

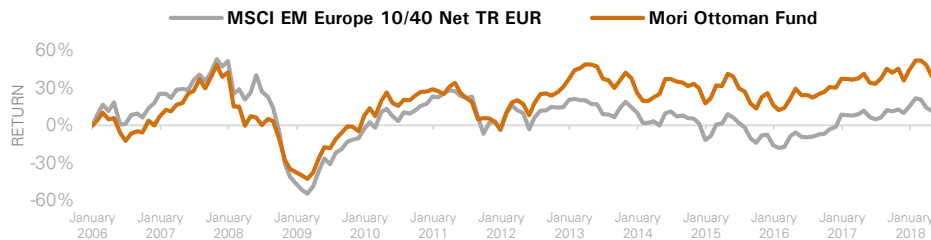
Mori Ottoman Fund



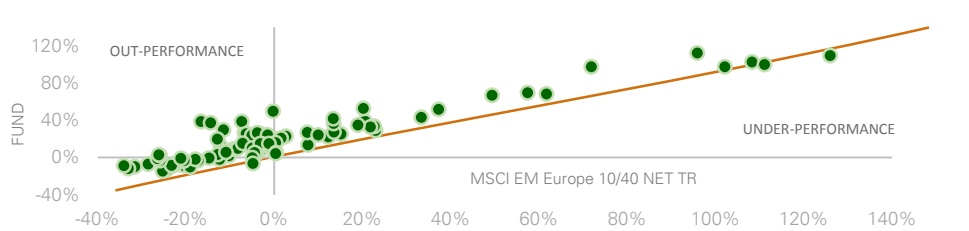
Fund Objective

The Fund seeks long-term capital appreciation through investment primarily in a portfolio of Emerging European securities. The Fund may also invest opportunistically Middle East and North Africa region securities from time to time. 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.

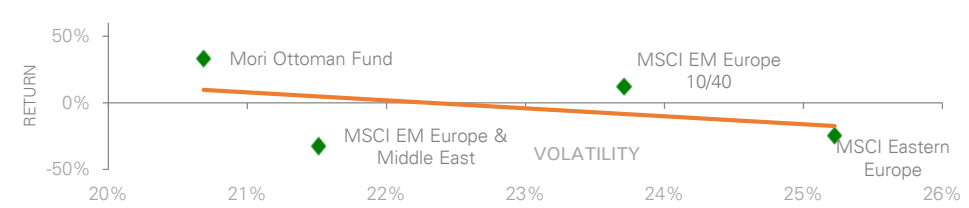
Historical Performance¹ (Since Inception to 31 July 2018, EUR A-Share Class)



5-Year Rolling Returns² (Since Inception to 31 July 2018, EUR A-Share Class)



Return / Volatility² (Since Inception to 31 July 2018, EUR A-Share Class)

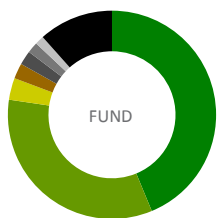


Performance³ (%)

	1mth	YtD	1Yr	2Yr	3Yr	5Yr	10Yr	Since Inception
Fund	-1.8%	-7.4%	-2.8%	12.8%	8.4%	1.3%	26.7%	33.3%
Index	3.6%	-2.3%	5.7%	23.6%	14.2%	3.4%	-8.5%	12.3%

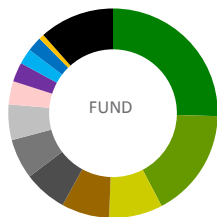
Portfolio Overview⁴ (%)

Country Breakdown



	% of Port.	vs. Index
Russia	43.8	-11.7
Turkey	33.6	22.0
Czech Republic	3.4	0.3
Greece	2.4	-2.8
Romania	2.2	2.2
Poland	1.7	-18.4
Ukraine	1.4	1.4
Hungary	0.0	-4.6
Cash & Equivalents	11.6	11.6

Sector Breakdown



	% of Port.	vs. Index
Financials	25.5	-3.8
Energy	16.9	-21.5
Telecommunications	8.3	3.7
Consumer Discretionary	7.4	3.6
Industrials	6.7	5.1
Consumer Staples	6.2	0.6
Materials	5.5	-5.7
Real Estate	3.6	3.4
Utilities	3.0	-0.1
Information Technology	2.4	1.2
Diversified	2.3	1.1
Health Care	0.8	0.8
Cash & Equivalents	11.6	11.6

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 Index
Fund Manager	Aziz Unan (Since inception)
Launch Date	3 January 2006
AUM	EUR 39.1m

Portfolio Characteristics

	Fund	Index
(%) Volatility	14.7	15.5
(%) Active Share	63.0	
(%) Tracking Error	7.6	
Information Ratio	0.2	

Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	6.1	7.1
Price to Book	1.3	1.0
Return on Equity	19.7	11.1
Dividend Yield (12 months forward)	4.4	5.2

Top 10 Holdings

Lukoil	8.6
Sberbank	8.3
Gazprom	4.9
Karsan	2.9
MTS	2.8
Moneta Bank	2.6
Vakifbank	2.4
Mail.Ru	2.4
Yandex	2.4
Isbank	2.3

Market Cap

> 5 Bln	40.5%
1-5 Bln	30.1%
< 1 Bln	17.7%

¹ Cumulative total return, net of fees, of the A EUR Share Class until 11 July 2012, then C EUR Share Class. ² Performance based on monthly total returns in EUR (A Share Class), net of fees, excluding initial charge. ³ Performance based on monthly total returns in EUR (C Share Class), net of fees, except 5-Year, 10-Year & since inception (A EUR 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 and Northern Trust as of 31.07.2018.

Mori Ottoman Fund



Performance

Emerging European equity indices diverged greatly in July primarily because of the news flow coming from the US administration. This time around, the US Vice President and later the President threatened Turkey with “consequences” over the detained Pastor Brunson case. The positive performance and the momentum post the June 24 election was, therefore, short lived, and all Turkish assets were heavily sold off with the Turkish index losing as much as 13% in mid-July before showing some recovery. Polish equities shone last month with the index recording over 10% gain in euro terms. Strong oil prices supported the Russian equities. However, there were some news articles citing US officials that the US was preparing a new round of sanctions against Russia. The net asset value of Mori Ottoman Fund was down 1.8% in euro terms (C share class) in July, while the MSCI Emerging Europe 10/40 Index added 3.6% during the same period.

Portfolio Activity

Our overweight positioning in Turkey and underweight positioning in Polish stocks primarily caused the fund’s underperformance in July. Turkish markets started the month in a positive mood on the back of the clear outcome of the elections held on June 24 and better-than-expected macroeconomic data. However, the party was jeopardised by new US threats, this time against Turkey. While our currency hedging in Turkish lira helped, we still took our share of the beating as the assets were sold-off indiscriminately. We topped up our positions in export-driven Arcelik and Tofas Fabrika, as their stocks were also sold off but we still believe the weaker lira and high share of hard currency revenues will improve their operating margins in the coming quarters. After a long time, we also initiated a position in Garanti Bank, which posted stellar results for the first half of 2018 and it was trading at less than 0.6 times its book value and some 4 times estimated 2018 earnings. We also bought Ege Endustri, which manufactures axles and suspension parts for the automobile industry and some 90% of its sales comes from exports in hard currencies. The company has net cash position and distributes handsome dividends.

Central European and, particularly, Polish equities strongly outperformed last month, which we think may be attributable to a “safe haven” perception. However, we do not see too much logic to buy a Polish banking stock at 1.5 times book value, while we can buy quality Turkish or Russian peers at 0.4-0.5 times book value, for example. In Russia, we continued to take profits in steel maker Evraz as the stock price continued to rise. Whilst we still like the company, we think that a lot of the positive expectations are already priced in.

Outlook

While we appreciate the obvious benefits of social media, as it provides alternative channels of information, we also see a lot of information pollution with rumours and news that further fuel the volatility during times of high market stress. Unfortunately, we are living through a time when a short tweet can cause a massive spike in financial asset prices, as the world is trying to find a new equilibrium in power. However, we are confident about the companies we invest in, as they have demonstrated strong management and growth during good and bad times in the last few decades, and several of them trade at multiples that were seen during times of global crisis in the past.



Contacts

Investor Relations Mori Capital Management Limited +356 2033 0110
 Regent House, Office 35 info@mori-capital.com
 Bisazza Street, Sliema
 SLM 1640 Malta

SOURCE: Bloomberg as of 31 July 2018, 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	0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges	0%
Launch Date	
A EUR	03.01.2006
AA GBP	10.05.2013
C EUR	01.06.2012
C USD	01.06.2012
C GBP	01.11.2012
Launch Price	
A EUR	100.00
AA GBP	10.00
C EUR	10.00
C USD	10.00
C GBP	10.00
Current NAV	
A EUR	133.32
AA GBP	9.43
C EUR	11.22
C USD	11.78
C GBP	11.04
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