



Mori Umbrella Fund plc
(an umbrella fund with segregated liability between sub-funds)

Open-ended umbrella
investment company with variable capital

MORI EASTERN EUROPEAN FUND
MORI OTTOMAN FUND
RENASSET AFRICA EX S.A. FUND (ceased trading 28 November 2016)

Annual Report and Audited Financial Statements
for the financial year ended 30 September 2018

Registration Number: 282792

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General Information

Directors

Andrew Edwards * (United Kingdom)
Annett Hermida * (Gibraltar)
Gareth Stafford * (United Kingdom)
Hugh Ward * (Ireland)
John Walley * (Ireland)

** Independent non-executive Directors.*

Registered Office

25/28 North Wall Quay
IFSC
Dublin 1, D01 H104
Ireland

Secretary

Goodbody Secretarial Limited
25/28 North Wall Quay
IFSC
Dublin 1, D01 H104
Ireland

Investment Manager**

Mori Capital Management Limited
Regent House, Office 35
Bisazza Street
Sliema SLM 1640
Malta

*** Mori Capital Management Limited is licensed and authorised by the Malta Financial Services Authority and approved to act as Investment Manager by the Central Bank of Ireland.*

Distributor

Mori Capital Management Limited
Regent House, Office 35
Bisazza Street
Sliema SLM 1640
Malta

Independent Auditor***

Grant Thornton
13-18 City Quay
Dublin 2, D02 ED70
Ireland

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2, D02 AY28
Ireland

**** Effective 23 February 2018, Grant Thornton was appointed Independent Auditor of the Company. Deloitte resigned as Independent Auditor on 19 February 2018.*

Depository

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2, D02 R156
Ireland

General Information (continued)

Administrator and Registrar	Northern Trust International Fund Administration Services (Ireland) Limited George's Court 54-62 Townsend Street Dublin 2, D02 R156 Ireland
Swiss Representative****	<p>Oligo Swiss Fund Services SA AV. Villamont 17 1005, Lausanne Switzerland</p> <p>First Independent Fund Services Limited Klausstrasse 33 8008, Zurich Switzerland</p> <p><i>**** Effective 1 January 2018, Oligo Swiss Fund Services SA replaced First Independent Fund Services Limited as Swiss Representative.</i></p>
Paying Agent in Switzerland	NPB New Private Bank Ltd Limmatquai 1 8022 Zurich Switzerland
Information Agent in Germany	German Fund Information Service UG ("GerFIS") Zum Eichhagen 4 21382 Brietlingen Germany
Paying Agent in Austria	Erste Bank der Oesterreichischen Sparkassen AG Graben 21 A-1010 Vienna Austria
Legal Advisors in Ireland	A&L Goodbody 25/28 North Wall Quay IFSC Dublin 1, D01 H104 Ireland
Legal Advisors in Germany	Freshfields Bruckhaus Deringer LLP Park Tower Bockenheimer Anlage 44 60323 Frankfurt am Main Germany
Sponsoring Stockbroker	Davy Stockbrokers Davy House 49 Dawson Street Dublin 2, D02 PY05 Ireland

Report of the Directors

For the financial year ended 30 September 2018

The Directors of Mori Umbrella Fund plc (the “Company”) present herewith their annual report and audited financial statements for the financial year ended 30 September 2018.

Directors’ Responsibilities Statement

The Directors are responsible for preparing the Directors’ report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (“relevant financial reporting framework”).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the Company’s financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors’ report comply with the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (“the UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (“the Central Bank UCITS Regulations”) and the Listing Rules of the Irish Stock Exchange (“ISE”), trading as Euronext Dublin, and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activities, Review of the Business and Future Developments

The Company is structured as an umbrella investment company and is authorised by the Central Bank of Ireland as an investment company pursuant to the UCITS Regulations. A detailed review of the Company’s activities for the financial year ended 30 September 2018 is included in the Reports of the Investment Manager. The Sub-Funds will continue to pursue their investment objectives as set out in the prospectus.

Accounting Records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the obligation to keep proper accounting records by employing personnel with appropriate expertise and the maintenance of computerised accounting systems. The accounting records of the Company are located at Northern Trust International Fund Administration Services (Ireland) Limited, George’s Court, 54-62 Townsend Street, Dublin 2, D02 R156.

Risk Management Objectives and Policies

The principal risks and uncertainties faced by the Company are assessed to be the risks related to financial instruments, which are disclosed in Note 9 of the financial statements.

Significant Events during the Financial Year

Effective 1 January 2018, Oligo Swiss Fund Services SA replaced First Independent Fund Services Limited as Swiss Representative.

Effective 23 February 2018, Grant Thornton was appointed Independent Auditor of the Company. Deloitte resigned as Independent Auditor on 19 February 2018 in line with the mandatory 10 year rotation as required by the Audit Directive S.I. (Statutory Instrument) 312 2016.

Report of the Directors (continued)

For the financial year ended 30 September 2018

Significant Events during the Financial Year (continued)

There were no other significant events to report during the financial year ended 30 September 2018.

Directors

The Directors who served at any time during the financial year, were as follows:

Andrew Edwards
Annett Hermida
Gareth Stafford
Hugh Ward
John Walley

Directors' and Secretary's Interests in Shares of the Company

No Director or Secretary had, at any time during the financial year or at the end of the financial year, a material interest in any contracts or agreements of any significance in relation to the business of the Company, as defined in the Companies Act 2014.

Revenue

The results of operations for the financial year are set out in the Income Statement on page 21.

Events since Financial Year End

An Amended Administration Agreement was issued on 5 October 2018.

There were no other subsequent events to report after the financial year ended 30 September 2018.

Dividends

The Directors do not intend to distribute dividends to Shareholders.

Independent Auditor

The independent auditor, Grant Thornton, was appointed during the financial year and expressed willingness to continue in office in accordance with section 383(2) of the Companies Act 2014.

Corporate Governance Statement

The Company is subject to and complies with Irish Statute comprising the Companies Act 2014, the UCITS Regulations, the Central Bank UCITS Regulations and the Listing Rules of the ISE. In December 2011, the Irish Funds ("IF") published a non-statutory Corporate Governance Code for Investment Funds and Management Companies ("IF Code") that may be adopted on a voluntary basis by Irish authorised investment funds. It should be noted that the IF Code reflects existing corporate governance practices imposed on Irish authorised investment funds.

The Board of Directors formally adopted the voluntary IF Code as the Company's corporate governance code effective from 1 January 2013. The IF Code may be inspected on/obtained from www.irishfunds.ie.

The Company made no political donations during the financial year (30 September 2017: none).

Financial Reporting Process - Description of Main Features

The Board of Directors (the "Board") is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator, Northern Trust International Fund Services (Ireland) Limited, to maintain the accounting records of the Company independently of the Investment Manager and the Depositary. The Administrator is contractually obliged to maintain proper books and records as required by the Administration Agreement. The Administrator is also contractually obliged to prepare for review and approval by the Board the Annual Report including financial statements intended to give a true and fair view and the half yearly financial statements.

Report of the Directors (continued)

For the financial year ended 30 September 2018

Corporate Governance Statement (continued)

Financial Reporting Process - Description of Main Features (continued)

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditor's performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process and the Administrator's report to the Board.

Risk Assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements.

Control Activities

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report. Examples of control activities exercised by the Administrator include approval of transactions, analytical procedures, reconciliations and automatic controls in IT systems. Prices for investments that are not available from external independent sources are subject to Directors' review and approval.

Information and communication

The Company's policies and the Board's instructions with relevance for financial reporting are updated and communicated via appropriate channels, such as e-mail correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner.

Monitoring

The Board receives regular presentations and reviews reports from the Depositary, Investment Manager and Administrator. The Board also has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditor.

Given the contractual obligations on the Administrator, the Board has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

The Board has not appointed, nor does it intend to appoint, a Director from the Company's Investment Manager as recommended in section 4.2 of the Corporate Governance Code. This decision is consistent with the Investment Manager's policy not to have a representative on the Board of any entities for which it provides investment management services and is intended to ensure the independence of the board.

Capital structure

No person has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital.

There are no restrictions on voting rights.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association and Irish Statute comprising the Companies Act 2014, the UCITS Regulations, the Central Bank UCITS Regulations and the Listing Rules of the ISE as applicable to investment funds. The Articles of Association themselves may be amended by special resolution of the Shareholders.

Powers of the Directors

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Administrator and other parties, subject to the supervision and direction by the Directors. The Directors have delegated the day to day administration of the Company to the Administrator and the investment management and distribution functions to the Investment Manager. Consequently, none of the Directors is an executive director.

The Articles of Association provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Investment Manager.

The Directors may, with the consent of the Depositary, at any time and from time to time temporarily suspend the calculation of the Net Asset Value ("NAV") of a particular Sub-Fund and the issue, repurchase and conversion of Shares in any of the following instances:

Report of the Directors (continued)

For the financial year ended 30 September 2018

Corporate Governance Statement (continued)

Powers of the Directors (continued)

- (a) during any period (other than ordinary holiday or customary weekend closings) when any market or Recognised Exchange is closed and which is the main market or Recognised Exchange for a significant part of investments of the relevant Sub-Fund, or in which trading thereon is restricted or suspended;
- (b) during any period when an emergency exists as a result of which disposal by the Company of investments which constitute a substantial portion of the assets of the relevant class is not practically feasible; or it is not possible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is not practically feasible for the Directors or their delegate to fairly determine the value of any assets of the relevant Sub-Fund;
- (c) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant Sub-Fund or of current prices on any market or Recognised Exchange;
- (d) when for any reason the prices of any investments of the relevant class cannot be reasonably, promptly or accurately ascertained; or
- (e) during any period when remittance of monies which will or may be involved in the realisation of or in the payment for any of the investments of the relevant class cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (f) upon mutual agreement between the Company and the Depositary for the purpose of winding up the Company or terminating any Sub-Fund; or
- (g) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the investments of the Company or any Sub-Fund.

Notice of any such suspension and notice of the termination of any such suspension shall be given immediately to the Central Bank of Ireland and to the ISE and shall be notified to Shareholders if in the opinion of the Directors it is likely to exceed fourteen (14) days and will be notified to applicants for Shares or to Shareholders requesting the repurchase of Shares at the time of application or filing of the written request for such repurchase. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Registered Shares may be transferred by instrument in writing. The instrument of transfer must be accompanied by a certificate from the transferee that it is not acquiring such Shares on behalf of or for the benefit of a US Person. In the case of the death of one of the joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Administrator as having any title to or interest in the Shares registered in the names of such joint Shareholders.

The Directors may decline to register a transfer if they are aware or reasonably believe the transfer would result in the beneficial ownership of Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant Sub-Fund or Shareholders generally.

Shareholder meetings

The Annual General Meeting of the Company will usually be held in Dublin, normally during the month of February or such other date as the Directors may determine. Notice convening the Annual General Meeting in each year at which the audited financial statements of the Company will be presented (together with the Directors' and Auditor's Reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the Sub-Fund represented by those Shares. Matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by 2 Shareholders or by Shareholders holding 10% or more of the Shares or unless the chairman of the meeting requests a poll. Each Shareholder has one vote on a show of hands. Each Share gives the holder one vote in relation to any matters relating to the Company which are submitted to Shareholders for a vote by poll.

No class of Shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Share Class or any voting rights in relation to matters relating solely to any other Share Class.

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting of the class. The quorum for any general meeting of the class convened to consider any alteration to the class rights of the Shares shall be such number of Shareholders being two or more persons whose holdings comprise one third of the Shares.

Each of the Shares other than subscriber shares entitles the Shareholder to participate equally on a pro-rata basis in the dividends and net assets of the Company in respect of which the Shares have been issued, save in the case of dividends declared prior to becoming a Shareholder.

Report of the Directors (continued)

For the financial year ended 30 September 2018

Corporate Governance Statement (continued)

Shareholder meetings (continued)

Management Shares entitle the Shareholders holding them to attend and vote at all general meetings of the Company but do not entitle the holders to participate in the dividends or net assets of the Company.

Composition and Operation of Board and Committees

There are five Directors currently, all of whom are non-executive Directors and at least two of whom are independent of the Investment Manager as required by the ISE Listing Rules for investment funds. The Articles of Association do not provide for retirement of Directors by rotation. However, the Directors may be removed by the Shareholders by ordinary resolution in accordance with the procedures established under the Irish Companies Act 2014. The Board of Directors meets at least quarterly. There are no sub-committees of the Board of Directors.

Related and Connected Persons Disclosures

Persons are considered to be related if one person has the ability to control the other party or exercise significant influence over the other person in making financial or operational decisions.

Any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or subdelegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 41(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with the obligations set out in Regulation 41(1) of the Central Bank UCITS Regulations.

Audit Committee

The Directors believe that there is no requirement to form an audit committee as the Board is formed of non-executive Directors with at least two independent Directors and the Company complies with the provisions of the Irish Funds Corporate Governance Code. The Directors have delegated the day to day investment management and administration of the Company to the Investment Manager and to the Administrator, respectively.

Directors' Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014.

The Directors confirm that:

- 1) A compliance policy statement has been drawn up that sets out policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations;
- 2) appropriate arrangements or structures are in place that are, in our opinion, designed to secure material compliance with the Company's relevant obligations; and
- 3) during the financial year, the arrangements or structures referred to in (2) have been reviewed.

Report of the Directors (continued)

For the financial year ended 30 September 2018

Statement of Relevant Audit Information


The following applies in the case of each person who was a Director of the Company, as disclosed on page 4, at the time this report is approved:

- (a) so far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- (b) the Director has taken all the steps that he or she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information ('all steps' means that a Director has made such enquiries of his/her fellow directors (if any) and of the Company's statutory auditors for that purpose, and, taken such other steps (if any) for that purpose).

On behalf of the Board



Annett Hermida



Gareth Stafford

04 December 2018

Report of the Investment Manager

For the financial year ended 30 September 2018



Mori Eastern European Fund

The net asset value of the Mori Eastern European Fund (the Fund) decreased 3.8% in euro terms (EUR Share Class-C) for the period under review, while the MSCI Emerging Europe 10/40 TR Index was up 0.5% for the same period. Unless otherwise stated, performance numbers are quoted for the twelve-month period under review.

It was an eventful period particularly for the Fund's investment universe. From a global point of view, the markets tried to adjust to President Trump's unusual way of running his Administration, trade wars and policy actions by the US Federal Reserve and other major central banks around the world. From a regional perspective, the US sanctions, first on Russia and then on Turkey, the situation in Syria and the expected new round of US sanctions on Iran as of November 2018 dominated the headlines.

Russian and Hungarian indices managed to record positive performance for the period under review while the other major Emerging European bourses posted losses for the same period. Turkish equities were the worst performers last year with BIST-100 Index losing 42% in euro terms. This was primarily caused by a significant depreciation of the Turkish lira in the summer months on the back of increased political tension between Turkey and the US. The country's relatively large current account deficit and dependence on international funding made things worse in view of this political noise. Inflation jumped as a result of a pass-through effect of the lira's depreciation and the Central Bank of Turkey hiked interest rates significantly post the currency attack in August to contain the lira's value. The Fund took its share from the sell-off in the equity market. However, it was not affected much by the lira's depreciation thanks to the timely currency hedges that were put on by the Investment Manager.

The US extended sanctions on selected Russian corporates and individuals in April, which caused a sell-off in the Russian ruble and other Russian financial assets. Although US economic sanctions on Russia were not a new development, a publicly listed company was affected this time around, which spooked investors' sentiment about investing in the country. The Russian ruble depreciated by around 21% from about RUB 58 to the US dollar in early April to a peak of around RUB 70 to the US dollar by mid-September. However, the energy heavy stock market indices recovered relatively quickly following the April sell-off, as the oil price continued to advance throughout the year to help support the undemanding valuations of several Russian energy stocks. (Brent oil was USD 57.5 per barrel on 29 September 2017 and hit a high of USD 82.7 per barrel on 28 September 2018, a 44% increase over the period under review. Source: Bloomberg). The Fund increased its exposure to Lukoil OAO ADR given its attractive valuation and the management's capital discipline. Exposure to Sberbank of Russia, Mobile Telesystems PJSC and steel names was reduced. Yandex NV was added to the portfolio on valuation grounds.

Greece's ASE Index lost 8.5% during the period under review. The Fund was highly selective and maintained its exposure to high quality names including GEK Terna Holding Real Estate, JUMBO SA and Mytilineos.

The Fund kept its significant underweight position in Poland during the period as the Investment Manager did not find that many attractively valued stocks in the country. The Polish WIG20 Index recorded a 6.2% decline in euro terms despite the fact that the macroeconomic figures coming out of Poland have surprised on the upside.

The Fund's Czech holdings did well during the period. The Fund sold its holdings in CEZ and Central European Media Enterprises while maintaining the high dividend distributor Moneta Money Bank AS.

Whilst economic growth is running on all cylinders in the US in 2018, the global growth is expected to slow in 2019/20 on the back of interest rate hikes, trade wars and a slow down or cessation of expansionary monetary policies. In the Fund's region, Turkey is expected to experience the biggest economic slow-down in 2019, as the economy overheated following a 7.4% GDP growth in 2017 and an almost 6% growth in the first half of 2018. The oil price seems to be supportive of Russia for the time being as a major reduction of Iranian oil supply from November onwards may keep prices high. In this environment, the Investment Manager prefers low leveraged companies that have cash flow generating power.

Mori Capital Management Limited

October 2018

Report of the Investment Manager

For the financial year ended 30 September 2018



Mori Ottoman Fund

The net asset value of the Mori Ottoman Fund (the Fund) decreased 8.5% in euro terms (EUR Share Class-C) for the period under review, underperforming the MSCI Emerging Europe 10/40 TR Index which was up 0.5% for the same period. Unless otherwise stated, performance numbers are quoted for the twelve-month period under review.

It was an eventful period particularly for the Fund's investment universe. From a global point of view, the markets tried to adjust to President Trump's unusual way of running his Administration, trade wars and policy action by the US Federal Reserve and other major central banks around the world. From a regional perspective, the US sanctions, first on Russia and then on Turkey, the situation in Syria and the expected new round of US sanctions on Iran as of November 2018 dominated the headlines.

Russian and Hungarian indices managed to record positive performance for the period under review while the other major Emerging European bourses posted losses for the same period. Turkish equities were the worst performers last year with BIST-100 Index losing 42% in euro terms. This was primarily caused by a significant depreciation of the Turkish lira in the summer months on the back of increased political sanctions between Turkey and the US. The country's relatively large current account deficit and dependence on international funding made things worse in view of this political noise. Inflation jumped as a result of a pass-through effect of the lira's depreciation and the Central Bank of Turkey hiked interest rates significantly post the currency attack in August to contain the lira's value. The Fund took its share from the sell-off in the equity market. However, it was not affected much by the lira's depreciation thanks to the timely currency hedges that were put on by the Investment Manager. The Fund added Arcelik, Tofas Turk Otomobil Fabrikasi and EGE Endustri in late summer to take advantage of the sell-off. These companies generate a minimum of 70% of their revenues from exports so the Investment Manager expects them to benefit from the depreciation of the local currency.

The US extended sanctions on selected Russian corporates and individuals in April, which caused a sell-off in the Russian ruble and other Russian financial assets. Although US economic sanctions on Russia were not a new development, a publicly listed company was affected this time around, which spooked investors' sentiment about investing in the country. The Russian ruble depreciated by around 21% from about RUB 58 to the US dollar in early April to a peak of around RUB 70 to the US dollar by mid-September. However, the energy heavy stock market indices recovered relatively quickly following the April sell-off, as the oil price continued to advance throughout the year to help support the undemanding valuations of several Russian energy stocks. (Brent oil was USD 57.5 per barrel on 29 September 2017 and hit a high of USD 82.7 per barrel on 28 September 2018, a 44% increase over the period under review. Source: Bloomberg). The Fund increased its exposure to Lukoil OAO ADR given its attractive valuation and the management's capital discipline. Exposure to Sberbank of Russia and Mobile Telesystems PJSC was reduced. The Fund sold Novolipetsk and Evraz. Radspadkaya and Yandex NV were added to the portfolio on valuation grounds.

Greece's ASE Index lost 8.5% during the period under review. The Fund held only two positions in Greece, namely JUMBO SA and Mytilineos. However, volatility was high compared to several of its peers driven primarily by the banking stocks. The Fund shied away from these names with the sector's non-performing exposure (NPE) ratio standing at 47.6% as of the end of June 2018, according to the Bank of Greece.

The Polish WIG20 Index recorded a 6.2% decline in euro terms despite the fact that the macroeconomic figures coming out of Poland have surprised on the upside. The Fund's only holding in Poland is the retailer Eurocash. The company disappointed on profitability last year with lower than expected margins. However, the Investment Manager anticipates an improvement as of next year as the integration of acquisitions made in the last two years would likely start bearing fruit.

The Fund's Czech holdings did well during the period. The Fund sold its holding in CEZ and Central European Media Enterprises while maintaining the high dividend distributor Moneta Money Bank AS.

Whilst economic growth is running on all cylinders in the US in 2018, the global growth is expected to slow in 2019/20 on the back of interest rate hikes, trade wars and a slow down or cessation of expansionary monetary policies. In the Fund's region, Turkey is expected to experience the biggest economic slow-down in 2019, as the economy overheated following a 7.4% GDP growth in 2017 and an almost 6% growth in the first half of 2018. The oil price seems to be supportive of Russia for the time being as a major reduction of Iranian oil supply from November onwards may keep prices high. In this environment, the Investment Manager prefers low leveraged companies that have cash flow generating power.

Mori Capital Management Limited

October 2018

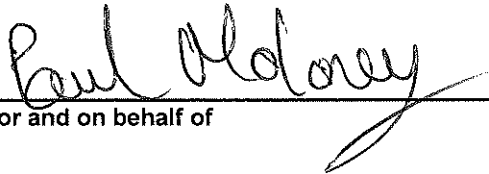
Report of the Depositary to the Shareholders for the financial year ended 30 September 2018

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Mori Umbrella Fund plc (the "Company") provide this report solely in favour of the Shareholders of the Company for the financial year ended 30 September 2018 ("Annual Accounting Period"). This report is provided in accordance with the UCITS Regulations - European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended, which implemented Directive 2009/65/EU into Irish Law ("the Regulations"). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Company for this Annual Accounting Period and we hereby report thereon to the Shareholders of the Company as follows;

We are of the opinion that the Company has been managed during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.


For and on behalf of

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2, D02 R156
Ireland

04 December 2018

Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mori Umbrella Fund plc ("the company"), which comprise the statement of comprehensive income, statement of financial position, statement of changes in net assets attributable to holders of redeemable participating shares, schedule of investments and statement of cash flows for the financial year ended 30 September 2018 and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, Mori Umbrella Fund plc's financial statements:

- give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union of the financial position of the company as at 30 September 2018 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Under the Listing Rules we are required to review the directors' statement, set out on page 3, in relation to going concern. We have nothing to report having performed our review.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and the directing of efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and therefore we do not provide a separate opinion on these matters.

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example, the selection of pricing sources to value the investment portfolio. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc (continued)

How we tailored the audit scope

The company is an open-ended investment company with variable capital and engages Mori Capital Management Limited (the "manager") to manage certain duties and responsibilities with regards to the day-to-day management of the company. We tailored the scope of our audit taking into account the types of investments within the company, the involvement of the third parties, the accounting processes and controls, and the industry in which the company operates. We look at each fund at an individual level.

The directors control the affairs of the company and they are responsible for the overall investment policy which is determined by them. The company engages the manager to manage certain duties and responsibilities with regards to the day to day management of the company.

The directors have delegated certain responsibilities to Northern Trust International Fund Administration Services (Ireland) Limited (the "administrator"). The financial statements, which remain the responsibility of the directors, are prepared on their behalf by the administrator. The company has appointed Northern Trust Fiduciary Services (Ireland) Limited (the "depository") to act as depository of the company's assets.

In establishing the overall approach to our audit we assessed the risk of material misstatement at company level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the company's interaction with the administrator, and we assessed the control environment in place at the administrator.

Materiality and audit approach

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for each sub-fund as follows: 50 basis points of net asset value of each sub-fund at 30 September 2018. We have applied this benchmark because the main objective of the company is to provide investors with a total return at a fund level.

We agreed with the directors that we would report to them misstatements identified during our audit above 2.5 basis points of the sub-fund net asset value, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant risks identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant risks together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

a. Existence of and title to financial assets at fair value through profit or loss

Financial assets represent the principal element of the financial statements and are analysed in notes 3, 9 and 10. We considered the risk that the financial assets included in the statement of financial position do not exist or that they are not held in the company's name at 30 September 2018 could result in a material misstatement. In order to address this risk, we obtained independent confirmation from the depository of the investment portfolio held at 30 September 2018, agreeing the amounts held to the accounting records.

b. Valuation of financial assets at fair value through profit or loss

Financial assets represent the principal element of the financial statements and are analysed in notes 3, 9 and 10. There is a risk that the financial assets at fair value through profit or loss included in the statement of financial position at 30 September 2018 are not valued at fair value in line with IFRS as adopted by the European Union. Consequently, we tested the investment portfolios by independently agreeing the valuation of investments to third party sources.

Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc (continued)

Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon*. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Corporate governance statement

In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.

Based on our knowledge and understanding of the Company and its environment obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.

In our opinion, based on the work undertaken during the course of our audit of the financial statements, the information required by section 1373(2)(a),(b),(e) and (f) is contained in the Corporate Governance Statement.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc (continued)

Responsibilities of the auditor for the audit of the financial statements

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs(Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The auditor also provides those charged with governance with a statement that they have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on their independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. These matters are described in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We were appointed by the Board of Directors on 23 February 2018 to audit the financial statements for the financial year ended 30 September 2018. This is the first year we have been engaged to audit the financial statements of the company.

We are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (Ireland). Our audit approach is a risk-based approach and is explained more fully in the 'responsibilities of the auditor for the audit of the financial statements' section of our report.

Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc (continued)

The purpose of our audit work and to whom we owe our responsibilities (continued)

We have not provided non-audit services prohibited by the IAASA's Ethical Standard and have remained independent of the entity in conducting the audit.



Niamh Meenan
For and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Dublin
Date: 4 December 2018

Balance Sheet

As at 30 September 2018

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Cash and cash equivalents	8	6,263,847	2,621,861	3,641,986
Financial assets at fair value through profit or loss	10	107,559,234	73,640,345	33,918,889
Amounts receivable for subscriptions		1,084,266	1,046,252	38,014
Margin cash	8	285,028	101,126	183,902
Cash collateral receivable	8	602,669	258,287	344,382
Trade and other receivable	11	583,703	513,076	70,627
Total assets		116,378,747	78,180,947	38,197,800
Financial liabilities at fair value through profit or loss	10	430,196	207,429	222,767
Amounts payable on redemptions		84,747	66,345	18,402
Investment Management fees payable	4	374,761	260,939	113,822
Depositary fees payable	4	18,055	10,643	7,412
Administration fees payable	4	41,167	27,541	13,626
Marketing fees payable		26,182	14,726	11,456
Trade and other payable	12	100,541	68,410	32,131
Total liabilities (excluding net assets attributable to holders of redeemable shares)		1,075,649	656,033	419,616
Net assets attributable to holders of redeemable shares		115,303,098	77,524,914	37,778,184

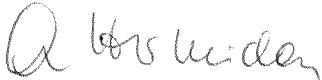
The accompanying notes form an integral part of the financial statements.


Balance Sheet (continued)

As at 30 September 2018

	Mori Eastern European Fund	Mori Ottoman Fund
Redeemable shares in issue:		
-Class A EUR	137,550	186,309
-Class AA GBP	584	239
-Class B EUR	81,214	–
-Class C EUR	110,364	421,004
-Class C GBP	3,771	1,506
-Class C USD	–	924,509
-Class M EUR	53,223	–
Net asset value per redeemable share:		
-Class A EUR	€453.0747	€129.4733
-Class AA GBP	£9.2836	£9.1404
-Class B EUR	€96.2298	–
-Class C EUR	€8.8494	€10.9065
-Class C GBP	£10.9164	£10.7096
-Class C USD	–	US\$11.3623
-Class M EUR	€119.5006	–

The financial statements were approved by the Board of Directors on 4 December 2018 and signed on its behalf by:


Annett Hermida


Gareth Stafford

The accompanying notes form an integral part of the financial statements.

Comparative Balance Sheet

As at 30 September 2017

	Note	Total* €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
Cash and cash equivalents	8	42,929	–	15,198	32,783
Financial assets at fair value through profit or loss	10	131,095,293	86,168,341	44,926,952	–
Amounts receivable on sale of investments		334,833	334,833	–	–
Amounts receivable for subscriptions		710	–	710	–
Margin cash	8	514,113	297,542	216,571	–
Trade and other receivable	11	290,239	222,159	68,080	–
Total assets		132,278,117	87,022,875	45,227,511	32,783
Bank overdraft	8	2,180,103	1,470,555	709,548	–
Amounts payable on redemptions		97,312	96,606	706	–
Investment Management fees payable	4	430,389	286,811	143,578	–
Performance fees payable	4	20,523	20,523	–	–
Depositary fees payable	4	17,009	11,214	5,795	–
Administration fees payable	4	51,908	33,983	17,925	–
Marketing fees payable		49,810	32,677	17,133	–
Trade and other payable	12	365,375	219,787	117,857	32,783
Total liabilities (excluding net assets attributable to holders of redeemable shares)		3,212,429	2,172,156	1,012,542	32,783
Net assets attributable to holders of redeemable shares		129,065,688	84,850,719	44,214,969	–

* The US\$ figures for RenAsset Africa ex S.A. Fund have been converted into Euros in the total column using the US\$/EUR exchange rate as at 30 September 2017 of 1.1822.

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

The accompanying notes form an integral part of the financial statements.

Comparative Balance Sheet (continued)

As at 30 September 2017

	Mori Eastern European Fund	Mori Ottoman Fund	RenAsset Africa ex S.A. Fund†
Redeemable shares in issue:			
-Class A EUR	153,675	205,673	–
-Class AA GBP	584	438	–
-Class B EUR	79,061	–	–
-Class C EUR	110,364	392,894	–
-Class C GBP	3,701	3,365	–
-Class C USD	–	956,548	–
-Class M EUR	25,223	–	–
Net asset value per redeemable share:			
-Class A EUR	€473.0496	€142.2494	–
-Class AA GBP	£9.5554	£9.9015	–
-Class B EUR	€100.5684	–	–
-Class C EUR	€9.2026	€11.9192	–
-Class C GBP	£11.2308	£11.5257	–
-Class C USD	–	US\$12.6386	–
-Class M EUR	€124.2694	–	–

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

The accompanying notes form an integral part of the financial statements.

Income Statement

For the financial year ended 30 September 2018

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Income				
Investment income		5,980,156	4,273,602	1,706,554
Deposit interest		48,098	15,330	32,768
Net loss on financial assets and liabilities at fair value through profit or loss	3	(9,033,027)	(4,984,947)	(4,048,080)
Total investment expense		(3,004,773)	(696,015)	(2,308,758)
Expenses				
Investment Management fees	4	(1,964,830)	(1,315,011)	(649,819)
Performance fees	4	(20,352)	(49)	(20,303)
Depositary fees	4	(125,437)	(85,368)	(40,069)
Administration fees	4	(607,796)	(401,374)	(206,422)
Directors' fees	4	(104,247)	(69,129)	(35,118)
Auditor fees	4	(20,275)	(13,824)	(6,451)
Legal fees		(20,723)	(18,024)	(2,699)
Marketing fees		(54,528)	(33,613)	(20,915)
Transaction costs	4	(32,068)	(17,707)	(14,361)
General expenses	13	(426,881)	(304,516)	(122,365)
Total operating expenses		(3,377,137)	(2,258,615)	(1,118,522)
Operating expense		(6,381,910)	(2,954,630)	(3,427,280)
Finance costs				
Interest expense		(27,679)	(14,692)	(12,987)
Net expense from operations after finance costs		(6,409,589)	(2,969,322)	(3,440,267)
Withholding tax		(419,865)	(254,388)	(165,477)
Decrease in net assets attributable to holders of redeemable shares from operations		(6,829,454)	(3,223,710)	(3,605,744)

There were no recognised gains or losses in the financial year other than those dealt with in the Income Statement.

The accompanying notes form an integral part of the financial statements.

Comparative Income Statement

For the financial year ended 30 September 2017

	Note	Total* €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
Income					
Investment income		5,172,909	3,464,575	1,579,935	140,199
Deposit interest		96,163	31,511	64,628	26
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	3	19,747,034	14,926,500	6,420,109	(1,746,576)
Total investment income/(expense)		25,016,106	18,422,586	8,064,672	(1,606,351)
Expenses					
Investment Management fees	4	(2,136,929)	(1,367,492)	(729,955)	(43,110)
Performance fees	4	(20,952)	(20,952)	–	–
Depositary fees	4	(136,246)	(89,142)	(42,770)	(4,732)
Administration fees	4	(668,469)	(417,287)	(232,870)	(19,995)
Directors' fees	4	(101,716)	(66,124)	(35,592)	–
Auditor fees	4	(48,640)	(26,757)	(13,893)	(8,724)
Legal fees		(184,611)	(108,248)	(54,329)	(24,059)
Marketing fees		(18,890)	(14,473)	(4,417)	–
Liquidation fees		13,280	–	–	14,500
Transaction costs	4	(79,857)	(44,491)	(23,432)	(13,031)
General expenses	13	(342,881)	(247,066)	(112,625)	18,355
Total operating expenses		(3,725,911)	2,402,032	(1,249,883)	(80,796)
Operating income/(expense)		21,290,195	16,020,554	6,814,789	(1,687,147)
Finance costs					
Interest expense		(34,705)	(10,352)	(24,323)	(33)
Net income/(expense) from operations after finance costs		24,255,490	16,010,202	6,790,466	(1,687,180)
Withholding tax		(605,417)	(423,914)	(172,350)	(9,994)
Increase/(decrease) in net assets attributable to holders of redeemable shares from operations		20,650,073	15,586,288	6,618,116	(1,697,174)

There were no recognised gains or losses in the financial year other than those dealt with in the Income Statement.

* The US\$ figures for RenAsset Africa ex S.A. Fund have been converted into Euros in the total column using the average US\$/EUR exchange rate from 30 September 2016 to 28 November 2016 (date when the Fund ceased trading) of 1.0919.

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to the Holders of Redeemable Shares

For the financial year ended 30 September 2018

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Net assets attributable to holders of redeemable shares at the beginning of the financial year	129,065,688	84,850,719	44,214,969
Decrease in net assets attributable to holders of redeemable shares from operations	(6,829,454)	(3,223,710)	(3,605,744)
Issue of redeemable shares during the financial year	5,584,116	4,827,667	756,449
Redemption of redeemable shares during the financial year	(12,517,252)	(8,929,762)	(3,587,490)
Net assets attributable to holders of redeemable shares at the end of the financial year	115,303,098	77,524,914	37,778,184

The accompanying notes form an integral part of the financial statements.

Comparative Statement of Changes in Net Assets Attributable to the Holders of Redeemable Shares

For the financial year ended 30 September 2017

	Total* €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
Net assets attributable to holders of redeemable shares at the beginning of the financial year	145,288,584	78,641,988	47,145,786	21,915,948
Increase/(decrease) in net assets attributable to holders of redeemable shares from operations	20,650,073	15,586,288	6,618,116	(1,697,174)
Issue of redeemable shares during the financial year	1,494,615	911,191	550,590	35,851
Redemption of redeemable shares during the financial year	(38,938,161)	(10,288,748)	(10,099,523)	(20,254,625)
Currency translation	570,577	–	–	–
Net assets attributable to holders of redeemable shares at the end of the financial year	129,065,688	84,850,719	44,214,969	–

* The US\$ figures for RenAsset Africa ex S.A. Fund have been converted into Euros in the total column using the average US\$/EUR exchange rate from 30 September 2016 to 28 November 2016 (date when the Fund ceased trading) of 1.0919.

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

The accompanying notes form an integral part of the financial statements.

Statement of Cash Flows

For the financial year ended 30 September 2018

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Cash Flows from Operating Activities				
<i>Decrease in net assets attributable to holders of redeemable shares from operations</i>		(6,829,454)	(3,223,710)	(3,605,744)
Adjustments to reconcile decrease in net assets attributable to holders of redeemable shares from operations to net cash provided by operating activities:				
Purchase of investments		(26,487,689)	(12,802,195)	(13,685,494)
Proceeds from sale of investments		34,905,485	18,002,236	16,903,249
Net loss on financial assets and liabilities at fair value through profit or loss		15,883,292	7,870,217	8,013,075
(Increase)/decrease in other receivables		(64,379)	(94,501)	30,122
Decrease in investment management fees payable		(55,628)	(25,872)	(29,756)
Decrease in performance fees payable		(20,523)	(20,523)	–
Increase/(decrease) in depositary fees payable		1,046	(571)	1,617
Decrease in administration fees payable		(10,741)	(6,442)	(4,299)
Decrease in marketing fees payable		(23,628)	(17,951)	(5,677)
Decrease in other expenses payable		(237,103)	(151,377)	(85,726)
Net Cash provided by Operating Activities		17,060,678	9,529,311	7,531,367
Cash Flows from Financing Activities				
Issue of redeemable shares		4,500,560	3,781,415	719,145
Redemption of redeemable shares		(12,529,817)	(8,960,023)	(3,569,794)
Net Cash used in Financing Activities		(8,029,257)	(5,178,608)	(2,850,649)
Net increase in Cash and Cash Equivalents		9,031,421	4,350,703	4,680,718
Cash and cash equivalents at the beginning of the financial year*	8	(2,164,905)	(1,470,555)	(694,350)
Cash collateral	8	(602,669)	(258,287)	(344,382)
Net cash at the end of the financial year	8	6,263,847	2,621,861	3,641,986

* Includes bank overdraft

The accompanying notes form an integral part of the financial statements.

Comparative Statement of Cash Flows

For the financial year ended 30 September 2017

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
Cash Flows from Operating Activities					
<i>Increase/(decrease) in net assets attributable to holders of redeemable shares from operations</i>		20,650,073	15,586,288	6,618,116	(1,697,174)
Adjustments to reconcile increase/(decrease) in net assets attributable to holders of redeemable shares from operations to net cash provided by operating activities:					
Purchase of investments		(25,322,868)	(15,209,631)	(10,113,237)	–
Proceeds from sale of investments		55,917,932	21,414,880	17,615,515	18,439,502
Net (gain)/loss on financial assets and liabilities at fair value through profit or loss		(21,863,188)	(15,819,690)	(7,529,900)	1,623,002
Decrease in other receivables		3,988,550	1,577,731	2,311,975	107,928
Increase/(decrease) in investment management fees payable		240,911	181,128	80,259	(22,358)
Increase in performance fees payable		20,523	20,523	–	–
(Decrease)/increase in depositary fees payable		(834)	3,698	2,289	(7,448)
Decrease in administration fees payable		(42,860)	(16,168)	(14,152)	(13,692)
Decrease in marketing fees payable		(65,401)	(33,317)	(22,423)	(10,549)
Decrease in other expenses payable		(118,074)	(85,231)	(14,508)	(20,020)
Net Cash provided by Operating Activities		33,404,764	7,620,211	8,933,934	18,399,191
Cash Flows from Financing Activities					
Issue of redeemable shares		1,493,905	911,191	549,880	35,851
Redemption of redeemable shares		(38,849,925)	(10,201,218)	(10,098,817)	(20,254,625)
Net Cash used in Financing Activities		(37,356,020)	(9,290,027)	(9,548,937)	(20,218,774)
Currency translation		45,932	–	–	–
Net decrease in Cash and Cash Equivalents		(3,905,324)	(1,669,816)	(615,003)	(1,819,583)
Cash and cash equivalents at the beginning of the financial year*	8	1,768,150	199,261	(79,347)	1,852,366
Net cash at the end of the financial year*	8	(2,137,174)	(1,470,555)	(694,350)	32,783

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

* Includes bank overdraft

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

1. General

Mori Umbrella Fund plc (the “Company”) was incorporated in Ireland on 30 March 1998 and is incorporated as an open-ended umbrella investment company with variable capital and limited liability authorised by the Central Bank of Ireland (the “Central Bank”) as a UCITS (Undertakings for Collective Investment in Transferable Securities) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (“the UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as amended) (the “Central Bank UCITS Regulations”).

During the financial year ended 30 September 2018, the Shares of the following Sub-Funds were offered for issue and sale:

- Mori Eastern European Fund (authorised by the Central Bank 15 July 1998).
- Mori Ottoman Fund (authorised by the Central Bank 3 January 2006).

Shares in Mori Eastern European Fund and Mori Ottoman Fund are currently listed on the Irish Stock Exchange (“ISE”).

2. Significant Accounting Policies

(a) Basis of Preparation

The financial statements for the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and comply with Irish statute comprising the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Listing Rules of the ISE.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The functional and presentation currency of all Sub-Funds is Euro except RenAsset Africa ex S.A. Fund where functional and presentation currency was United States Dollars (US\$). Euro is the currency noted in the Prospectus except RenAsset Africa ex S.A. Fund where the currency noted was United States Dollar and the currencies noted were relevant to the stated investment strategy.

The accounting policies adopted are consistent with those of the previous financial year.

New standards, amendments and interpretations issued but not yet effective for the financial year beginning 1 October 2017 and have not been early adopted.

- IFRS 9 ‘Financial instruments’, this standard on classification and measurement of financial assets and financial liabilities will replace IAS39 ‘Financial instruments: Recognition and Measurement’. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

The standard is effective for annual periods beginning on or after 1 January 2018 and the adoption of IFRS 9 is not expected to have an impact on the Financial Statements.

- IFRS 15 ‘Revenue from Contracts with Customers’ replaces IAS 11 and IAS 18 and is effective from 1 January 2018. It establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. It is not expected that the application of IFRS 15 will impact the financial position or performance of the Company or its Sub-Funds.

(b) Financial Assets and Liabilities at Fair Value through Profit or Loss

(i) Accounting for Investments

The Company records investment transactions on a trade date basis. Gains and losses on the disposal of investments are computed on an average cost basis for equities and bonds and on a first-in, first-out basis for Derivatives. The Company records an unrealised gain or loss to the extent of the difference between the cost and the fair value of the position at any particular point in time. The Company records a realised gain or loss when the position is sold or closed. Realised gains and losses and the movement in unrealised gains and losses are recorded in the Income Statement within ‘Net gain on financial assets and liabilities at fair value through profit or loss’.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(b) Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

(i) Accounting for Investments (continued)

The Company designates its financial assets and financial liabilities into the following sub-categories of designated at fair value through profit or loss in accordance with IAS 39.

- Financial assets designated at fair value through profit or loss on initial recognition. These include debt instruments, equity instruments and investments in investment funds.
- Financial assets held for trading – These include options, future contracts, forward contracts, contracts for difference and credit default swaps.
- Financial liabilities held for trading – These include future contracts, forward contracts and contracts for difference.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term. Financial instruments designated at fair value through profit or loss upon initial recognition includes financial assets that are not held for trading purposes and which may be sold. Derivatives are categorised as financial assets or financial liabilities held for trading. The Company does not classify any derivatives as hedges in a hedging relationship.

- Recognition

The Company initially recognises financial assets and financial liabilities at fair value on the date it becomes a party to the contractual provisions of the instruments. A regular way purchase of financial assets is recognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

- Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

- Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Income Statement.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate.

(ii) Valuation of Investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities listed and regularly traded on a recognised exchange are based on the last available traded price on the relevant securities exchange in the market for such investment as at the valuation point on the relevant valuation day. Where financial assets and liabilities are quoted, listed or traded on or under the rules of more than one recognised exchange, the Directors shall, in their absolute discretion, select the recognised exchange, which in their opinion, constitutes the main market for such investment or the market which they determine provides the fairest criteria in a value for the security. Options, futures and forward currency contracts are valued at market settlement price.

The Investment Manager has been appointed as the competent person for the provision of the probable realisation value of any security held by the Sub-Funds which is not quoted, listed or dealt in on a recognised market or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is determined not to be representative of the fair market value. The competent person is solely responsible for determining the fair valuation of securities which are not quoted, listed or dealt in on a recognised market or which are so quoted, listed or dealt but for which no such quotations or values are available or the available quotations or values are determined not to be representative of the fair market values. The Investment Manager performs the role as competent person for the purposes of the valuation of assets of the Company in accordance with the Articles of Association of the Company. As at 30 September 2018 and 30 September 2017, all Level 3 investments listed in Note 10 which have been written down to zero have been priced by the Investment Manager as competent person.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(b) Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

(iii) Specific Financial Instruments

The unrealised gain or loss on forward currency contracts is calculated by reference to the difference between the contracted rate and the market rate to close out such contracts and is included in the Balance Sheet and in the Income Statement.

Changes in the value of futures contracts are recognised as unrealised gains or losses by "marking-to-market" the value of the contract at the Balance Sheet date. When the contract is closed, the difference between the proceeds from (or cost of) the closing transaction and the original transaction is recorded as a realised gain or loss. The fair value of derivatives that are not exchange-traded is estimated at the amount that the Company would receive or pay to terminate the contract at the Balance Sheet date taking into account current market conditions and the current credit worthiness of the counterparties.

(c) Income Recognition

Income arising on investments, as well as deposit interest, is accounted for on an effective interest basis. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or shorter period where appropriate, to the net carrying amount of the financial assets or financial liabilities.

Dividend income arising from investments, are accounted for on an ex-dividend basis and is presented within Investment Income in the Income Statement.

The Company currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Income Statement. Withholding taxes are shown as a separate item in the Income Statement.

(d) Expenses

Each Sub-Fund is responsible for all normal operating expenses including administration fees, fees and expenses of the Investment Manager and the Depositary, audit fees, stamp and other duties and charges incurred on the acquisition and realisation of investments. Such costs are expensed in the period to which they relate on an accruals basis. Interest expense is recorded on an effective interest basis.

(e) Foreign Exchange Translation

The functional currency of the Sub-Funds is Euro except RenAsset Africa ex S.A. Fund for which it was United States Dollars ("US\$"), as the Directors have determined that this reflects the primary domicile of the Shareholders of each Sub-Fund. The presentation currency of the Company is Euro. Transactions in foreign currencies are translated at the foreign currency exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated to Euro at the foreign currency closing exchange rate ruling at the Balance Sheet date. Foreign currency exchange differences arising on translation are recognised in the Income Statement. Foreign currency exchange differences relating to investments at fair value through profit or loss and derivative financial instruments are included in 'Net loss on financial assets and liabilities at fair value through profit or loss'.

RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016. As at 30 September 2017, a year end exchange rate of US\$/EUR 1.1822 was used to translate the Balance Sheet of RenAsset Africa ex S.A. in arriving at the Euro total of the Company.

The Comparative Income Statement, Comparative Statement of Changes in Net Assets Attributable to the Holders of Redeemable Shares and Comparative Statement of Cash Flows of RenAsset Africa ex S.A. Fund have been translated using an average rate of US\$/EUR 1.0919 for the period 30 September 2016 to 28 November 2016 (date when the Sub-Fund ceased trading).

This resulted in a foreign currency translation loss in the Statement of Changes in Net Assets attributable to Shareholders and the Statement of Cash Flows when compared to the US\$/EUR rate used at year end. The adjustment recorded in the Statement of Changes in Net Assets Attributable to the Holders of Redeemable Shares was a gain of €570,577. The adjustment recorded in the Statement of Cash Flows was a gain of €45,932.

(f) Redeemable Shares

Redeemable Shares are redeemable at the Shareholder's option and are classified as financial liabilities.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(f) Redeemable Shares (continued)

The Redeemable Share can be put back to the Company at any time for cash equal to a proportionate share of the Company's NAV. The Redeemable Share is carried at the redemption amount that is payable at the Balance Sheet date if the Shareholder exercised its right to put the share back to the Company.

(g) Cash and Cash Equivalents

Cash and cash equivalents (including cash at bank, bank overdrafts and cash collateral) are valued at their face value together with interest accrued using the effective interest method, where applicable.

(h) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs on purchases or sales of financial assets and financial liabilities at fair value through profit or loss are expensed immediately and are included in the Income Statement. Separately identifiable costs are disclosed in Note 4.

(i) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet where the Sub-Fund currently has a legally enforceable right to set –off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(j) Margin Cash

Cash collateral provided by the Sub-Funds to a counterparty in relation to futures contracts are identified in the Balance Sheet as Margin Cash. Margin cash is valued at amortised cost plus accrued interest which approximates fair value.

3. Net Gain/(Loss) on Financial Assets and Liabilities at Fair Value through Profit or Loss

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Financial Year Ended 30 September 2018			
Realised gain			
Designated at fair value through profit or loss			
Equity instruments	2,763,428	1,356,327	1,407,101
Held for trading			
Derivatives	124,296	1,566	122,730
Foreign Currency	6,746,514	2,895,207	3,851,307
Total realised gain	<u>9,634,238</u>	<u>4,253,100</u>	<u>5,381,138</u>
Change in unrealised loss			
Designated at fair value through profit or loss			
Equity instruments	(17,689,815)	(8,875,300)	(8,814,515)
Held for trading			
Derivatives	(149,374)	–	(149,374)
Foreign Currency	(828,076)	(362,747)	(465,329)
Total change in unrealised loss	<u>(18,667,265)</u>	<u>(9,238,047)</u>	<u>(9,429,218)</u>
Net loss on financial assets and liabilities at fair value through profit or loss	<u>(9,033,027)</u>	<u>(4,984,947)</u>	<u>(4,048,080)</u>

Notes to the Financial Statements (continued)

3. Net Gain/(Loss) on Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
Financial Year Ended 30 September 2017				
Realised loss				
Designated at fair value through profit or loss				
Equity instruments	(13,471,767)	(3,701,285)	(941,820)	(9,640,016)
Held for trading				
Derivatives	(2,148,779)	(598,812)	(1,549,968)	–
Foreign Currency	71,117	(261,822)	445,978	(123,427)
Total realised loss	<u>(15,549,429)</u>	<u>(4,561,919)</u>	<u>(2,045,810)</u>	<u>(9,763,443)</u>
Change in unrealised gain				
Designated at fair value through profit or loss				
Equity instruments	34,815,408	19,366,566	8,106,582	8,017,014
Held for trading				
Derivatives	96,783	(26,236)	123,019	–
Foreign Currency	384,272	148,089	236,318	(147)
Total change in unrealised gain	<u>35,296,463</u>	<u>19,488,419</u>	<u>8,465,919</u>	<u>8,016,867</u>
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	19,747,034	14,926,500	6,420,109	(1,746,576)

† RenAsset Africa ex S.A. Fund terminated with effect from 28 November 2016.

4. Fees

Administration Fees

Northern Trust International Fund Administration Services (Ireland) Limited

Mori Capital Management Limited (“the Investment Manager”) pays the Administrator for services provided in relation to administration, accounting and middle office services in respect of the Sub-Funds to which it acts as investment manager. The Company pays an administration fee, which includes fees payable to the Administrator, to the Investment Manager of up to 0.5% per annum of the Net Asset Value of the Company.

The Administrator is paid directly by the Company for services provided in relation to shareholder services and transfer agency.

The Administrator further is entitled to be repaid all of its reasonable out-of-pocket expenses out of the assets of the Sub-Funds properly incurred by it in the performance of its duties and responsibilities.

During the financial year ended 30 September 2018, the Administration fees totalled €607,796 (30 September 2017: €668,469) of which €41,167 (30 September 2017: €51,908) was payable at 30 September 2018.

Depositary Fees

Northern Trust International Fund Administration Services (Ireland) Limited

The Company pays the Depositary for services provided in relation to trustee services accrued and payable monthly in arrears, calculated on the Net Asset Value of each Sub-Fund, subject to a minimum monthly fee of €1,500 per Sub-Fund, as follows:

- 0.0225% per annum on the Net Asset Value on the first \$250 million;
- 0.0200% per annum on the Net Asset Value on the next \$250 million;
- 0.0175% per annum on the Net Asset Value for any amount in excess of \$500 million.

Notes to the Financial Statements (continued)

4. Fees (continued)

Depository Fees (continued)

The Depository is also entitled to be repaid out of the assets of the Sub-Funds all of its reasonable out-of-pocket expenses and transaction charges properly incurred by it in the performance of its duties and responsibilities under the Depository Agreement which shall include wire and transfer charges, maintenance fee on derivatives, courier costs and filing fees, payable upon prior approval by the Company or its delegate.

Additionally, the Depository will charge to the Sub-Funds all safekeeping charges incurred by its sub-custodians and transaction fees, including stamp duties, scrip charges, registration fees and special taxes plus the usual ad hoc administration costs, all of which shall be at normal commercial rates.

During the financial year ended 30 September 2018, Depository fees totalled €125,437 (30 September 2017: €136,246), of which €18,055 (30 September 2017: €17,009) was payable at 30 September 2018.

Investment Management Fees

Mori Capital Management Limited

The Company pays a fee to the Investment Manager in respect of each Sub-Fund at the following percentage rate per annum of the value of the average net assets of the Sub-Funds:

- Mori Eastern European Fund – Class A	1.65 percent
- Mori Eastern European Fund – Class B	1.75 percent
- Mori Eastern European Fund – Class AA GBP	2.00 percent
- Mori Eastern European Fund – Class C EUR, Class C GBP and Class M EUR	1.25 percent
- Mori Ottoman Fund – Class A	1.75 percent
- Mori Ottoman Fund – Class AA GBP	2.00 percent
- Mori Ottoman Fund – Class C EUR, Class C GBP and Class C USD	1.25 percent

The Company pays to the Investment Manager an annual fee accrued as of each Valuation Day and payable monthly in arrears at the rates above per annum of the average NAVs of the Sub-Fund (plus VAT, if any). The Investment Manager pays the fees of any sub-investment manager or adviser appointed by it.

The Investment Manager can at their discretion reduce the fees they charge the Sub-Funds to keep the expenses within a certain threshold.

The Investment Management Agreement may be terminated by either party on giving not less than six months prior written notice to the other party. It may also be terminated forthwith upon certain breaches or upon the insolvency of a party (or upon the occurrence of a similar event).

During the financial year ended 30 September 2018, the Investment Manager charged management fees of €1,964,830 (30 September 2017: €2,136,929), of which €374,761 (30 September 2017: €430,389) was payable at 30 September 2018.

The Investment Manager also pays on behalf of the Sub-Funds a portion of the fees related to the administration services provided by the Administrator. The total amount paid during the financial year by the Investment Manager on behalf of the Sub-Funds amounted to €101,512 (30 September 2017: €96,027).

Performance Fees

The Investment Manager is paid from the Sub-Funds a performance fee accrued as of each Valuation Day and payable as of each Calculation Day.

There is no performance fee payable in respect of the AA Share Classes, M Class or C Share Classes. The Investment Manager may waive or reduce the performance fees payable at its entire discretion. The performance fees described below may be altered by agreement in writing between the Investment Manager and the Company.

The amount of performance fees earned by the Investment Manager in respect of any period will be retained regardless of the subsequent performance of the Sub-Fund.

The performance fees is calculated by the Administrator and verified by the Depository and the Investment Manager. If the determination of the NAV per Share is suspended on any Calculation Date the calculation of the performance fees on that date will be based upon the next available determination of the NAV per Share and the amount of any performance fees accrued will be adjusted accordingly.

Notes to the Financial Statements (continued)

4. Fees (continued)

Performance Fees (continued)

Where a Performance Fee is payable out of the assets of a Sub-Fund it shall be calculated upon the increase in the Net Asset Value per Share calculated at the Calculation Day. Included in that calculation shall be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the end of the relevant period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

Mori Eastern European Fund

The Investment Manager will be paid from Mori Eastern European Fund a performance fee of (i) 15 percent in respect of Class A Shares of the amount (if any) by which the NAV per Share is on the relevant Calculation Day greater than the higher of (1) the highest NAV per Share on any preceding Calculation Day or (2) the Benchmark NAV (defined below), such excess being multiplied by the weighted average number of Shares in issue during the relevant Calculation Period or, in the case of (b) below, the number of Shares being redeemed or (ii) 20 percent in respect of Class B Shares of the amount (if any) by which the percentage return of the NAV per Share in the period from the preceding Calculation Day (or the Closing Date where applicable) to the relevant Calculation Day exceeds the percentage return of the MSCI EM Europe 10/40 Index Total Return (EUR) (MN40MUE Index) in the period from the preceding Calculation Day (or the Closing Date where applicable) to the relevant Calculation Day, such excess being multiplied by the NAV per Share at the end of the Calculation Period and multiplied by the weighted average number of Shares in issue during any Calculation Period or, in the case of (b) below, the number of shares being redeemed. With effect from 23 June 2016, any underperformance of the MSCI EM Europe 10/40 Index Total Return (EUR) by the Class B Shares in the preceding period from the last Calculation Day must be clawed back (cleared) before a performance fee becomes due in subsequent periods.

The weighted average number of Shares in issue during any Calculation Period shall be calculated based upon the number of Shares in issue on each Valuation Day during the Calculation Period, taking account of the period of time for which such shares were in issue during the Period. In calculating the performance fee, account will be taken of performance fees paid on redemption. Due to the use of averaging in calculating the performance fee, the economic effect of performance fees on a per Share basis may substantially differ from the rate of 15% or 20% as applicable as described above. An appropriate provision for the amount of Performance Fee which is likely to be payable on the next Calculation Day based on the performance of the Sub-Fund to date will be included in the NAV per Share on each Valuation Day.

"Calculation Day" for the purposes means:

- (a) the last Valuation Day in each calendar quarter for Class A Shares and the last Valuation Day in each financial year ending 30 September for Class B Shares;
- (b) in respect of Shares which are redeemed, the Valuation Day immediately prior to the Dealing Day on which such Shares are redeemed;
- (c) the date of termination of the Investment Management Agreement; or
- (d) such other date on which the Company or the Sub-Fund may be liquidated or cease trading.

"Calculation Period" for these purposes means the period commencing on the preceding Calculation Day and ending on and including the Valuation Day in question and the first Calculation Period shall be from the Closing Date to the first Valuation Day.

"Benchmark NAV" for these purposes shall be calculated by applying the EUR 3 month LIBOR rate on a quarterly basis to either the NAV per Share as at the beginning of the Calculation Period (where a performance fee based on this NAV was payable) or to the previously calculated Benchmark NAV at the beginning of the Calculation Period (where no performance fee was payable at the previous quarter end).

The relevant EUR 3 month LIBOR rate will be calculated as at the Calculation Day or date of initial issue, if earlier and will apply for the following Calculation Period.

For the purpose of calculating the performance fee, the NAV per Share will be calculated after deducting investment management fee described above but without accounting for the performance fee then payable by the Company. The Performance Fee may be adjusted in the event of any change in the manner in which the MSCI EM Europe 10/40 Index Total Return (EUR) is calculated or published and any rebasing of the MSCI EM Europe 10/40 Index Total Return (EUR). For Classes which are denominated in a currency other than that of the MSCI EM Europe 10/40 Index Total Return (EUR), the MSCI EM Europe 10/40 Index Total Return (EUR) shall be re-denominated in the currency of the Class or as the Directors may otherwise think fit.

During the financial year ended 30 September 2018, the performance fees totalled €49 (30 September 2017: €20,952), of which €nil were payable at 30 September 2018 (30 September 2017: €20,523).

Notes to the Financial Statements (continued)

4. Fees (continued)

Performance Fees (continued)

Mori Ottoman Fund

The Investment Manager shall be paid from Mori Ottoman Fund a performance fee payable as of each Calculation Day (defined below) of 15 per cent. In respect of the Class A Shares of the amount (if any) by which the NAV per Share is on the relevant Calculation Day greater than the highest NAV per Share on any preceding Calculation Day (or greater than EUR 100.00 in the case of the first Calculation Day) multiplied by the weighted average number of Shares in issue during the relevant Calculation Period or, in the case of (b) below, the number of Shares being redeemed. The weighted average number of Shares in issue during any Calculation Period shall be calculated based upon the number of Shares in issue on each Valuation Day during the Calculation Period, taking account of the period of time for which such shares were in issue during the Period. In calculating the performance fee, account will be taken of performance fees paid on redemption, which will be deducted from redemption proceeds. Due to the use of averaging in calculating the performance fee, the economic effect of performance fees on a per Share basis may substantially differ from the rate of 15% as described above. An appropriate provision for the amount of Performance Fee which is likely to be payable on the next Calculation Day based on the performance of the Sub-Fund to date will be included in the NAV per Share on each Valuation Day.

"Calculation Day" for the purposes means:

- (a) the last Valuation Day in each calendar quarter;
- (b) in respect of Shares which are redeemed, the Valuation Day immediately prior to the Dealing Day on which such Shares are redeemed;
- (c) the date of termination of the Investment Management Agreement; or
- (d) such other date on which the Company or the Sub-Fund may be liquidated or cease trading.

"Calculation Period" for these purposes means the period commencing on the last Calculation Day of the preceding financial year and ending on and including the Valuation Day in question and the first Calculation Period shall be from the Closing Date to the first Valuation Day.

For the purpose of calculating the performance fee, the NAV per Share will be calculated after deducting investment management fee described above but without accounting for the performance fee then payable by the Company.

During the financial year ended 30 September 2018, the performance fees totalled €20,303 (30 September 2017: €nil), of which €nil were payable at 30 September 2018 (30 September 2017: €nil).

Company Secretary

Goodbody Secretarial Limited charges an annual fee of €12,000 plus VAT at 23% for the provision of company secretarial services (30 September 2017: same).

Directors' Fees

The Company pays the Directors such annual remuneration for acting as Directors of the Company as the Directors may from time to time agree, provided however, that the annual remuneration of the Directors will not in aggregate exceed €125,000 per annum payable semi-annually in arrears.

Aggregate emoluments paid to or receivable by Directors in respect of qualifying services for the financial year are €104,247 (30 September 2017: €101,716), with €25,714 (30 September 2017: €26,465) still outstanding at 30 September 2018.

Other than as disclosed above any further required disclosures in Section 305/306 of the Companies Act 2014 are nil.

Notes to the Financial Statements (continued)

4. Fees (continued)

Auditor Fees

The fees, including expenses, charged by the independent auditor, Grant Thornton (2017: Deloitte) (excluding VAT) are comprised of the following:

	2018 Grant Thornton €	2017 Deloitte €
Statutory Audit	22,500	35,000
Other Assurance	—	—
Tax Advisory	—	—
Other Non-Audit Services	—	—
	22,500	35,000

Transaction Costs

In order to achieve its investment objective, the Company incurs transaction costs in relation to trading activity on its portfolios. Disclosed in the table below are separately identifiable transaction costs incurred by the Company for the financial year ended 30 September 2018 and 30 September 2017. These mainly represent broker fees on equities traded throughout the financial year. Included in the transaction costs expensed in the Income Statement are the following transaction costs incurred by the Sub-Funds in relation to their trading activity:

Sub-Fund	2018	2017
Mori Eastern European Fund	€17,707	€22,959
Mori Ottoman Fund	€14,361	€17,569
RenAsset Africa ex S.A. Fund*	—	US\$13,031

Research costs were applied from 1 January 2018 and replaced previous arrangements whereby research costs were bundled in the prices paid for investments.

* RenAsset Africa ex S.A. Fund terminated with effect from 28 November 2016.

5. Related Party Transactions

IAS 24 “Related Party Disclosures” requires the disclosure of information relating to material transactions with persons who are deemed to be related to the reporting entity.

Related parties to the Company include the Investment Manager and Directors of the Company.

Investment Manager

Mori Capital Management Limited is the Investment Manager to the Sub-Funds. The Investment Manager is an investment management company licenced and authorised by the Malta Financial Services Authority and approved to act as Investment Manager by the Central Bank of Ireland. The fees paid to the Investment Manager and the amounts outstanding are disclosed in Note 4.

Directors

The amount paid to the Directors and the amounts outstanding as at 30 September 2018 and 30 September 2017 are disclosed in Note 4.

No Director or Secretary of the Company held any beneficial interest in the Redeemable Shares in issue.

6. Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis it is not chargeable to Irish tax on its income or gains.

Notes to the Financial Statements (continued)

6. Taxation (continued)

However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares of each eight year period beginning with the acquisition of such shares. No Irish tax will arise on the Company in respect of chargeable events in respect of:

- (i) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company and;
- (ii) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

Withholding tax presented in the Statement of comprehensive income includes withholding tax reclaimed as follows:

- Mori Eastern European Fund: €179,738 (30 September 2017: €37,510)
- Mori Ottoman Fund: €56,239 (30 September 2017: €26,257)

7. Share Capital

The Company has authorised two types of shares:

Management Shares

As at 30 September 2018 and 30 September 2017, there were thirty thousand shares of €1.27 each in issue. The Management Shares do not form part of the NAV of the Company and are disclosed in the financial statements by way of this note only. In the opinion of the Directors, this reflects the nature of the Company’s business as an investment fund. Management Shares do not have any distribution rights or rights to proceeds in the event of a winding up of the Company.

Redeemable Shares

The Company has an authorised share capital of 500 million shares (“Redeemable Shares”) of no par value.

At 30 September 2018 the Company had the following Redeemable Shares in issue of no par value:

Mori Eastern European Fund	Class A EUR	Class AA GBP	Class B EUR
Opening Balance	153,675	584	79,061
Subscriptions	233	–	7,900
Redemptions	(16,358)	–	(5,747)
Closing Balance	137,550	584	81,214

Mori Eastern European Fund	Class C EUR	Class C GBP	Class M EUR
Opening Balance	110,364	3,701	25,223
Subscriptions	–	365	34,000
Redemptions	–	(295)	(6,000)
Closing Balance	110,364	3,771	53,223

Mori Ottoman Fund	Class A EUR	Class AA GBP	Class C EUR
Opening Balance	205,673	438	392,894
Subscriptions	3,226	–	28,110
Redemptions	(22,590)	(199)	–
Closing Balance	186,309	239	421,004

Notes to the Financial Statements (continued)

7. Share Capital (continued)

Redeemable Shares (continued)

Mori Ottoman Fund	Class C GBP	Class C USD
Opening Balance	3,365	956,548
Subscriptions	115	–
Redemptions	(1,974)	(32,039)
Closing Balance	1,506	924,509

At 30 September 2017, the Company had the following Redeemable Shares in issue of no par value:

Mori Eastern European Fund	Class A EUR	Class AA GBP	Class B EUR
Opening Balance	173,534	1,120	77,091
Subscriptions	82	–	9,096
Redemptions	(19,941)	(536)	(7,126)
Closing Balance	153,675	584	79,061

Mori Eastern European Fund	Class C EUR	Class C GBP	Class M EUR
Opening Balance	110,364	1,689	32,115
Subscriptions	–	2,012	–
Redemptions	–	–	(6,892)
Closing Balance	110,364	3,701	25,223

Mori Ottoman Fund	Class A EUR	Class AA GBP	Class C EUR
Opening Balance	225,741	333	893,289
Subscriptions	2,444	105	16,605
Redemptions	(22,512)	–	(517,000)
Closing Balance	205,673	438	392,894

Mori Ottoman Fund	Class C GBP	Class C USD
Opening Balance	2,634	1,075,136
Subscriptions	3,278	–
Redemptions	(2,547)	(118,588)
Closing Balance	3,365	956,548

RenAsset Africa ex S.A. Fund	Class C USD
Opening Balance	4,202,086
Subscriptions	7,142
Redemptions	(4,209,228)
Closing Balance	–

Redeemable Shares of the Sub-Funds are freely transferable and all are entitled to participate equally in the profits and distributions of the Sub-Fund and its assets in the event of termination.

All classes have the same voting rights at Company meetings (one vote per share).

To determine the NAV of the Company for subscriptions and redemptions, investments have been valued based on the last traded market prices as at the valuation point on the relevant valuation day.

Shareholders can subscribe for Shares on and with effect from any Dealing Day at the Subscription Price per Share on the relevant Dealing Day. Applications for Shares in the Sub-Funds must be received by 10:00hrs (Irish time) on the relevant Dealing Day in order for Shares to be allotted on that Dealing Day. If any application is received late, the Administrator will deal with the application on the following Dealing Day. Redemption requests for all Sub-Funds must be received the same time as subscription requests.

The ongoing capital requirement of €300,000 is being met through subscriptions into the Sub-Funds.

Notes to the Financial Statements (continued)

8. Cash and Cash Equivalents, Bank Overdraft and Margin Cash

As at 30 September 2018, cash, bank overdraft, cash collateral and margin cash were held with the following financial institutions:

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
BGC Partners	101,126	101,126	–
The Northern Trust Company	6,866,516	2,880,148	3,986,368
IS Investment	183,902	–	183,902
Total	7,151,544	2,981,274	4,170,270

Cash collateral is held with The Northern Trust Company for the sole purpose of entering into Forward Foreign Currency Contracts.

As at 30 September 2017, cash, bank overdraft and margin cash were held with the following financial institutions:

	Total* €	Mori Eastern European Fund €	Mori Ottoman Fund €	RenAsset Africa ex S.A. Fund† US\$
BGC Partners	141,528	141,528	–	–
The Northern Trust Company	(2,137,174)	(1,470,555)	(694,350)	32,783
IS Investment	139,892	–	139,892	–
Otkritie	232,693	156,014	76,679	–
Total	(1,623,061)	(1,173,013)	(477,779)	32,783

† RenAsset Africa ex S.A. Fund terminated with effect from 28 November 2016.

9. Financial Instruments and Associated Risks

The Company's risks are set out in the Prospectus and any consideration of risk here should be viewed in the context of the Prospectus which is the primary document governing the operation of the Company. The Company's investments expose it to a variety of financial risks including risks from the use of derivatives and other financial instruments, currency risk, interest rate risk, credit risk and liquidity risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the Company's financial performance. The Investment Manager's dedicated in-house Risk Management team monitors the Company's risk factors on a daily basis and produces reports detailing each Sub-Fund's exposures as well as cash and liquidity reports which are circulated to the relevant fund management teams and compliance.

Financial Derivative Instruments

The Investment Manager applies the commitment approach to measure the global exposure of all financial derivative instrument positions on the Sub-Funds.

Market risk includes price, foreign currency and interest rate risks.

(a) Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. Investing in securities in Eastern Europe and the MENA Region involves certain considerations not usually associated with investing in securities in more developed capital markets. The securities markets in such countries are substantially smaller, less liquid and significantly more volatile than securities markets in developed countries. In addition to their small size, illiquidity and volatility, the markets of Eastern Europe and the MENA Region are less developed than other securities markets, to the extent that they are newer and there is little historical data.

The foreign exchange risk is also relevant. The Sub-Funds invest in securities denominated in currencies other than Euro and US Dollars, the functional currencies of the Sub-Funds, and the Balance Sheet and Income Statement may be significantly affected by movements in the exchange rates against the Euro and US Dollars. The value of the Sub-Funds and their income, as measured in Euro and US Dollars, may suffer significant declines due to currency depreciation, disruptions in currency markets or delays and difficulties in currency conversions or be otherwise adversely affected by exchange control regulations or by changes in the method of controlling exchange rates or limiting exchange rate movements.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(a) Market Price Risk (continued)

Currency devaluations may occur without warning and are beyond the control of the Investment Manager. There will be instances in which currency exposure is not hedged and in such instances, currency risks will be absorbed by the Holders of Redeemable Shares.

Interest rate risk is the risk borne by an interest-bearing asset, such as a bond, due to variability of interest rates. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa. For floating rate notes the interest will normally adjust in line with the specified rate. As at 30 September 2018, none of the Sub-Funds held interest-bearing assets (30 September 2017: none).

The risk types mentioned above (price risk, foreign exchange risk and interest rate risk) are measured regularly applying different approaches (VaR, Sensitivity measures, Stress scenarios, etc.). VaR (99%, monthly or weekly) numbers represent the annualized expected return deviation of one standard deviation in size. For Mori Eastern European Fund and Mori Ottoman Fund they are calculated using the monthly returns in the sub-fund's currency over a two-year observation period.

VaR Analysis

	30 September 2018 VaR (99%) in 000's	30 September 2017 VaR (99%) in 000's
- Mori Eastern European Fund (monthly VAR)	€7,086	€8,017
- Mori Ottoman Fund (monthly VAR)	€3,759	€3,881

Additional disclosures - Mori Eastern European Fund

	30 September 2018 VaR (99%) in 000's	30 September 2017 VaR (99%) in 000's
- Lowest monthly VAR	€5,849	€8,017
- Average monthly VAR	€6,568	€9,636
- Highest monthly VAR	€7,733	€11,581

Additional disclosures - Mori Ottoman Fund

	30 September 2018 VaR (99%) in 000's	30 September 2017 VaR (99%) in 000's
- Lowest monthly VAR	€3,121	€3,881
- Average monthly VAR	€3,478	€4,830
- Highest monthly VAR	€3,778	€5,785

Sensitivity analysis

If the market price of all investments held by the Sub-Funds as at 30 September 2018 was to increase or decrease by 10%, with all other factors remaining constant, this would result in an increase or decrease in net assets attributable to holders of redeemable ordinary shares from operations of €10,755,923 (approximately 9.33% of net assets attributable to holders of redeemable shares) (30 September 2017: €13,109,529 (approximately 10.16% of net assets attributable to holders of redeemable shares)).

(b) Foreign Currency and Exchange Rate Risk

Mori Eastern European Fund has exposure to currency risk as 89.00% (30 September 2017: 96.69%) of its net assets are invested in securities and cash equivalents denominated in currencies other than the Euro (the functional and presentation currency of the Sub-Fund) at 30 September 2018. Mori Ottoman Fund has exposure to currency risk as 89.11% (30 September 2017: 100.38%) of its net assets are invested in securities and cash equivalents outside of the Eurozone at 30 September 2018. As a general policy, non-functional currency exposures are not usually hedged against functional currency. Any cash debits or credits resulting from security purchases, sales and income are converted into functional currency on a daily basis.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(b) Foreign Currency and Exchange Rate Risk (continued)

The following table sets out each Sub-Fund's total exposure to foreign currency risk.

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2018			
Mori Eastern European Fund			
Czech Koruna	2,509,161	—	2,509,161
Polish Zloty	8,599,045	—	8,599,045
Pound Sterling	139	—	139
Russian Ruble	27,707,023	—	27,707,023
Turkish Lira	15,789,334	(2,125,184)	13,664,150
US Dollars	16,548,415	(30,676)	16,517,739
Total	71,153,117	(2,155,860)	68,997,257

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2018			
Mori Ottoman Fund			
Czech Koruna	1,583,033	—	1,583,033
Polish Zloty	633,437	—	633,437
Pound Sterling	161,114	—	161,114
Romanian Leu	788,553	—	788,553
Russian Ruble	5,346,070	—	5,346,070
Turkish Lira	14,368,571	(2,125,184)	12,243,387
US Dollars	12,954,700	(46,015)	12,908,685
Total	35,835,478	(2,171,199)	33,664,279

Comparative as at 30 September 2017:

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2017			
Mori Eastern European Fund			
Czech Koruna	2,805,225	—	2,805,225
Polish Zloty	10,652,694	—	10,652,694
Pound Sterling	23,178	—	23,178
Russian Ruble	26,136,879	—	26,136,879
Turkish Lira	22,414,610	—	22,414,610
US Dollars	20,013,434	—	20,013,434
Total	82,046,020	—	82,046,020

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(b) Foreign Currency and Exchange Rate Risk (continued)

Comparative as at 30 September 2017: (continued)

Currency	Foreign Currency Monetary Assets	Foreign Currency Monetary Liabilities	Net Foreign Currency Monetary Assets/(Liability)
30 September 2017	€	€	€
Mori Ottoman Fund			
Czech Koruna	1,870,189	–	1,870,189
Polish Zloty	1,344,746	–	1,344,746
Pound Sterling	753,389	–	753,389
Romanian Leu	793,692	–	793,692
Russian Ruble	3,985,236	–	3,985,236
Turkish Lira	20,417,037	–	20,417,037
US Dollars	15,218,160	–	15,218,160
Total	44,382,449	–	44,382,449

(c) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. In general, as rates rise, the price of a fixed rate bond will fall, and vice versa. For floating rate notes the interest will normally adjust in line with the specified rate. For the financial year ended 30 September 2018 and 30 September 2017, the Sub-Funds did not trade in interest bearing securities.

The Sub-Funds hold cash and overdraft balances which earn/incur interest at floating rates. Any change in the interest rates would have an effect on the return earned on the cash balances and the interest expense incurred on overdraft balances. All Sub-Funds primarily invest in equities, which neither bear interest nor have a maturity date. Therefore, the Company is not exposed to significant interest rate risk as at 30 September 2018 and 30 September 2017.

(d) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in realising assets or otherwise raising funds to meet commitments associated with investment activities. Certain investments in Eastern Europe and the MENA Region are traded on OTC markets and, despite the large number of stock exchanges, there may not be an organised public market for such securities. This will increase the difficulty of valuing some of the Sub-Funds' investments and, until a market develops, certain investments on Mori Ottoman Fund may generally be illiquid. Reduced secondary market liquidity may have an adverse effect on market price and the Company's ability to dispose of particular instruments to meet its liquidity requirements or in response to specific events such as a deterioration in the creditworthiness of any particular issue. Inadequate secondary market liquidity for securities also makes it more difficult for the Company to obtain quotations for purposes of valuing its portfolio and calculating its NAV. The Directors or their delegate may use probable realisation value as the Administrator or other competent professionals appointed by Directors or their delegate for such purposes may recommend. Due to the nature of such unquoted assets and the difficulty in obtaining a valuation from other sources, such a competent professional may be related to the Administrator.

The majority of the securities which are traded on recognised exchanges and held within the Sub-Funds are monitored by Bloomberg. The Investment Manager uses this tool to calculate the liquidity of the Sub-Fund using the 1/3rd traded volume over 30 days rule, this provides a clear ongoing indication of the liquidity of the portfolio to ensure that any redemptions can be met. Also due to the nature of the current funds being daily dealing there are no large gaps of time in which substantial and ongoing market movements will affect redemptions. A small proportion of the Sub-Fund is held in securities that are not measured by this tool, however due to the size of the positions and the fact that they are considered long term investments, it is not anticipated that these would ever affect redemptions.

Large redemptions of Shares in a Sub-Fund might result in a Sub-Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(d) Liquidity Risk (continued)

The Liquidity Risk exposure of the Sub-Funds as at 30 September 2018 is as follows:

	Less than 1 month €	1 -6 months €	Total €
Mori Eastern European Fund			
Financial liabilities at fair value through profit or loss	(207,429)	-	(207,429)
Amounts payable on redemptions	(66,345)	-	(66,345)
Investment Management fee payable	(260,939)	-	(260,939)
Depositary fees payable	(10,643)	-	(10,643)
Administration fees payable	(27,541)	-	(27,541)
Marketing fees payable	-	(14,726)	(14,726)
Other expenses payable	-	(68,410)	(68,410)
Net assets attributable to holders of redeemable shares	(77,524,914)	-	(77,524,914)
Total	(78,097,811)	(83,136)	(78,180,947)

	Less than 1 month €	1 -6 months €	Total €
Mori Ottoman Fund			
Financial liabilities at fair value through profit or loss	(222,767)	-	(222,767)
Amounts payable on redemptions	(18,402)	-	(18,402)
Investment Management fee payable	(113,822)	-	(113,822)
Depositary fees payable	(7,412)	-	(7,412)
Administration fees payable	(13,626)	-	(13,626)
Marketing fees payable	-	(11,456)	(11,456)
Other expenses payable	-	(32,131)	(32,131)
Net assets attributable to holders of redeemable shares	(37,778,184)	-	(37,778,184)
Total	(38,154,213)	(43,587)	(38,197,800)

The Liquidity Risk exposure of the Sub-Funds as at 30 September 2017 was as follows:

	Less than 1 month €	1 -6 months €	Total €
Mori Eastern European Fund			
Amounts payable on redemptions	(96,606)	-	(96,606)
Investment Management fee payable	(286,811)	-	(286,811)
Depositary fees payable	(11,214)	-	(11,214)
Administration fees payable	(33,983)	-	(33,983)
Marketing fees payable	-	(32,677)	(32,677)
Bank Overdraft	-	(1,470,555)	(1,470,555)
Performance fees payable	(20,523)	-	(20,523)
Other expenses payable	-	(219,787)	(219,787)
Net assets attributable to holders of redeemable shares	(84,850,719)	-	(84,850,719)
Total	(85,299,856)	(1,723,019)	(87,022,875)

	Less than 1 month €	1 -6 months €	Total €
Mori Ottoman Fund			
Amounts payable on redemptions	(706)	-	(706)
Investment Management fee payable	(143,578)	-	(143,578)
Depositary fees payable	(5,795)	-	(5,795)
Administration fees payable	(17,925)	-	(17,925)
Marketing fees payable	-	(17,133)	(17,133)
Bank Overdraft	-	(709,548)	(709,548)
Other expenses payable	-	(117,857)	(117,857)
Net assets attributable to holders of redeemable shares	(44,214,969)	-	(44,214,969)
Total	(44,382,973)	(844,538)	(45,227,511)

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(d) Liquidity Risk (continued)

	Less than 1 month US\$	1 -6 months US\$	Total US\$
RenAsset Africa ex S.A. Fund			
Other expenses payable	-	(32,783)	(32,783)
Total	-	(32,783)	(32,783)

(e) Credit Risk

Credit risk represents the loss that could occur if (i) counterparties or issuers of securities or other instruments that the Investment Manager holds fail to discharge their contractual obligations, or (ii) upon deterioration in the credit quality of third parties whose securities or other interests the Investment Manager holds. The following are particular types of credit risk associated with the business of the Investment Fund: default risk, issuer risk and counterparty risk.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the Company, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at 30 September 2018, NTC had a long term rating from Standard & Poor's of A+ (30 September 2017: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Company's ownership of Other Assets, (as defined under Other Assets, Art 22(5) of UCITS V Directive 2014/91/EU), by assessing whether the Company holds the ownership based on information or documents provided by the Company or where available, on external evidence.

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Company, clearly identifiable as belonging to the Company, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Company on deposit. Such cash is held on the Balance Sheet of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Company will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Company's rights with respect to its assets to be delayed.

The Responsible Party manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointments.

The financial assets and liabilities, which potentially expose the Company to credit risk, consist principally of cash at bank and derivative instruments. The receivables on sale of investments and on subscriptions are settled on a DVP basis within three days, so they are excluded from credit risk analysis.

The Investment Manager has taken action to moderate this risk by introducing the internal investment restrictions described below:

Any over-the-counter derivative counterparty of the Company must be with an EEA member state credit institution or have a credit rating or an implied credit rating of A2 provided by an internationally recognised rating agency. Alternatively, an unrated counterparty will be acceptable where the Company is indemnified against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A2. UCITS Regulations allow the following maximum levels in net exposure to credit institutions: 10% to a credit institution within the EEA or Basel Capital Convergence and 5% to all others.

Each Sub-Fund may not invest more than 20% of net assets in deposits made with the same credit institution. Deposits with any one credit institution, other than credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, held as ancillary liquidity, must not exceed 10% of net assets. This limit may be raised to 20% in the case of deposits made with the Depositary.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(e) Credit Risk (continued)

The calculation of credit risk exposure for the Company as at 30 September 2018 is shown below and details the exposure to each counterparty by instrument type.

30 September 2018

	Total	The Northern Trust Company	IS Investment	Otkritie	BGC Partners
Instrument Type	€	€	€	€	€
Cash, overdraft, collateral and margin cash	7,151,544	6,866,516	183,902	-	101,126
Forwards	(430,196)	(430,196)	-	-	-
Total Credit risk exposure	6,721,348	6,436,320	183,902	-	101,126

30 September 2017

	Total	The Northern Trust Company	IS Investment	Otkritie	BGC Partners
Instrument Type	€	€	€	€	€
Cash, overdraft and margin cash	(1,623,061)	(2,137,174)	139,892	232,693	141,528
Forwards	427,925	427,925	-	-	-
Futures	149,374	-	149,374	-	-
Total Credit risk exposure	(1,045,762)	(1,709,249)	289,266	232,693	141,528

The Company is exposed to a credit risk in relation to the counterparties with whom it trades, and may bear the risk of settlement default. There can be no assurance that issuers of the securities or other instruments in which the Company invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments.

As at 30 September 2018, the Company's counterparties had the following Standard and Poor's credit ratings:

	2018	2017
Northern Trust Corporation	A+	A+
BGC Partners	BBB-	BBB-
IS Investment	B+	BB
Otkritie*	-	B+

* Otkritie Capital International Limited changed its name to Sova Capital Limited and it is currently unrated.

The assets of the Company are entrusted to the Depositary for safekeeping. The Depositary reports to the Board at the quarterly board meetings.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(e) Credit Risk (continued)

Offsetting and amounts subject to master netting arrangements and similar agreements

As at 30 September 2018, the Company was subject to master netting arrangements and similar agreements with its counterparties. The following tables present the Sub-Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

Mori Eastern European Fund **Financial liabilities - 30 September 2018**

	Gross amounts offset in the Balance Sheet			Gross amounts not offset in the Balance Sheet		
	Gross amounts of recognised financial assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Forwards	207,429	—	207,429	—	(207,429)	—
Total	207,429	—	207,429	—	(207,429)	—

Mori Ottoman Fund **Financial liabilities - 30 September 2018**

	Gross amounts offset in the Balance Sheet			Gross amounts not offset in the Balance Sheet		
	Gross amounts of recognised financial assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Forwards	222,767	—	222,767	—	(222,767)	—
Total	222,767	—	222,767	—	(222,767)	—

Mori Eastern European Fund and Mori Ottoman Fund had no derivatives as financial liabilities as at 30 September 2018.

Amounts in D(i) and D(ii) above relate to amounts subject to set-off that do not qualify for offsetting under (B) above. This includes (i) amounts which are subject to set-off against the asset (or liability) disclosed in (A) which have not been offset in the Balance Sheet, and (ii) any financial collateral (including cash collateral), both received and pledged.

Mori Eastern European Fund **Financial liabilities - 30 September 2017**

	Gross amounts offset in the Balance Sheet			Gross amounts not offset in the Balance Sheet		
	Gross amounts of recognised financial assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Forwards	171,170	—	171,170	(171,170)	—	—
Total	171,170	—	171,170	(171,170)	—	—

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(e) Credit Risk (continued)

Offsetting and amounts subject to master netting arrangements and similar agreements (continued)

Mori Ottoman Fund

Financial assets - 30 September 2017

	Gross amounts offset in the Balance Sheet			Gross amounts not offset in the Balance Sheet		
	Gross amounts of recognised financial assets	Gross amounts offset in the Balance Sheet	Net amounts of assets presented in the Balance Sheet	Financial Instruments	Cash Collateral	Net amount
	A €	B €	C = A - B €	D(i) €	D(ii) €	E = C - D €
Forwards	256,755	—	256,755	(256,755)	—	—
Futures	149,374	—	149,374	(149,374)	—	—
Total	406,129	—	406,129	(406,129)	—	—

Mori Eastern European Fund and Mori Ottoman Fund had no derivatives as financial assets as at 30 September 2017.

RenAsset Africa ex S.A. Fund held no derivatives as at 30 September 2017.

Amounts in D(i) and D(ii) above relate to amounts subject to set-off that do not qualify for offsetting under (B) above. This includes (i) amounts which are subject to set-off against the asset (or liability) disclosed in (A) which have not been offset in the Balance Sheet, and (ii) any financial collateral (including cash collateral), both received and pledged.

(f) Risk of Derivative Instruments

The Sub-Funds may use various derivative instruments. Use of derivative instruments presents certain risks, such as:

- when used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent a Sub-Fund from achieving the intended hedging effect or expose the Sub-Fund to the risk of loss;
- derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets a Sub-Fund may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which a Sub-Fund may conduct its transactions in certain derivative instruments may prevent prompt liquidation of positions, subjecting the Sub-Fund to the potential of greater losses;
- trading in derivative instruments can result in leverage which could magnify the gains and losses experienced by a Sub-Fund and could cause the Sub-Fund's NAV to be subject to wider fluctuations than would be the case if the Sub-Fund did not use the leverage feature in derivative instruments; and
- derivative instruments that may be purchased or sold by a Sub-Fund may include instruments not traded on an exchange.

The counterparty for derivative instruments is TNTC (30 September 2017: BGC Partners, Otkritie, and IS Investment).

The techniques and instruments utilised for the purposes of efficient portfolio management are those that are reasonably believed by the Investment Manager to be economically appropriate to the efficient management of the Company. The main financial instruments include exchange traded and over-the-counter derivatives such as futures and options on equity indices and individual stocks as well as currency options. The Company uses derivative financial instruments to moderate or at times, enhance certain risk exposures within the investment portfolios. Compliance with UCITS derivative exposure restrictions is monitored by the Investment Manager on a daily basis.

(g) Efficient Portfolio Management

The Company is authorised to engage in certain transactions for the purposes of efficient portfolio management involving the use of derivative instruments, including forward currency exchange contracts and currency futures contracts and options on such futures contracts, as well as to purchase put or call options on foreign currencies.

Notes to the Financial Statements (continued)

9. Financial Instruments and Associated Risks (continued)

(g) Efficient Portfolio Management (continued)

In order to hedge against adverse market movements, the Company is also permitted to purchase put and call options on securities, write covered put and call options on stocks and enter into securities index futures contracts and related options. The Company is also authorised to hedge against interest rate fluctuations affecting portfolio securities by entering into interest rate futures contracts and options thereon and to enter into repurchase agreements. The Company may seek to protect the value of some or all of its portfolio holdings against currency risks by engaging in hedging transactions within the conditions and limits set down by the Central Bank.

All fair value and movements in fair value gains/(losses) arising during the financial year through the use of efficient portfolio management techniques are included in the Income Statement on page 21. The Sub-Funds only traded futures and forward currency exchange contracts during the financial year ended 30 September 2018.

10. Fair Value of Financial Instruments

Fair Value Hierarchy

The following tables show financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Mori Eastern European Fund

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value as at 30 September 2018	€	€	€	€
Financial assets at fair value through profit or loss				
<i>Designated at fair value through profit or loss upon initial recognition</i>				
Equity instruments	73,640,345	-	-	73,640,345
	73,640,345	-	-	73,640,345
Total	73,640,345	-	-	73,640,345
Financial liabilities at fair value through profit or loss				
<i>Held for Trading</i>				
Forward contracts	-	(207,429)	-	(207,429)
	-	(207,429)	-	(207,429)
Total	-	(207,429)	-	(207,429)

Notes to the Financial Statements (continued)

10. Fair Value of Financial Instruments (continued)

Fair Value Hierarchy (continued)

Mori Ottoman Fund

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial Assets at Fair Value as at 30 September 2018				
Financial assets at fair value through profit or loss				
<i>Designated at fair value through profit or loss upon initial recognition</i>				
Equity instruments	33,613,250	-	305,639	33,918,889
	33,613,250	-	305,639	33,918,889
Total	33,613,250	-	305,639	33,918,889
Financial liabilities at fair value through profit or loss				
<i>Held for Trading</i>				
Forward contracts	-	(222,767)	-	(222,767)
	-	(222,767)	-	(222,767)
Total	-	(222,767)	-	(222,767)

Comparative as at 30 September 2017:

Mori Eastern European Fund

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial Assets at Fair Value as at 30 September 2017				
Financial assets at fair value through profit or loss				
<i>Designated at fair value through profit or loss upon initial recognition</i>				
Equity instruments	85,867,831	-	129,340	85,997,171
	85,867,831	-	129,340	85,997,171
Financial assets at fair value through profit or loss				
<i>Held for Trading</i>				
Forward contracts	-	171,170	-	171,170
	-	171,170	-	171,170
Total	85,867,831	171,170	129,340	86,168,341

Mori Ottoman Fund

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial Assets at Fair Value as at 30 September 2017				
Financial assets at fair value through profit or loss				
<i>Designated at fair value through profit or loss upon initial recognition</i>				
Equity instruments	44,006,621	-	514,202	44,520,823
	44,006,621	-	514,202	44,520,823
Financial assets at fair value through profit or loss				
<i>Held for Trading</i>				
Future contracts	149,374	-	-	149,374
Forward contracts	-	256,755	-	256,755
	149,374	256,755	-	406,129
Total	44,155,995	256,755	514,202	44,926,952

Notes to the Financial Statements (continued)

10. Fair Value of Financial Instruments (continued)

Level 3 Reconciliation

The following table lists the investments which have been classified into Level 3 as at 30 September 2018.

Mori Eastern European Fund

Equity investment	Current holding	Market value	% of Net Assets
Asya Katilim Bankasi AS*	2,500,000	-	-

Mori Ottoman Fund

Equity investment	Current holding	Market value	% of Net Assets
Asya Katilim Bankasi AS*	2,000,000	-	-
East Pharma Ltd GDR	355,000	305,639	0.81%
Ar Tarim Organik Gida AS*	150,000	-	-
Uzel Makina Sanayii AS*	14,000	-	-
		305,639	0.81%

* Market value written down to zero by the Investment Manager.

Comparative as at 30 September 2017:

Mori Eastern European Fund

Equity investment	Current holding	Market value	% of Net Assets
Asya Katilim Bankasi AS	2,500,000	129,340	0.15%
		129,340	0.15%

Mori Ottoman Fund

Equity investment	Current holding	Market value	% of Net Assets
Asya Katilim Bankasi AS	2,000,000	103,472	0.23%
Piraeus Bank	600,000	600	0.00%
East Pharma Ltd GDR	370,000	391,220	0.88%
Ar Tarim Organik Gida AS	150,000	18,910	0.04%
Uzel Makina Sanayii AS	14,000	-	0.00%
		514,202	1.15%

The following tables (below and overleaf) reconcile the movement during the financial year in investments which have been classified into Level 3:

Mori Eastern European Fund

	€
Balance as at 1 October 2017	129,340
(Losses)/Gains reported	
-Movement in unrealised	(129,340)
Balance as at 30 September 2018	-

Notes to the Financial Statements (continued)

10. Fair Value of Financial Instruments (continued)

Level 3 Reconciliation (continued)

Mori Ottoman Fund

	€
Balance as at 1 October 2017	514,202
Purchases/(Sales)	(13,427)
(Losses)/Gains reported	
-Realised	(538,009)
-Movement in unrealised	342,873
Balance as at 30 September 2018	305,639

Comparative as at 30 September 2017

Mori Eastern European Fund

	€
Balance as at 1 October 2016	322,491
(Losses)/Gains reported	
-Movement in unrealised	(193,151)
Balance as at 30 September 2017	129,340

Mori Ottoman Fund

	€
Balance as at 1 October 2016	282,168
Purchases/(Sales)	(13,345)
Net transfer in/(out) of Level 3	1,012,814
(Losses)/Gains reported	
-Realised	(20,086)
-Movement in unrealised	(747,349)
Balance as at 30 September 2017	514,202

There have been no transfers between levels during the financial year ended 30 September 2018.

Comparative as at 30 September 2017:

Mori Ottoman Fund

	Level 1 €	Level 2 €	Level 3 €
Transfers between level 1 and level 3	(1,012,814)	-	1,012,814

These transfers occurred at the end of the financial year.

There have been no transfers between levels during the financial year ended 30 September 2017 for the Mori Eastern European Fund.

Sensitivity analysis

If the market price of the Level 3 investments held by the Sub-Funds as at 30 September 2018 was to increase or decrease by 10%, with all other factors remaining constant, this would result in an increase or decrease in net assets attributable to holders of redeemable ordinary shares from operations of €30,563 (approximately 0.03% of net assets attributable to holders of redeemable shares) (30 September 2017: €64,354 (approximately 0.05% of net assets attributable to holders of redeemable shares)).

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include listed, active equity securities.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include forward currency contracts and equities not listed on a recognised exchange, or which are listed, but are considered to be investments not traded in an active market.

Notes to the Financial Statements (continued)

10. Fair Value of Financial Instruments (continued)

Level 3 Reconciliation (continued)

The valuation of equities not listed on a recognised exchange, or which are listed, but are considered to be investments not traded in an active market or illiquid is determined by the Directors, under the advice of the Investment Manager, using valuation techniques. The valuation techniques rely, where available, on external prices and if necessary will make adjustments for impairment. Other factors taken into consideration are the original transaction price, any recent transactions in the same or similar instruments and completed third party transactions in comparable instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources with a significant element of unobservable inputs are classified within Level 3.

Financial assets and liabilities not measured at fair value

The Company has not disclosed the fair value for cash and cash equivalents, receivables and payables because their carrying amounts are a reasonable approximation of fair value. All of the cash and cash equivalents as disclosed in the Balance Sheet are classified in Level 1. Receivables and payables are classified in Level 2.

11. Trade and other receivable

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2018			
Accrued bank interest income	1,290	545	745
Accrued dividend income	380,570	339,974	40,596
Prepaid expenses	15,267	13,849	1,418
Reclaims receivable	186,576	158,708	27,868
Total	583,703	513,076	70,627

	Total* €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2017			
Accrued bank interest income	4	4	–
Accrued dividend income	211,196	174,649	36,547
Prepaid expenses	14,941	9,801	5,140
Reclaims receivable	64,098	37,705	26,393
Total	290,239	222,159	68,080

12. Trade and other payable

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2018			
Accrued bank interest expense	(2,662)	(1,264)	(1,398)
Accrued audit fee	(27,984)	(18,598)	(9,386)
Accrued company secretarial fee	(4,145)	(2,751)	(1,394)
Accrued Directors' fee	(25,714)	(17,124)	(8,590)
Accrued German/Austrian tax audit fee	(16,308)	(10,855)	(5,453)
Accrued legal fee	(4,620)	(4,620)	–
Accrued other professional fees	(2,545)	(1,690)	(855)
Accrued other payable	(16,563)	(11,508)	(5,055)
Total	(100,541)	(68,410)	(32,131)

Notes to the Financial Statements (continued)

12. Trade and other payable (continued)

	Total*	Mori Eastern European Fund	Mori Ottoman Fund	RenAsset Africa ex S.A. Fund†
	€	€	€	US\$
As at 30 September 2017				
Spot contracts payable	(463)	(463)	–	–
Accrued bank interest expense	(2,164)	(1,266)	(898)	–
Accrued audit fee	(43,379)	(28,465)	(14,914)	–
Accrued company secretarial fee	(3,363)	(3,363)	–	–
Accrued Directors' fee	(26,465)	(17,366)	(9,099)	–
Accrued German/Austrian tax audit fee	(25,946)	(17,024)	(8,922)	–
Accrued legal fee	(200,391)	(113,321)	(59,339)	(32,783)
Accrued other professional fees	(1,295)	(850)	(445)	–
Accrued other payable	(61,909)	(37,669)	(24,240)	–
Total	(365,375)	(219,787)	(117,857)	(32,783)

* The US\$ figures for RenAsset Africa ex S.A. Fund have been converted into Euros in the total column using the US\$/EUR exchange rate as at 30 September 2017 of 1.1822.

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

13. General expenses

	Total	Mori Eastern European Fund	Mori Ottoman Fund
	€	€	€
As at 30 September 2018			
Company secretarial fee	(16,406)	(10,886)	(5,520)
German/Austrian tax audit fee	(30,913)	(20,524)	(10,389)
ISE listing fees	(9,193)	(6,052)	(3,141)
German tax fees	(6,576)	(3,288)	(3,288)
Other listing fees	(67,158)	(44,122)	(23,036)
Other professional fees	(111,721)	(73,740)	(37,981)
Other expenses	(184,914)	(145,904)	(39,010)
Total	(426,881)	(304,516)	(122,365)

	Total*	Mori Eastern European Fund	Mori Ottoman Fund	RenAsset Africa ex S.A. Fund†
	€	€	€	US\$
As at 30 September 2017				
Company secretarial fee	(24,353)	(15,072)	(8,051)	(1,343)
German/Austrian tax audit fee	(20,744)	(14,023)	(6,721)	–
ISE listing fees	(5,226)	(1,839)	(3,010)	(412)
German tax fees	(24,934)	(12,467)	(12,467)	–
Other listing fees	(60,913)	(38,978)	(21,935)	–
Other professional fees	(71,242)	(45,909)	(25,333)	–
Other expenses	(135,469)	(118,778)	(35,108)	20,110
Total	(342,881)	(247,066)	(112,625)	18,355

* The US\$ figures for RenAsset Africa ex S.A. Fund have been converted into Euros in the total column using the average US\$/EUR exchange rate from 30 September 2016 to 28 November 2016 (date when the Fund ceased trading) of 1.0919.

† RenAsset Africa ex S.A. Fund ceased trading with effect from 28 November 2016.

Notes to the Financial Statements (continued)

14. Exchange Rates

The exchange rates applied at 30 September 2018 and 2017 for Mori Eastern European Fund and Mori Ottoman Fund (the Euro functional currency funds) were:

Currency	30 September 2018 €	30 September 2017 €
Czech Koruna	25.7815	25.9915
Hungarian Forint	323.4451	310.6600
Norwegian Krone	9.4585	9.4107
Polish Zloty	4.2814	4.3079
Pound Sterling	0.8907	0.8812
Romanian Leu	4.6573	4.5967
Russian Ruble	76.0725	68.0445
Swiss Franc	1.1346	1.1439
Turkish Lira	6.9775	4.2040
Ukraine Hryvnia	32.7915	31.4938
US Dollars	1.1615	1.1822

15. Comparative Net Asset Values

A. Total Net Asset Value		30 September 2018	30 September 2017	30 September 2016
Mori Eastern European Fund	Class A EUR	€62,320,618	€72,696,122	€68,032,876
	Class AA GBP	£5,418	£5,576	£8,672
	Class B EUR	€7,815,213	€7,951,068	€6,448,604
	Class C EUR	€976,654	€1,015,644	€838,370
	Class C GBP	£41,166	£41,561	£15,377
	Class M EUR	€6,360,127	€3,134,391	€3,294,340
Mori Ottoman Fund	Class A EUR	€24,121,986	€29,256,831	€27,941,662
	Class AA GBP	£2,188	£4,340	£2,803
	Class C EUR	€4,591,695	€4,682,999	€9,219,641
	Class C GBP	£16,126	£38,785	£25,655
	Class C USD	US\$10,504,539	US\$12,089,410	US\$11,183,595
RenAsset Africa ex S.A. Fund*	Class C USD	–	–	US\$21,915,948
B. Net Asset Value per Share		30 September 2018	30 September 2017	30 September 2016
Mori Eastern European Fund	Class A EUR	€453.0747	€473.0496	€392.0433
	Class AA GBP	£9.2836	£9.5554	£7.7419
	Class B EUR	€96.2298	€100.5684	€83.6494
	Class C EUR	€8.8494	€9.2026	€7.5964
	Class C GBP	£10.9164	£11.2308	£9.1024
	Class M EUR	€119.5006	€124.2694	€102.5797
Mori Ottoman Fund	Class A EUR	€129.4733	€142.2494	€123.7776
	Class AA GBP	£9.1404	£9.9015	£8.4223
	Class C EUR	€10.9065	€11.9192	€10.3210
	Class C GBP	£10.7096	£11.5257	£9.7396
	Class C USD	US\$11.3623	US\$12.6386	US\$10.4020
RenAsset Africa ex S.A. Fund*	Class C USD	–	–	US\$5.2200

* RenAsset Africa ex S.A. Fund terminated with effect from 28 November 2016.

16. Soft Commissions

With the advent of MiFID II, the Investment Manager has taken the decision to make no further use of soft commission arrangements with effect from 1 January 2018. Accordingly, there have been no soft commission payments relating to any Sub-Fund from 1 January 2018.

Notes to the Financial Statements (continued)

17. Distribution Policy

There were no dividends or distributions paid to the shareholders during the financial year (30 September 2017: none).

18. Significant Events

Effective 1 January 2018, Oligo Swiss Fund Services SA replaced First Independent Fund Services Limited as Swiss Representative.

Effective 23 February 2018, Grant Thornton was appointed Independent Auditor of the Company. Deloitte resigned as Independent Auditor on 19 February 2018.

There were no other significant events during the financial year ended 30 September 2018.

19. Subsequent Events

An Amended Administration Agreement was issued on 5 October 2018.

There were no other subsequent events to report after the financial year ended 30 September 2018.

20. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities as at 30 September 2018.

21. Comparative figures

The comparative figures for the Financial Statements are for the financial year ended 30 September 2017.

22. Approval of Audited Financial Statements

The audited Financial Statements were approved and authorised for issue by the Directors on 4 December 2018.

Portfolio Statement

As at 30 September 2018

Mori Eastern European Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss					
<u>Equities</u>					
CZECH REPUBLIC	Moneta Money Bank AS	500,000	CZK	1,584,468	2.05%
	Philip Morris	1,600	CZK	924,693	1.19%
				2,509,161	3.24%
GREECE	Ellaktor SA	325,000	EUR	464,750	0.60%
	Eurobank Ergasias SA	45,000	EUR	29,205	0.04%
	GEK Terna Holding Real Estate Construction SA	400,000	EUR	2,028,000	2.61%
	JUMBO SA	75,000	EUR	960,000	1.24%
	Mytilineos	100,000	EUR	855,000	1.10%
	Piraeus Bank	347	EUR	652	—
				4,337,607	5.59%
NETHERLANDS	Veon Ltd	180,000	USD	449,419	0.58%
				449,419	0.58%
POLAND	Eurocash SA	200,000	PLN	844,583	1.09%
	Powszechna Kasa Oszczednosci Bank Polski SA	450,000	PLN	4,509,033	5.81%
	Powszechny Zaklad Ubezpieczen SA	350,000	PLN	3,245,430	4.19%
				8,599,046	11.09%
RUSSIA	Aeroflot	600,000	RUB	840,382	1.08%
	Bank St. Petersburg	909,201	RUB	599,979	0.77%
	Etalon Group Ltd GDR	250,000	USD	502,583	0.65%
	Gazprom ADR	170,000	USD	731,812	0.94%
	Gazprom PAO	2,000,000	RUB	4,275,132	5.51%
	Globaltrans Investment Plc GDR	161,560	USD	1,460,508	1.88%
	Lenta GDR	150,000	USD	457,167	0.59%
	Lukoil OAO ADR	20,000	USD	1,320,706	1.70%
	Lukoil PJSC	95,000	RUB	6,271,517	8.09%
	Magnit PJSC	16,165	RUB	814,917	1.05%
	Magnit PJSC GDR	20,000	USD	244,597	0.32%
	Mail.ru Group Ltd GDR	60,000	USD	1,395,781	1.80%
	MMC Norilsk Nickel PJSC	10,000	RUB	1,496,993	1.93%
	Mobile TeleSystems PJSC	400,000	RUB	1,432,844	1.85%
	Novatek OAO	200,000	RUB	3,071,281	3.96%
	Novolipetsk Steel OJSC GDR	30,000	USD	696,083	0.90%
	Raspadskaya	284,122	RUB	440,343	0.57%
	Rosneft OAO GDR	200,000	USD	1,292,811	1.67%
	Rostelecom	850,000	RUB	781,590	1.01%
	Sberbank of Russia	2,200,000	RUB	5,879,969	7.59%
	Severstal PAO GDR	140,000	USD	2,006,887	2.59%
	Surgutneftegas Ordinary Shares	2,500,000	RUB	901,278	1.16%
	Surgutneftegas Preferential Shares	1,800,000	RUB	900,799	1.16%
	Tatneft PAO ADR	30,000	USD	1,975,893	2.55%
	X5 Retail Group NV GDR	35,000	USD	681,016	0.88%
	Yandex NV	50,000	USD	1,415,841	1.83%
				41,888,709	54.03%

Portfolio Statement (continued)

As at 30 September 2018

Mori Eastern European Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss (continued)					
<u>Equities (continued)</u>					
TURKEY	Arcelik	400,000	TRY	793,983	1.02%
	Asya Katilim Bankasi AS	2,500,000	TRY	–	–
	Emlak Konut Gayrimenkul Yatirim Ortakligi AS	1,000,000	TRY	256,540	0.33%
	Enerjisa Enerji	300,000	TRY	227,446	0.29%
	Enka Insaat ve Sanayi AS	952,380	TRY	711,131	0.92%
	Haci Omer Sabanci Holding AS	660,000	TRY	721,722	0.93%
	Karsan Otomotiv Sanayii Ve Ticaret AS	2,000,001	TRY	407,024	0.53%
	KOC Holding AS	290,000	TRY	709,053	0.92%
	Koza Altin Isletmeleri AS	100,000	TRY	735,939	0.95%
	Koza Anadolu Metal Madencilik Isletmeleri AS	1,090,000	TRY	1,010,723	1.30%
	Migros Ticaret	100,000	TRY	231,889	0.30%
	Ozak Gayrimenkul Yatirim Ortakligi AS	1,050,000	TRY	365,676	0.47%
	Soda Sanayii	600,000	TRY	595,917	0.77%
	TAV Havalimanlari	180,000	TRY	806,939	1.04%
	Tofas Turk Otomobil Fabrikasi	200,000	TRY	612,829	0.79%
	Torunlar Gayrimenkul Yatirim Ortakligi AS	699,994	TRY	177,570	0.23%
	Tupras Turkiye Petrol Rafinerileri	40,000	TRY	769,332	0.99%
	Turk Telekomunikasyon AS	600,000	TRY	313,007	0.40%
	Turkiye Garanti Bankasi	650,000	TRY	718,239	0.93%
	Turkiye Halk Bankasi AS	800,000	TRY	767,039	0.99%
	Turkiye Is Bankasi	1,000,000	TRY	633,466	0.82%
	Turkiye Sinai Kalkinma Bankasi	1,166,666	TRY	143,796	0.19%
	Turkiye Vakiflar Bankasi Tao	3,000,000	TRY	1,629,528	2.10%
	Yapi ve Kredi Bankasi	3,400,544	TRY	916,237	1.18%
				14,255,025	18.39%
UKRAINE	MHP SA GDR	150,000	USD	1,601,378	2.07%
				1,601,378	2.07%
Total Equities				73,640,345	94.99%
Total Financial Assets at Fair Value through Profit or Loss				73,640,345	94.99%

Financial Liabilities at Fair Value Through Profit or Loss

<u>Open Forward Foreign Currency Transactions</u>				Unrealised loss €	% of Net Assets
Currency Sold	Currency Bought	Counterparty	Maturity Date		
TRY 10,000,000	USD 1,603,463	Northern Trust	30/10/2018	(30,677)	(0.04%)
TRY 15,000,000	EUR 1,948,432	Northern Trust	22/10/2018	(176,752)	(0.23%)
				(207,429)	(0.27%)
Total Open Forward Foreign Currency Transactions				(207,429)	(0.27%)
Total Financial Liabilities at Fair Value through Profit or Loss				(207,429)	(0.27%)

Portfolio Statement (continued)

As at 30 September 2018

Mori Eastern European Fund

	Fair Value €	% of Net Assets
Financial assets and liabilities at fair value through profit or loss	73,432,916	94.72%
Cash and cash equivalents	2,621,861	3.38%
Other Net Assets	1,470,137	1.90%
Net Assets Attributable to Holders of Redeemable Shares	77,524,914	100.00%

Analysis of Total Assets

	% of Total Assets
Transferable securities admitted to an official stock exchange or traded on a regulated market	94.19%
Cash and cash equivalents	3.35%
Other Assets	2.46%
Total Assets	100.00%

Portfolio Statement

As at 30 September 2018 (continued)

Mori Ottoman Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss					
<u>Equities</u>					
CZECH REPUBLIC	Moneta Money Bank AS	350,000	CZK	1,109,128	2.94%
	Philip Morris	820	CZK	473,905	1.25%
				1,583,033	4.19%
GREECE	JUMBO SA	30,000	EUR	384,000	1.01%
	Mytilineos	60,000	EUR	513,000	1.36%
				897,000	2.37%
NETHERLANDS	Veon Ltd	60,000	USD	149,806	0.40%
				149,806	0.40%
POLAND	Eurocash SA	150,000	PLN	633,437	1.68%
				633,437	1.68%
ROMANIA	Fondul Proprietatea SA/Fund GDR	50,730	USD	502,277	1.33%
	SIF 2 Moldova Bacau	1,800,000	RON	467,656	1.24%
	SIF 5 Oltenia Craiova	700,000	RON	320,897	0.85%
				1,290,830	3.42%
RUSSIA	Aeroflot	300,000	RUB	420,191	1.11%
	Bank St. Petersburg	758,913	RUB	500,804	1.33%
	Etalon Group Ltd GDR	100,000	USD	201,033	0.53%
	Evrast Plc	25,000	GBP	159,034	0.42%
	Gazprom ADR	500,000	USD	2,152,389	5.70%
	Globaltrans Investment Plc GDR	44,582	USD	403,023	1.07%
	Lenta GDR	80,000	USD	243,822	0.65%
	Lukoil OAO ADR	55,000	USD	3,631,941	9.61%
	Magnit PJSC	5,388	RUB	271,622	0.72%
	Mail.ru Group Ltd GDR	40,000	USD	930,521	2.46%
	Mobile TeleSystems PJSC	300,000	RUB	1,074,633	2.84%
	Raspadskaya	241,098	RUB	373,663	0.99%
	Rostelecom	500,000	RUB	459,759	1.22%
	Sberbank of Russia	680,000	RUB	1,817,445	4.81%
	Sberbank of Russia ADR	100,000	USD	1,091,692	2.89%
	Severstal PAO GDR	40,000	USD	573,396	1.52%
	TGK-1 OAO	1,908,458,000	RUB	250,623	0.66%
	Unipro PJSC	5,000,000	RUB	177,331	0.47%
	X5 Retail Group NV GDR	10,000	USD	194,576	0.51%
	Yandex NV	30,000	USD	849,505	2.25%
				15,777,003	41.76%
TURKEY	Akbank Turk Anonim Sirketi	525,000	TRY	520,675	1.38%
	Akansa Cimento	45,000	TRY	53,916	0.14%
	Aksa Enerji Uretim AS	1,000,000	TRY	624,867	1.65%
	Anadolu Anonim Turk Sigorta Sirketi	700,000	TRY	433,394	1.15%
	Ar Tarim Organik Gida AS	150,000	TRY	—	—
	Arcelik	300,000	TRY	595,487	1.58%
	Asya Katilim Bankasi AS	2,000,000	TRY	—	—
	Cimsa Cimento Sanayi VE Ticaret	43,977	TRY	56,724	0.15%
	EastPharma Ltd GDR	355,000	USD	305,639	0.81%
	EGE Endustri	5,950	TRY	366,680	0.97%
	Emlak Konut Gayrimenkul Yatirim Ortakligi AS	600,000	TRY	153,924	0.41%

Portfolio Statement

As at 30 September 2018 (continued)

Mori Ottoman Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss (continued)					
<u>Equities (continued)</u>					
TURKEY (continued)	Enerjisa Enerji	200,000	TRY	151,631	0.40%
	Enka Insaat ve Sanayi AS	357,142	TRY	266,674	0.71%
	Haci Omer Sabanci Holding AS	300,000	TRY	328,055	0.87%
	Is Gayrimenkul Yatirim Ortakligi AS	1,521,823	TRY	198,476	0.53%
	Is Yatirim Menkul Degerler AS	900,000	TRY	277,321	0.73%
	Karsan Otomotiv Sanayii Ve Ticaret AS	4,000,000	TRY	814,048	2.15%
	KOC Holding AS	180,000	TRY	440,102	1.16%
	Koza Altin Isletmeleri AS	130,000	TRY	956,721	2.53%
	Koza Anadolu Metal Madencilik Isletmeleri AS	590,000	TRY	547,089	1.45%
	Ozak Gayrimenkul Yatirim Ortakligi AS	700,000	TRY	243,784	0.64%
	Soda Sanayii	300,000	TRY	297,959	0.79%
	TAV Havalimanlari	140,000	TRY	627,619	1.66%
	Tofas Turk Otomobil Fabrikasi	100,000	TRY	306,414	0.81%
	Torunlar Gayrimenkul Yatirim Ortakligi AS	499,995	TRY	126,835	0.34%
	Trakya Cam Sanayii AS	1	TRY	—	—
	Tupras Turkiye Petrol Rafinerileri	40,000	TRY	769,332	2.04%
	Turk Telekomunikasyon AS	700,000	TRY	365,175	0.97%
	Turkiye Garanti Bankasi	300,000	TRY	331,495	0.88%
	Turkiye Halk Bankasi AS	400,000	TRY	383,520	1.01%
	Turkiye Is Bankasi	1,000,000	TRY	633,467	1.68%
	Turkiye Sinai Kalkinma Bankasi	583,333	TRY	71,898	0.19%
	Turkiye Vakiflar Bankasi Tao	2,500,000	TRY	1,357,940	3.59%
	Uzel Makina Sanayii AS	14,000	TRY	—	—
	Yapi ve Kredi Bankasi	1,671,124	TRY	450,265	1.19%
				13,057,126	34.56%
UKRAINE	MHP SA GDR	49,706	USD	530,654	1.40%
				530,654	1.40%
Total Equities				33,918,889	89.78%
Total Financial Assets at Fair Value through Profit or Loss				33,918,889	89.78%

Financial Liabilities at Fair Value Through Profit or Loss

<u>Open Forward Foreign Currency Transactions</u>				Unrealised loss €	% of Net Assets
Currency Sold	Currency Bought	Counterparty	Maturity Date		
TRY 15,000,000	USD 2,405,195	Northern Trust	30/10/2018	(46,015)	(0.12%)
TRY 15,000,000	EUR 1,948,432	Northern Trust	22/10/2018	(176,752)	(0.47%)
				(222,767)	(0.59%)
Total Open Forward Foreign Currency Transactions				(222,767)	(0.59%)
Total Financial Liabilities at Fair Value through Profit or Loss				(222,767)	(0.59%)

Portfolio Statement

As at 30 September 2018 (continued)

Mori Ottoman Fund

	Fair Value €	% of Net Assets
Financial assets and liabilities at fair value through profit or loss	33,696,122	89.19%
Cash and cash equivalents	3,641,986	9.64%
Other Net Assets	440,076	1.17%
Net Assets Attributable to Holders of Redeemable Shares	37,778,184	100.00%

	% of Total Assets
Transferable securities admitted to an official stock exchange or traded on a regulated market	88.80%
Cash and cash equivalents	9.53%
Other Assets	1.67%
Total Assets	100.00%

Unaudited Significant Portfolio Changes

For the financial year ended 30 September 2018

Mori Eastern European Fund

Significant Purchases

Securities	Shares	€
Yapi ve Kredi Bankasi	1,750,000	1,697,251
Sberbank of Russia	400,000	1,256,933
Tofas Turk Otomobil Fabrikasi	200,000	951,306
Aeroflot	385,000	870,361
Arcelik	400,000	865,630
Rostelecom	850,000	846,386
Turkiye Garanti Bankasi AS	650,000	813,890
KOC Holding AS	290,000	759,013
Turkiye Halk Bankasi AS	800,000	725,741
Koza Altin Isletmeleri AS	100,000	626,591
Turkiye Vakiflar Bankasi Tao	1,000,000	608,846
Enerjisa Enerji	300,000	418,162
Raspadskaya	284,122	402,513
Tupras Turkiye Petrol Rafinerileri	15,000	375,681
Philip Morris	600	352,520
Turkiye Sinai Kalkinma Bankasi	1,000,000	346,745
Mail.ru Group Ltd GDR	12,000	342,237
BIM Birlesik Magazalar AS	11,250	142,705

Significant Sales

Securities	Shares	€
Turk Hava Yollari AO	(500,000)	(1,896,402)
Turkiye Halk Bankasi AS	(950,000)	(1,821,029)
Tatneft PAO ADR	(35,000)	(1,670,166)
Sberbank of Russia	(450,000)	(1,625,029)
Synthos SA	(1,200,000)	(1,408,392)
Sberbank of Russia ADR	(100,000)	(1,219,980)
Kardemir Karabuk Demir Celik Sanayi Ve Ticaret AS	(1,500,000)	(1,176,319)
Lukoil PJSC	(15,000)	(888,443)
CEZ AS	(40,000)	(788,926)
Turkcell Iletisim Hizmetleri	(246,000)	(760,536)
Rosneft OAO GDR	(150,000)	(710,729)
Central European Media Enterprises Ltd	(150,000)	(499,159)
Surgutneftegas Ordinary Shares	(1,200,000)	(442,153)
Park Elektrik Uretim Madencilik Sanayi ve Ticaret AS	(550,000)	(428,258)
Globaltrans Investment Plc GDR	(43,440)	(357,494)
Halyk Savings Bank of Kazakhstan GDR	(43,972)	(352,404)
Karsan Otomotiv Sanayii Ve Ticaret AS	(608,694)	(280,730)
Soda Sanayii	(246,666)	(280,184)
Koza Anadolu Metal Madencilik Isletmeleri AS	(160,000)	(249,061)
GEK Terna Holding Real Estate Construction SA	(45,000)	(238,110)

The significant changes to the portfolio for the financial year ended 30 September 2018 are the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total value of sales. If there are fewer than 20 purchases/sales that meet the material changes definition, the Company shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

Unaudited Significant Portfolio Changes

For the financial year ended 30 September 2018 (continued)

Mori Ottoman Fund

Significant Purchases

Securities	Shares	€
Sberbank Of Russia	680,000	1,553,033
Sberbank of Russia ADR	100,000	1,280,117
Yapi ve Kredi Bankasi	860,000	838,649
Koza Altin Isletmeleri AS	130,000	827,292
Turkiye Vakiflar Bankasi Tao	1,200,000	725,007
Arcelik	300,000	648,089
Gazprom ADR	150,000	570,003
Rostelecom	500,000	497,874
Tofas Turk Otomobil Fabrikasi	100,000	475,653
Yesil Gayrimenkul Yatirim Ortakligi	3,200,000	471,873
KOC Holding AS	180,000	470,385
Aeroflot	200,000	452,754
Akbank Turk Anonim Sirketi	525,000	432,387
JUMBO SA	30,000	402,850
Alrosa	350,000	392,841
Ege Endustri	6,456	383,927
Tupras Turkiye Petrol Rafinerileri	15,000	375,681
Turkiye Garanti Bankasi AS	300,000	375,641
Turkiye Halk Bankasi AS	400,000	362,871
Raspadskaya	241,098	341,562
Mavi Giyim Sanayi ve Ticaret AS	100,000	303,642
Mail.ru Group Ltd GDR	10,000	285,198
Enerjisa Enerji	200,000	278,775
Philip Morris	320	188,011
Turkiye Sinai Kalkinma Bankasi	500,000	173,384

Significant Sales

Securities	Shares	€
Sberbank of Russia ADR	(350,000)	(4,052,278)
Turk Hava Yollari AO	(482,500)	(1,710,973)
Kardemir Karabuk Demir Celik Sanayi ve Ticaret AS	(1,800,000)	(1,501,141)
Turkiye Halk Bankasi AS	(650,000)	(1,247,869)
Central European Media Enterprises Ltd	(300,000)	(1,061,243)
Evrax Plc	(175,000)	(987,460)
CEZ AS	(30,000)	(591,695)
Migros Ticaret	(100,000)	(553,200)
MMC Norilsk Nickel ADR	(35,000)	(540,538)
Rosneft OAO GDR	(100,000)	(475,901)
Karsan Otomotiv Sanayii Ve Ticaret AS	(1,000,000)	(461,201)
Alrosa	(350,000)	(423,784)
Surgutneftegas Ordinary Shares	(1,000,000)	(419,247)
Dogan Sirketler Grubu Holding AS	(2,000,000)	(365,754)
Mavi Giyim Sanayi ve Ticaret AS	(100,000)	(359,088)
Yazicilar	(60,400)	(315,530)
Park Elektrik Uretim Madencilik Sanayi ve Ticaret AS	(350,000)	(272,444)
Soda Sanayii	(213,331)	(248,450)
Tupras Turkiye Petrol Rafinerileri	(10,000)	(246,221)
Yesil Gayrimenkul Yatirim Ortakligi	(3,200,000)	(240,938)
Alarko Gayrimenkul Yatirim Ortakligi AS	(30,000)	(186,412)
TMK Group	(150,000)	(171,929)
Koza Anadolu Metal Madencilik Isletmeleri AS	(110,000)	(170,956)

The significant changes to the portfolio for the financial year ended 30 September 2018 are the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals greater than 1% of the total value of sales. If there are fewer than 20 purchases/sales that meet the material changes definition, the Company shall disclose those purchases/sales so at least 20 purchases/sales are disclosed.

Financial Information 30 September 2018 (Unaudited)

The Total Expense Ratio is calculated in accordance with the Swiss Funds & Asset Management Association (SFMA) "Guidelines on the calculation and disclosure of the TER". These guidelines are aimed at ensuring the uniform implementation of this provision with regard to the costs and commissions incurred in connection with the management of investment funds, thereby contributing to the highest possible pricing transparency for the investment funds offered on the Swiss market.

Total Expense Ratios (TER)

Sub-Fund Name	Share Class	Ratio of Total Operating Expenses to average Sub-Fund daily net assets for the financial year ended 30 September 2018 including performance fee	Ratio of Total Operating Expenses to average Sub-Fund daily net assets for the financial year ended 30 September 2018 excluding performance fee	Ratio of Total Operating Expenses to average Sub-Fund daily net assets for the financial year ended 30 September 2017 including performance fee	Ratio of Total Operating Expenses to average Sub-Fund daily net assets for the financial year ended 30 September 2017 excluding performance fee
Mori Eastern European Fund	Class A EUR Shares	2.80%	2.80%	2.84%	2.84%
	Class AA GBP Shares	2.45%	2.45%	2.39%	2.39%
	Class B EUR Shares	2.90%	2.90%	2.94%	2.93%
	Class C EUR Shares	2.40%	2.40%	2.44%	2.44%
	Class C GBP Shares	2.40%	2.40%	2.44%	2.44%
	Class M EUR Shares	2.40%	2.40%	2.44%	2.44%
Mori Ottoman Fund	Class A EUR Shares	2.88%	2.80%	2.83%	2.83%
	Class AA GBP Shares	2.43%	2.43%	2.41%	2.41%
	Class C EUR Shares	2.30%	2.30%	2.33%	2.33%
	Class C GBP Shares	1.77%	1.77%	1.83%	1.83%
	Class C USD Shares	2.30%	2.30%	2.33%	2.33%

The method of calculation of the Total Expense Ratios (TER) is described on the website of the Swiss Funds & Asset Management Association (SFMA) www.sfama.ch.

Financial Information 30 September 2018 (Unaudited) (continued)

PERFORMANCE DATA

Performance data is calculated in accordance with the Swiss Funds & Asset Management Association (SFMA) "Guidelines on the calculation and publication of performance data of collective investment schemes". These guidelines are aimed at to ensure that this provision is implemented consistently and thus helps to ensure the greatest possible degree of transparency and comparability among the investment funds offered to the public on the Swiss market, to ensure that investors receive objective, sound information, and to ensure that the information available on performance (information which is very important for market participants) is highly credible. The guidelines apply to all investment funds authorized in Switzerland.

Sub-Fund Name	Share Class	Class CCY	Inception Date	Fiscal YTD 1/10/2017- 30/09/2018	Calendar 01/01/2017- 31/12/2017	3 Year Cumulative 01/01/2015- 31/12/2018
Mori Eastern European Fund	Class A EUR	EUR	15/07/1998	(4.22%)	5.75%	34.29%
	Class AA GBP	EUR	05/03/2012	(2.84%)	11.16%	54.57%
	Class B EUR	GBP	30/11/2009	(4.31%)	5.37%	32.94%
	Class C EUR	USD	05/03/2012	(3.84%)	6.17%	35.91%
	Class C GBP	EUR	05/03/2012	(2.80%)	11.09%	79.07%
	Class M EUR	EUR	02/09/2016	(3.84%)	6.17%	-
Mori Ottoman Fund	Class A EUR	EUR	03/01/2006	(8.98%)	5.56%	24.85%
	Class AA GBP	GBP	13/05/2013	(7.69%)	10.93%	45.74%
	Class C EUR	EUR	06/06/2012	(8.50%)	6.07%	26.72%
	Class C GBP	GBP	11/01/2012	(7.08%)	11.70%	31.43%
	Class C USD	USD	06/06/2012	(10.10%)	22.68%	26.32%

Other Information (Unaudited)

Information for Investors in Germany

The Prospectus, any supplements and addendums, the key investor information document, the Articles of Association, the annual reports and semi-annual reports are available from the paying and information agent in Germany upon request free of charge.

The portfolio changes for each sub-fund in the financial year under review can also be obtained free of charge from the paying and information agent in Germany.

Taxable Deemed Distribution for German Investors

The Sub-Funds continuously invest at least 51 % of the Sub-Funds' net asset value in equity securities, which are listed on a stock exchange or traded on an organised market and which for this purpose are not investments in shares in investment funds. Investments in Real Estate Investment Trusts (REITs) are not eligible equity securities for this purpose.

The web-address of the electronic federal gazette is: www.ebundesanzeiger.de

Austrian Tax Information for Investors

To view the tax figures relevant for Austrian investors, please view the website of the Austrian Finance Ministry at <http://www.bmf.gv.at/steuern/WeitereSteuern/Investmentfondgesetz> or contact the Company's Austrian tax representative, Erste Bank AG on +43 (0) 50100 - 19526 (or 12139).

Information for Investors in Switzerland

The Prospectus, the Articles of Association, the key investor information document, the annual reports and semi-annual reports as well as a list containing all purchases and sales which have been made during the reporting period can be obtained free of charge at the Swiss Representative.

Remuneration Policy

The Directors have put in place a remuneration policy (the "Remuneration Policy") which is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times, taking into consideration the need to align risks in terms of risk management and exposure to risk and for the policies to be in line with the business strategy, objectives and interests of the Company. Details of the Remuneration Policy can be found at www.mori-capital.com and a paper copy of the policy will be made available free of charge upon request.

The Directors consider the Remuneration Policy to be consistent with and promote sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Company or the Sub-Funds. The Remuneration Policy applies to those categories of staff (including senior management) whose professional activities have a material impact on the risk profile of the Company or the Sub-Funds. In this regard, none of the Directors will have a performance based variable component to their remuneration.

Research costs

As a result of changes from MiFID II, the Investment Manager has established a research payment account which will be funded by each Fund and used to pay for research by third party research providers at normal commercial rates.

Amounts incurred from 1 January 2018 to 30 September 2018 by Mori Eastern European Fund and Mori Ottoman Fund were €14,972 and €7,528 respectively.