deaths were on the rise in the US and the UK. The latest PMI figures released point to a significant contraction across the globe. Thus, a number of countries announced the relaxation of lockdown measures and the gradual opening of their economies starting from mid-May. The balance sheets of the major central banks have been expanding exponentially and national debts are on the rise, with governments spending to levels that have not been seen in many countries before. In this environment, we continue to believe that gold and gold-related securities should do well. We saw what happened to the price of oil last month, when investors could not take physical delivery of the commodity. The situation in the gold market seems to be the opposite where the "paper gold" is significantly bigger than the physical market. Can one imagine what may happen to the gold price if investors demand physical delivery of their gold? We wish our readers a healthy and happy May!

## Contacts

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**SOURCE:** Bloomberg as of 30 April 2020, unless stated otherwise. **Past performance is not a guide to future returns.**

<b>Please Note</b>	For professional investors only This investment is not for sale to US persons in the US
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Fund Facts	
Management Fees	1.65% (A), 1.75% (B) 2.0% (AA), 1.25% (C, M)
Performance Fees	Class A: 15% of the NAV per Share increase over the higher of (1) the highest NAV per Share on any preceding Calculation day or (2) the Benchmark NAV (EUR 3 Month LIBOR). Class B: 20% of the outperformance of the NAV per Share to the percentage return of the MSCI EM Europe 10/40 Total Return Index (EUR) (MN40MUE Index) in the period from the preceding Calculation Day – subject to a clawback provision) AA, C and M share classes: no performance fee.
Initial Min. Investment	€, £ 10,000 (B, AA) €, £, \$ 1,000,000 (C, M)
Dealings	Daily
Redemptions	Daily
Dealing Day Cut-Off	10:00am Irish Time
Settlement	T+3 T+4 (GBP share classes)
Redemption Fee	0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges	0%
Launch Date	
A EUR	07.10.1998
AA GBP	02.03.2012
B EUR	27.11.2009
C GBP	02.03.2012
M EUR	01.09.2016
Current NAV	
A EUR	422.42
AA GBP	8.50
B EUR	89.55
C GBP	9.99
M EUR	112.12
Bloomberg Code	
A EUR	GRIEEUI ID
AA GBP	RAMEAAG ID
B EUR	GRIEEUB ID
C GBP	RAMEECG ID
M EUR	RAMEEME ID
ISIN Code	
A EUR	IE0002787442
AA GBP	IE00B74GCZ17
B EUR	IE00B53RTW70
C GBP	IE00B762ZY72
M EUR	IE00BD03V952

Signatory of:

