

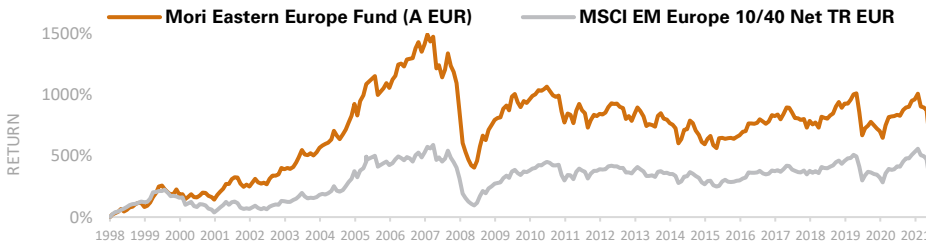
# Mori Eastern European Fund



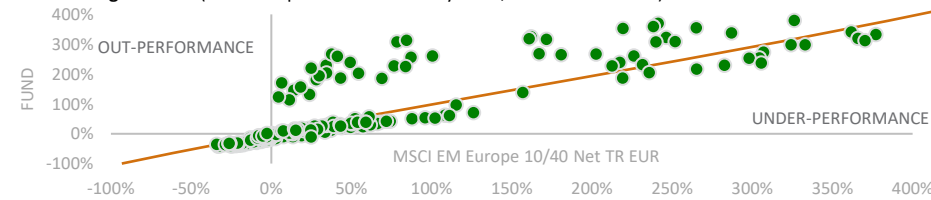
## Fund Objective

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.

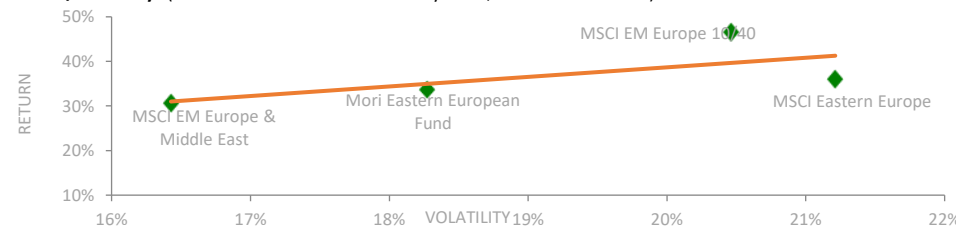
## Historical Performance<sup>1</sup> (Since inception to 25 February 2022, EUR A-Share Class)



## 5-Year Rolling Returns<sup>2</sup> (Since inception to 25 February 2022, EUR A-Share Class)



## Return / Volatility<sup>3</sup> (Since launch date to 25 February 2022, EUR M-Share Class)

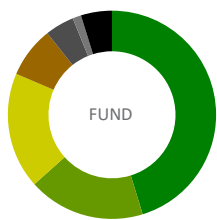


## Performance<sup>4</sup> (%)

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	-21.1%	-22.4%	-16.2%	-18.7%	-14.4%	-8.7%	-24.8%	671.8%
Index	-24.8%	-27.7%	-11.7%	-15.5%	-13.4%	-6.1%	-12.8%	332.9%

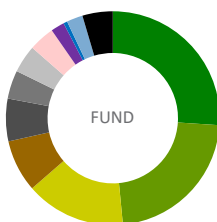
## Portfolio Overview<sup>5</sup> (%)

### Country Breakdown



	% of Port.	vs. Index
Russia	44.1	-10.3
Poland	17.7	-2.6
Turkey	17.6	10.2
Greece	7.7	0.6
Multinational	4.4	4.4
Ukraine	1.3	1.3
Czech Republic	0.0	-4.3
Hungary	0.0	-6.5
Cash & Equivalents	4.7	4.7

### Sector Breakdown



	% of Port.	vs. Index
Energy	26.7	-4.1
Financials	23.0	-3.5
Materials	15.5	-2.5
Industrials	8.1	7.7
Consumer Staples	6.6	1.2
Diversified	4.4	3.7
Telecommunications	4.3	-0.3
Consumer Discretionary	4.0	-1.1
Utilities	2.1	-2.3
Others	0.6	-3.4
Index Derivatives	-2.5	-2.5
Cash & Equivalents	4.7	4.7

## 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 45.1m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	20.5	23.2
(%) Active Share	53.5	
(%) Tracking Error	6.5	
Information Ratio	-0.1	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	4.9	4.7
Price to Book	1.3	0.9
Return on Equity	21.3	14.1
Dividend Yield (12 months forward)	5.7	5.9

## Top 10 Holdings

Lukoil	7.7
PKO	7.6
Gazprom	7.4
Novatek	4.5
Sberbank	4.3
Severstal	3.9
PZU	3.8
Norilsk Nickel	3.8
Mytilineos	3.3
Alior Bank	2.7

## Market Cap

> 5 Bln	54.7%
1-5 Bln	26.5%
< 1 Bln	15.4%

<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 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 25.02.2022.

# Mori Eastern European Fund



**IMPORTANT SHAREHOLDER NOTIFICATION:** In view of the tragic events in Ukraine and in the best interest of the investors, the Board of Mori Umbrella Fund Plc decided to temporarily suspend the determination of the Net Asset Value of the Fund and daily dealing in respect of the Fund with effect from 28 February 2022. Investors can read the announcement through this link: <https://www.mori-capital.com/other-documents>

## Performance

The world was shocked as Russia started a full-scale military operation into Ukraine on February 24. Based on media reports, geopolitical noise and the risk of a potential Russian invasion had increased in recent weeks. However, the general opinion, including ours, was that a potential military operation would be limited to the Donbass (Eastern Ukraine) region. Thus, the full-scale operation created shock waves across the globe. Trading on the Moscow Stock Exchange (MOEX) has been suspended since 28 February. Central Bank of Russia also announced that non-resident investors are temporarily banned from selling Russian securities. Hence, even when trading on MOEX resumes, foreign investors may still be unable to sell Russian securities until the ban is lifted.

The West imposed several sanctions on Russia following the start of its invasion of Ukraine. Amongst many imposed on Russia's political elite and oligarchs close to the Kremlin, several Russian banks have been removed from the SWIFT system. As a defensive measure to reduce the impact of any market disruption, we have always kept a balanced holding of Russian securities between the Russian local market and global depository receipts (GDRs), which are traded on the London Stock Exchange. However, this strategy did not work under the current circumstances as London Stock Exchange also suspended trading of all Russian securities. The net asset value of **Mori Eastern European Fund** lost 21.1% (Euro M-Class) last month to February 25, whilst the MSCI Emerging Europe 10/40 TR Index was down 24.8% during the same period.

## Portfolio Activity

Crude oil quickly rallied over US\$ 100 per barrel in February as events unfolded in Ukraine and hit almost US\$ 140 per barrel shortly before we went to print. Depending on how long the conflict lasts, there is a good chance that the world could go through a crisis similar to the 1973 oil shock. Based on industry reports, Russia is producing some 9% of global oil consumption. In terms of gas, Europe gets 40% of its gas needs from Russia. Some countries are even more dependent on Russian gas. Germany, Europe's 'locomotive', reportedly gets 49% of its gas needs from Russia. Therefore, whilst the US has been pushing for sanctions on Russian oil and gas, such a move has so far been resisted by European countries. In recent months, we have consolidated and limited a significant part of our Russian exposure to the dominant companies in their respective sectors such as Gazprom, Novatek, Lukoil, Surgutneftegas and Severstal. Our thinking was: these companies sell more than 70% of their production in international markets, are hard currency earners and cutting off these companies from the global supply would have a severe impact on the global economy and perhaps would have a severe inflationary impact across the world.

## Outlook

As the Russia/Ukraine situation is currently very fluid, we closely monitor the announcements from the West and Russia with regards to sanctions and the potential impact on our Russian holdings. We do hope that related parties come to a much needed compromise and the ongoing humanitarian tragedy is ended immediately.

## Contacts

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SLM 1640 Malta



**SOURCE:** Bloomberg as of 25 February 2022, 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 12 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	394.64
AA GBP	7.74
B EUR	83.51
C GBP	9.07
M EUR	105.51
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:

