

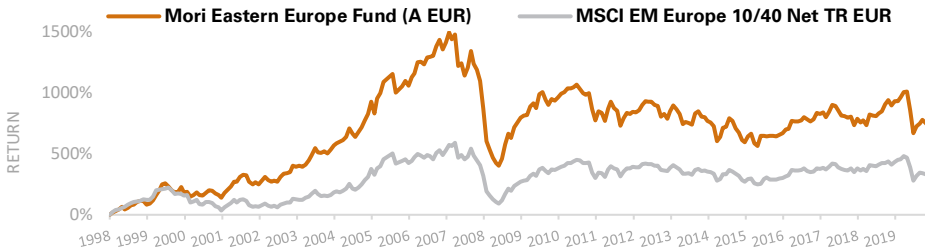
# Mori Eastern European Fund



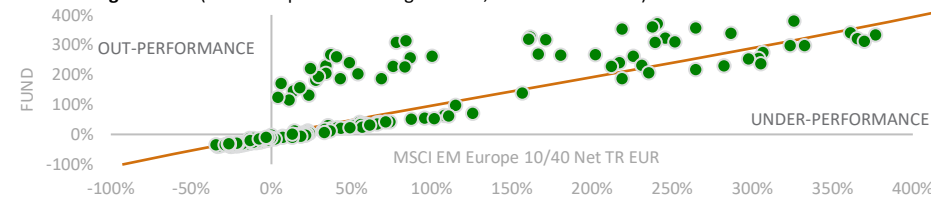
## Fund Objective

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.

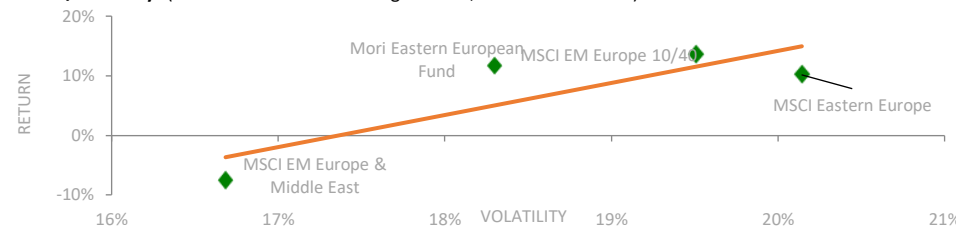
## Historical Performance<sup>1</sup> (Since inception to 31 August 2020, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 31 August 2020, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 31 August 2020, EUR M-Share Class)



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

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	-3.1%	-25.3%	-16.9%	-0.3%	-10.9%	15.4%	-20.5%	721.8%
Index	-1.0%	-26.6%	-16.3%	-0.4%	-6.9%	16.5%	-4.4%	346.4%

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

Country Breakdown	% of Port.	vs. Index
Russia	47.1	-18.9
Turkey	18.1	10.5
Poland	11.6	-4.6
Multinational	6.8	6.8
Greece	4.9	1.9
Czech Republic	1.7	-0.6
Ukraine	1.2	1.2
Hungary	0.0	-4.7
Cash & Equivalents	6.4	6.4

## Sector Breakdown

Sector Breakdown	% of Port.	vs. Index
Financials	21.4	1.1
Energy	20.1	-14.6
Materials	17.8	2.2
Consumer Staples	8.8	1.4
Industrials	6.2	5.4
Telecommunications	5.8	1.0
Consumer Discretionary	3.4	0.9
Information Technology	2.7	-7.6
Diversified	2.5	1.6
Others	2.2	1.7
Derivatives	-2.0	-2.0
Cash & Equivalents	6.4	6.4

## 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 56.5m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	18.3	19.5
(%) Active Share	54.5	
(%) Tracking Error	5.8	
Information Ratio	0.0	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	6.8	9.5
Price to Book	1.0	1.2
Return on Equity	15.2	12.2
Dividend Yield (12 months forward)	3.8	4.2

## Top 10 Holdings

Lukoil	7.4
Sberbank	6.2
Wisdomtree Gold	4.2
Norilsk Nickel	3.8
Gazprom	3.6
PKO	3.6
Novatek	3.3
Mail.Ru Group	2.7
MTS	2.7
Wisdomtree Silver	2.7

## Market Cap

> 5 Bln	51.4%
1-5 Bln	25.6%
< 1 Bln	16.6%

<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 31.08.2020.

# Mori Eastern European Fund



## Performance

Momentum in the markets dropped as the summer season settled in, with daily volumes in some of the markets decreasing significantly. Czech, Polish and Greek equities closed the month in positive territory, while Hungarian and Turkish indices posted losses. Geopolitical noise increased in the East Mediterranean between Turkey and Greece, which spooked investor confidence somewhat at the end of the month. Having printed an all-time high on 6th of August at USD 2,063 per ounce, the gold price dropped to below USD 2,000 per ounce again as short term traders took the chance to realise some gains in gold. The net asset value of Mori Eastern European Fund declined by 3.1% in euro terms (M share class) in August, while the MSCI Emerging Europe 10/40 Total Return Index was down 1% on the month.

## Portfolio Activity

While our Polish utility stocks were strong contributors in July due to the positive news flow from the government, the announcements that came in August were contradictory and resulted in a sharp sell-off of these stocks last month. The news flow may swing the sentiment for the names yet again. Either way, we believe the Polish utility stocks we hold are highly undervalued and offer decent upside to our fair value estimates.

Oil price was flat during the course of August. The recent macroeconomic figures coming from Russia have so far been better than the market consensus. However, the Russian ruble depreciated against the US dollar and the euro, which we think could be due to politics in light of the Navalny case.

In Turkey, we added Koc Holding to the portfolio as the stock's discount to its underlying net asset value hit a historical high last month.

## Outlook

President Trump claims that the US is very close to producing an effective Covid-19 vaccine. Any tangible positive development may obviously have a positive impact on the markets in the short term. Either way, we believe Emerging European equities trade at a significant discount to both developed and other emerging markets while offering similar returns on equity and superior dividend yields.

## Contacts

Investor Relations	Mori Capital Management Limited Regent House, Office 35 Bisazza Street, Sliema SLM 1640 Malta	+356 2033 0110 <a href="mailto:info@mori-capital.com">info@mori-capital.com</a>
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**SOURCE:** Bloomberg as of 31 August 2020, 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](mailto: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, 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	420.20
AA GBP	8.72
B EUR	89.05
C GBP	10.23
M EUR	111.68
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:

