



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

Annual Report and Audited Financial Statements
for the financial year ended 30 September 2020

Registration Number: 282792

Contents

General Information	1
Report of the Directors	3
Report of the Investment Manager	9
Report of the Depositary to the Shareholders	13
Report of the Independent Auditors to the Members of the Mori Umbrella Fund plc	14
Statement of Financial Position	20
Comparative Statement of Financial Position	22
Statement of Comprehensive Income	24
Comparative Statement of Comprehensive Income	25
Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares	26
Comparative Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares	27
Statement of Cash Flows	28
Comparative Statement of Cash Flows	29
Notes to the Financial Statements	30
Portfolio Statement	56
Significant Portfolio Changes (Unaudited)	62
Financial Information (Unaudited)	65
Other Information (Unaudited)	67

General Information

Directors

Andrew Edwards * (United Kingdom)
Annett Hermida * (Gibraltar)
Gareth Stafford * (United Kingdom)
Hugh J. 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

Depository

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

Administrator and Registrar

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

General Information (continued)

Swiss Representative	Oligo Swiss Fund Services SA AV. Villamont 17 1005, Lausanne Switzerland
-----------------------------	---

Paying Agent <i>in Switzerland</i>	NPB New Private Bank AG Limmatquai 1 / am Bellevue P.O Box CH-8024 Zurich
--	--

Information Agent <i>in Germany</i>	German Fund Information Service UG ("GerFIS") Zum Eichhagen 4 21382 Brietlingen Germany
---	--

Paying Agent <i>in Austria</i>	Erste Bank der Oesterreichischen Sparkassen AG Graben 21 A-1010 Vienna Austria
--	---

Legal Advisors <i>in Ireland</i>	A&L Goodbody 25/28 North Wall Quay IFSC Dublin 1, D01 H104 Ireland
--	--

Legal Advisors <i>in Germany</i>	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 2020

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 2020.

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 2019 (“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 2020 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

The retail and institutional redemption/subscription/switch application forms for the Company were updated on 29 October 2019.

Mori Eastern European Fund Class C EUR terminated on 17 December 2019.

Mori Ottoman Fund Class M USD was launched on 14 January 2020.

Report of the Directors (continued)

For the financial year ended 30 September 2020

Significant Events during the Financial Year (continued)

On 21 February 2020, the Prospectus for the Company was updated with new share classes' information and regulatory references.

Covid-19: Each of the Administrator, Depository, Investment Manager, Sub-Investment Manager and other service providers to the Company and their delegates may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies and social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations to the Company until they are able to remedy the force majeure event. While it is expected that such service providers will implement contingency plans for addressing force majeure events it is possible that such force majeure events exceed the assumptions of such plans.

Certain force majeure events (such as war or an outbreak of an infectious disease) may also have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Funds may invest specifically. Since late 2019, several countries have experienced outbreaks of a novel coronavirus (nCoV) which is from a family of viruses that cause illnesses ranging from the common cold to more severe diseases. Any spread of an infectious illness or similar public health threat could reduce consumer demand or economic output, impact on the market value of investments, result in market closures, travel restrictions or quarantines, and generally have a significant impact on the world economy and disrupt markets. The nature and extent of the impact of such events is difficult to predict but they may adversely affect the return on each Fund and its investments. Market disruptions or closures may result in the Investment Manager being unable to accurately value the assets of a Fund, or in the event of high levels of redemption, the Company may use certain liquidity management tools permitted by the Central Bank, including deferred redemptions, the implementation of fair value pricing or temporarily suspension of a Fund.

There were no other significant events to report during the financial year ended 30 September 2020.

Directors

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

Andrew Edwards
Annett Hermida
Gareth Stafford
Hugh J. 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 24.

Events since Financial Year End

There were no subsequent events to report after the financial year ended 30 September 2020.

Dividends

The Directors do not intend to distribute dividends to Shareholders.

Independent Auditor

The independent auditor, Grant Thornton, have expressed their willingness to continue in office in accordance with section 383(2) of the Companies Act 2014.

Report of the Directors (continued)

For the financial year ended 30 September 2020

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, trading as Euronext Dublin. 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 2019: 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 Administration 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.

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.

Report of the Directors (continued)

For the financial year ended 30 September 2020

Corporate Governance Statement (continued)

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, trading as Euronext Dublin 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:

- (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, trading as Euronext Dublin 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.

Report of the Directors (continued)

For the financial year ended 30 September 2020

Corporate Governance Statement (continued)

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.

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, trading as Euronext Dublin 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 43(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 financial year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

Board Diversity

The Board has considered its diversity reporting obligations and has opted not to adopt a formal diversity policy. However, the Board considers that diversity in its membership is beneficial and therefore seeks to ensure that the Board's size, structure and composition, including skills, knowledge, experience and diversity is sufficient for the effective direction and control of the Company. As the Board is committed to appointing the most appropriate candidates as Directors of the Company, it has not set any measurable objectives based on these criteria.

The Board's priority is to ensure that it continues to have strong leadership and the relevant skills to deliver the business strategy. The implementation of the Board's diversity principles is monitored by the Board which reviews the balance of skills, knowledge, experience and diversity on the Board and leads the process for making appointments to the Board. The Board will ensure that all selection decisions are based on merit and that recruitment is fair and non-discriminatory.

Report of the Directors (continued)

For the financial year ended 30 September 2020

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 IF 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:

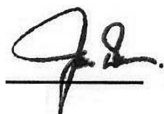
- 1) A compliance policy statement has been drawn up that sets out policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations;
- 2) appropriate arrangements or structures are in place that are, in our opinion, designed to secure material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

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:

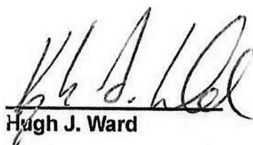
- (a) so far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- (b) the Director has taken all the steps that he or she ought to have taken as a director in order to make himself/herself aware of any relevant audit information 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



John Walley

10 December 2020


Hugh J. Ward

10 December 2020

Report of the Investment Manager

For the financial year ended 30 September 2020



Mori Eastern European Fund

The net asset value of the Mori Eastern European Fund (the Fund) decreased 21.8% in euro terms (EUR Share Class-M) for the period under review, while the MSCI Emerging Europe 10/40 TR Index was down 24.5% for the same period. Unless otherwise stated, performance numbers are quoted for the twelve-month period under review.

Following a positive fourth quarter in 2019, all global and regional stock markets were heavily sold off in light of the Covid-19 pandemic outbreak during February and March. While China was the epicentre of the pandemic at the beginning of 2020, it then quickly spread to Europe, with Italy, Spain, France and the UK getting hit the hardest followed later by the U.S. and Latin America. Expectations of the pandemic diminishing in the Northern hemisphere with the summer were short-lived, as the number of reported cases increased rapidly starting in August. The Covid-19 pandemic had severe economic consequences, particularly during the second quarter of 2020, with most European countries registering between 9% and 15% contractions in GDP. The impact on the U.S. economy was even worse, with a contraction of over 30% in GDP based on the official figures.

In Emerging Europe, Russian equities were hit badly following a sharp sell-off in oil prices, which dropped to as low as mid-teens in April 2020. In a historic moment, crude oil futures even dropped to negative prices in the U.S. on April 20th and 21st. In other words, investors were willing to pay for anybody who was willing to take the physical delivery of the commodity.

Central European bourses were also hit hard in March/April, as the likes of Hungary, the Czech Republic and, to a certain extent, Poland were impacted due to their dependence on exports (that were severely affected by the lockdowns) and a sharp drop in overall global economic activity.

The pandemic also hit Greece just as optimism for the newly elected pro-reform government was gaining momentum. Greece's ASE Index was the worst performing market during the period under review, losing some 28% in euro terms. Tourism has a relatively large share in the country's GDP and was amongst the top sectors to have been negatively affected by the Covid-19 pandemic, as was the case globally.

Turkey did not shut down its economy completely during the March-June period and managed the situation by imposing curfews early, first on the elderly and then on the youth. Intercity and city / region-based travel were also limited proactively to restrict the spread of the virus across the country. While tourism accounts for about 6% of Turkish GDP, based on the Turkstat figures, it brings in between USD 30-35 billion of hard currency per annum to the country. We estimate that tourism receipts will be around USD 10 billion for 2020 at best.

The governments' and central banks' responses to the pandemic kept the lights of money printers on 24/7. While the balance sheet of the U.S. Fed, for example, was circa USD 3.8 trillion at the beginning of 2020, it was estimated to have reached over USD 7 trillion by the summer. As we were writing this report, the U.K. government just announced that the government debt to GDP surpassed 103% in the U.K., for example.

The governments in Emerging European countries also opened their treasury coffers widely this year. Based on our forecasts, we anticipate that Emerging European countries will post government deficit to GDP figures between 4% (Poland) and close to 7% (Greece). Based on Bloomberg consensus and CEIC, the deficit in the Eurozone is expected to be 10% in 2020.

With the exception of Greece, public debt levels in Emerging European countries are amongst the lowest globally. Despite a relatively large increase in spending, hence government borrowing, government debt levels in Emerging Europe are expected to be some 37% in the Czech Republic, 41% in Turkey, 52% in Poland and 76% in Hungary. These ratios still compare favourably versus forecasts of 112%, 134% and 161% for France, the U.S. and Italy, respectively. In Emerging Europe, Greece is the only exception, where the government debt to GDP is forecast to surpass 190% at the end of 2020, which is among the highest globally. (Sources: CEIC, Wood Research).

In the Fund's investment universe, there was little divergence in performance during the period under review and the sell-off in March/April was across the board and indiscriminate. The Fund's relatively light exposure to the oil and gas sector helped outperformance. The Fund Manager also used index and currency futures, in particularly in Turkey and Russia, to limit losses.

The Fund reduced its holding in Sberbank, Gazprom and Severstal in Russia. In the Czech Republic, the Fund sold its shares in Philip Morris CR and reduced its holding in Moneta Money Bank, following the failure of merger talks between Moneta and Airbank. The Fund sold its position in Greek banks early in the year.

The Fund divested its holding in Play Communications in Poland following a tender offer by the French Iliad at PLN 39 per share, which reflected the Fund Manager's price target for the stock. The Fund increased its exposure to Alior Bank and the Polish utilities ENEA and Tauron following the market sell-off resulting from the pandemic outbreak.

In Turkey, the Fund sold its position in Enka Insaat, Turkish Airlines, TAV Airports, and reduced the steel maker Kardemir. The Fund initiated positions in discounter Sok Marketler and Sisecam. It also upped its holding in Koza Altin. As the global markets were flooded by liquidity in the midst of the pandemic, the Fund also increased its position in a UCITS-compliant gold ETC and initiated a position in a UCITS-compliant silver ETC.

Report of the Investment Manager (continued)

For the financial year ended 30 September 2020



Mori Eastern European Fund

At the time of writing, new Covid-19 cases were sharply on the rise in Europe, but this time around full lockdowns may be unlikely as several countries may not be able to handle the economic consequences. The outcome of the upcoming elections in the U.S. in early November will also have a major impact on the direction of global capital markets. On a positive note, several countries are working on a Covid-19 vaccine and a number of them were reported to have started phase 3 experiments on humans. Whilst the production and mass vaccination may still be several months away, confirmation and general acceptance of a vaccine would be bought by the markets in advance. Thus, whilst the last quarter of 2020 may prove to be uncertain and bumpy, there could be a light at the end of the tunnel in early 2021.

Once again, we would like to take this opportunity to wish all our investors good health and high morale.

Mori Capital Management Limited

October 2020

Report of the Investment Manager

For the financial year ended 30 September 2020



Mori Ottoman Fund

The net asset value of the Mori Ottoman Fund (the Fund) decreased 12.1% in euro terms (EUR Share Class-C) for the period under review, while the MSCI Emerging Europe 10/40 TR Index was down 24.5% for the same period. Unless otherwise stated, performance numbers are quoted for the twelve-month period under review.

Following a positive fourth quarter in 2019, all global and regional stock markets were heavily sold off in light of the Covid-19 pandemic outbreak during February and March. While China was the epicentre of the pandemic at the beginning of 2020, it then quickly spread to Europe, with Italy, Spain, France and the UK getting hit the most followed later by the U.S. and Latin America. Expectations of the pandemic diminishing in the Northern hemisphere with the summer were short-lived as the number of reported cases increased rapidly starting in August. The Covid-19 pandemic had severe economic consequences, particularly during the second quarter of 2020, with most European countries registering between 9% and 15% contractions in GDP. The impact on the U.S. economy was even worse, with a contraction of over 30% in GDP based on the official figures.

In Emerging Europe, the Russian equities were hit badly following a sharp sell-off in oil prices, which dropped to as low as mid-teens in April 2020. In a historic moment, crude oil futures even dropped to negative prices in the U.S. on April 20th and 21st. In other words, investors were willing to pay for anybody who was willing to take the physical delivery of the commodity.

Central European bourses were also hit hard in March/April, as the likes of Hungary, the Czech Republic and, to a certain extent, Poland were impacted due to their dependence on exports (that were severely affected by the lockdowns) and sharp drop in overall global economic activity.

The pandemic also hit Greece just as optimism for the newly elected pro-reform government was gaining momentum. Greece's ASE Index was the worst performing market during the period under review, losing some 28% in euro terms. Tourism has a relatively large share in the country's GDP and was amongst the top sectors to have been negatively affected by the Covid-19 pandemic, as was the case globally.

Turkey did not shut down its economy completely during the March-June period and managed the situation by imposing curfews early, first on the elderly and then on the youth. Intercity and city / region-based travel were also limited proactively to restrict the spread of the virus across the country. While tourism accounts for about 6% of Turkish GDP, based on the Turkstat figures, it brings in between USD 30-35 billion of hard currency per annum to the country. We estimate that tourism receipts will be around USD 10 billion for 2020 at best.

The governments' and central banks' responses to the pandemic kept the lights of money printers on 24/7. While the balance sheet of the U.S. Fed, for example, was circa USD 3.8 trillion at the beginning of 2020, it was estimated to have reached over USD 7 trillion by the summer. As we were writing this report, the U.K. government just announced that the government debt to GDP surpassed 103% in the U.K., for example.

The governments in Emerging European countries also opened their coffers widely this year. Based on our forecasts, we anticipate that Emerging European countries will post government deficit to GDP figures between 4% (Poland) and close to 7% (Greece). Based on Bloomberg consensus and CEIC, the deficit in the Eurozone is expected to be 10% in 2020.

With the exception of Greece, public debt levels in Emerging European countries are amongst the lowest globally. Despite a relatively large increase in spending, hence government borrowing, government debt levels in Emerging Europe are expected to be some 37% in the Czech Republic, 41% in Turkey, 52% in Poland and 76% in Hungary. These ratios still compare favourably versus forecasts of 112%, 134% and 161% for France, the U.S. and Italy, respectively. In Emerging Europe, Greece is the only exception, where the government debt to GDP is forecast to surpass 190% at the end of 2020, which is among the highest globally. (Sources: CEIC, Wood Research).

In the Fund's investment universe, there was little divergence in performance during the period under review and the sell-off in March/April was across the board and indiscriminate. The Fund's light exposure to the oil and gas sector helped reduce losses. The Fund Manager also actively employed index and currency futures, in particular in Turkey and Russia, to limit negative returns. The average cash position was also kept much higher compared to more normal periods, which helped the Fund to post a loss that was less than half of the MSCI Emerging Europe 10/40 TR Index for the period under review.

The Fund significantly reduced its holding in Sberbank, Gazprom and Severstal in Russia. In the Czech Republic, the Fund divested all of its holdings with the exception of Moneta Money Bank. However, Moneta Money Bank exposure was reduced following the failure of merger talks between Moneta and Airbank.

In Greece, the Fund divested its shares in retailer Jumbo. Mytilineos was the Fund's sole exposure in Greece at the end of the period under review.

The Fund divested its holding in Play Communications in Poland following a tender offer by the French Iliad at PLN 39 per share, which reflected the Fund Manager's price target for the stock. The Fund reduced its holding in retailer Eurocash as the company continued to miss the Fund Manager's expectations in operational and financial delivery. The Fund increased its exposure to Alior Bank and the Polish utilities ENEA and Tauron following the market sell-off resulting from the pandemic outbreak.

Report of the Investment Manager (continued)

For the financial year ended 30 September 2020



Mori Ottoman Fund

In Turkey, the Fund sold its position in Turkish Airlines, TAV Airports, and reduced the steel maker Kardemir and Karsan. The Fund initiated positions discounters Sok Marketler and Sisecam. It also upped its holding in Koza Altin. As the global markets were flooded by liquidity in the midst of the pandemic, the Fund also increased its position in a UCITS-compliant gold ETC and initiated a position in a UCITS-compliant silver ETC.

At the time of writing, new Covid-19 cases were sharply on the rise in Europe, but this time around full lockdowns may be unlikely as several countries may not be able to handle the economic consequences. The outcome of the upcoming elections in the U.S. in early November will also have a major impact on the direction of global capital markets. On a positive note, several countries are working on a Covid-19 vaccine and a number of them were reported to have started phase 3 experiments on humans. Whilst the production and mass vaccination may still be several months away, confirmation and general acceptance of a vaccine would be bought by the markets in advance. Thus, whilst the last quarter of 2020 may prove to be uncertain and bumpy, there could be a light at the end of the tunnel in early 2021.

Once again, we would like to take this opportunity to wish all our investors good health and high morale.

Mori Capital Management Limited

October 2020

Report of the Depositary to the Shareholders

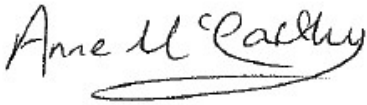
For the financial year ended 30 September 2020

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 2020 ("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

10 December 2020

Independent auditor's report to the members of 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 financial position, Statement of comprehensive income, Statement of changes in net assets attributable to holders of redeemable shares and Statement of cash flows for the financial year ended 30 September 2020, 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 assets, liabilities and financial position of the company as at 30 September 2020 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 2019 (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.

Independent auditor's report to the members of Mori Umbrella Fund plc

Key audit matters (continued)

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.

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, such as our understanding of the entity and its environment, the history of misstatements, the complexity of the Company and the reliability of the control environment, 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 2020. 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 each sub-fund's net asset value, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters 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 matters 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.

Independent auditor's report to the members of Mori Umbrella Fund plc

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

Financial assets at fair value through profit or loss 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 at fair value through profit or loss included in the statement of financial position do not exist or that they are not held in the company's name at 30 September 2020 which could result in a material misstatement. Significant auditor's attention was deemed appropriate because of the materiality of the financial assets. In order to address this risk, we obtained independent confirmation from the depositary of the investment portfolio held at 30 September 2020, agreeing the amounts held to the accounting records.

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

Financial assets at fair value through profit or loss 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 2020 are not valued at fair value in line with IFRS as adopted by the European Union. Significant auditor's attention was deemed appropriate because of the materiality of the investments and the level of subjectivity in estimating the fair value of investments at Level 3, which involved using inputs that are not based on observable market data. As a result, we considered these as key audit matters. Consequently, we tested the investment portfolios of level 1 and 2 by independently agreeing the valuation of investments to third party sources. For level 3 investments, we assessed reasonableness of the valuation model and inputs used by comparing them to prices and financial information obtained independently.

Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report, director's report, investment manager's report, depositary 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.

Independent auditor's report to the members of Mori Umbrella Fund plc

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),(c) and (f) is contained in the Corporate Governance Statement.

In accordance with S.I. No. 360/2017 – European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017, we are required to review the directors' statement, set out on page 8, in relation to their diversity reporting obligations. We have nothing to report having performed our review.

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.

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.

Independent auditor's report to the members of Mori Umbrella Fund plc

Responsibilities of the auditor for the audit of the financial statements (continued)

- 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 matter 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.

Report on other legal and regulatory requirements

We were appointed by the Board of Directors on 20 August 2020 to audit the financial statements for the financial year ended 30 September 2020. This is the second 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.

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.

Independent auditor's report to the members of Mori Umbrella Fund plc



Niamh Meenan

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

Dublin

Date: 10 December 2020

Statement of Financial Position

As at 30 September 2020

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Cash and cash equivalents	8	3,870,725	2,827,731	1,042,994
Financial assets at fair value through profit or loss	10	75,223,751	50,812,776	24,410,975
Amounts receivable for subscriptions		257	–	257
Margin cash	8	1,973,287	1,047,699	925,588
Cash collateral receivable	8	1,065,961	494,606	571,355
Trade and other receivables	11	216,015	202,071	13,944
Total assets		82,349,996	55,384,883	26,965,113
Financial liabilities at fair value through profit or loss	10	222,413	110,873	111,540
Amounts payable on redemptions		280,956	280,956	–
Investment Management fees payable	4	302,472	211,819	90,653
Depositary fees payable	4	21,000	14,174	6,826
Administration fees payable	4	28,334	20,877	7,457
Marketing fees payable		6,114	2,901	3,213
Trade and other payables	12	143,262	95,757	47,505
Total liabilities (excluding net assets attributable to holders of redeemable shares)		1,004,551	737,357	267,194
Net assets attributable to holders of redeemable shares		81,345,445	54,647,526	26,697,919

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

Statement of Financial Position (continued)

As at 30 September 2020

Redeemable shares in issue:

-Class A EUR
-Class AA GBP
-Class B EUR
-Class C EUR*
-Class C GBP
-Class C USD
-Class M EUR
-Class M USD**

Net asset value per redeemable share:

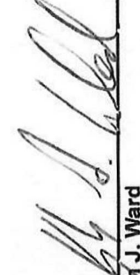
-Class A EUR
-Class AA GBP
-Class B EUR
-Class C EUR*
-Class C GBP
-Class C USD
-Class M EUR
-Class M USD**

*Mori Eastern European Fund Class C EUR terminated on 17 December 2019.

**Mori Ottoman Fund Class M USD launched on 14 January 2020.

The financial statements were approved by the Board of Directors on 10 December 2020 and signed on its behalf by:


John Walley


Hugh J. Ward

Mori Eastern European Fund	Mori Ottoman Fund
111,841	121,536
584	239
83,346	
1,702	9,856
	754
14,524	924,509
	23,684
€409,5792	€129,1252
£8,6235	£9,4859
€86,7925	
£10,1306	€11,1041
–	£11,2419
€108,8902	– US\$11,6954
–	– US\$82,3241

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

Comparative Statement of Financial Position

As at 30 September 2019

	Note	Total €	Mori European Fund €	Mori Ottoman Fund €
Cash and cash equivalents	8	4,172,667	2,256,414	1,916,253
Financial assets at fair value through profit or loss				
Amounts receivable on sale of investments	10	113,879,108	74,761,799	39,117,309
Margin cash		956,131	639,097	317,034
Cash collateral receivable	8	2,325,505	1,246,397	1,079,108
Trade and other receivables	8	1,146,578	532,012	614,566
	11	400,555	321,990	78,565
Total assets		122,880,544	79,757,709	43,122,835
Financial liabilities at fair value through profit or loss				
Amounts payable on redemptions	10	105,524	52,762	52,762
Investment Management fees payable		117,270	112,817	4,453
Performance fees payable	4	453,252	309,423	143,829
Depositary fees payable	4	15,425	—	15,425
Administration fees payable	4	9,321	5,956	3,365
Marketing fees payable	4	99,885	64,867	35,018
Trade and other payables		2,555	2,464	91
	12	132,364	88,000	44,364
Total liabilities (excluding net assets attributable to holders of redeemable shares)		935,596	636,289	299,307
Net assets attributable to holders of redeemable shares		121,944,948	79,121,420	42,823,528

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

Comparative Statement of Financial Position (continued)

As at 30 September 2019

Redeemable shares in issue:

	Mori Eastern European Fund	Mori Ottoman Fund
-Class A EUR	124,517	159,506
-Class AA GBP	584	239
-Class B EUR	82,935	–
-Class C EUR	110,364	409,544
-Class C GBP	3,519	563
-Class C USD	–	1,223,846
-Class M EUR	23,100	–

Net asset value per redeemable share:

-Class A EUR	€525.7072	€149.0755
-Class AA GBP	£10.7367	£10.4993
-Class B EUR	€111.5455	–
-Class C EUR	€10.3094	€12.6284
-Class C GBP	£12.6318	£12.3722
-Class C USD	–	US\$12.3487
-Class M EUR	€139.2079	–

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

Statement of Comprehensive Income

For the financial year ended 30 September 2020

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Income				
Investment income		3,468,762	2,427,875	1,040,887
Deposit interest		408,951	207,083	201,868
Net loss on financial assets and liabilities at fair value through profit or loss	3	(19,616,060)	(15,861,469)	(3,754,591)
Total investment expense		(15,738,347)	(13,226,511)	(2,511,836)
Expenses				
Investment Management fees	4	(1,624,289)	(1,110,569)	(513,720)
Performance fees	4	(300,853)	(26)	(300,827)
Depositary fees	4	(157,823)	(106,995)	(50,828)
Administration fees	4	(504,721)	(336,731)	(167,990)
Directors' fees	4	(104,427)	(70,201)	(34,226)
Auditor fees	4	(29,282)	(20,050)	(9,232)
Legal fees		(46,268)	(29,170)	(17,098)
Marketing fees		(33,856)	(20,617)	(13,239)
Transaction costs	4	(30,480)	(17,843)	(12,637)
General expenses	13	(405,884)	(290,642)	(115,242)
Total operating expenses		(3,237,883)	(2,002,844)	(1,235,039)
Operating expense		(18,976,230)	(15,229,355)	(3,746,875)
Finance costs				
Interest expense		(22,208)	(16,305)	(5,903)
Net expense from operations after finance costs		(18,998,438)	(15,245,660)	(3,752,778)
Withholding tax		(407,279)	(250,176)	(157,103)
Decrease in net assets attributable to holders of redeemable shares from operations		(19,405,717)	(15,495,836)	(3,909,881)

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

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

Comparative Statement of Comprehensive Income

For the financial year ended 30 September 2019

	Note	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Income				
Investment income		5,819,007	4,056,045	1,762,962
Deposit interest		244,146	129,995	114,151
Net gain on financial assets and liabilities at fair value through profit or loss	3	15,069,257	9,633,428	5,435,829
Total investment income		21,132,410	13,819,468	7,312,942
Expenses				
Investment Management fees	4	(1,872,736)	(1,244,790)	(627,946)
Performance fees	4	(15,425)	–	(15,425)
Depositary fees	4	(76,227)	(53,297)	(22,930)
Administration fees	4	(583,720)	(381,237)	(202,483)
Directors' fees	4	(105,535)	(68,268)	(37,267)
Auditor fees	4	(27,688)	(17,913)	(9,775)
Legal fees		(44,502)	(28,798)	(15,704)
Marketing fees		(9,586)	(8,997)	(589)
Transaction costs	4	(27,087)	(14,822)	(12,265)
General expenses	13	(420,108)	(300,886)	(119,222)
Total operating expenses		(3,182,614)	(2,119,008)	(1,063,606)
Operating income		17,949,796	11,700,460	6,249,336
Finance costs				
Interest expense		(13,281)	(13,038)	(243)
Net income from operations after finance costs		17,936,515	11,687,422	6,249,093
Withholding tax		(541,789)	(349,047)	(192,742)
Increase in net assets attributable to holders of redeemable shares from operations		17,394,726	11,338,375	6,056,351

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

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 2020

	Total €	Mori European Fund €	Mori Ottoman Fund €
Net assets attributable to holders of redeemable shares at the beginning of the financial year	121,944,948	79,121,420	42,823,528
Decrease in net assets attributable to holders of redeemable shares from operations	(19,405,717)	(15,495,836)	(3,909,881)
Issue of redeemable shares during the financial year	4,440,779	1,169,776	3,271,003
Redemption of redeemable shares during the financial year	(25,634,565)	(10,147,834)	(15,486,731)
Net assets attributable to holders of redeemable shares at the end of the financial year	81,345,445	54,647,526	26,697,919

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 2019

	Total €	Mori European Fund €	Mori Ottoman Fund €
Net assets attributable to holders of redeemable shares at the beginning of the financial year	115,303,098	77,524,914	37,778,184
Increase in net assets attributable to holders of redeemable shares from operations	17,394,726	11,338,375	6,056,351
Issue of redeemable shares during the financial year	5,975,774	1,366,098	4,609,676
Redemption of redeemable shares during the financial year	(16,728,650)	(11,107,967)	(5,620,683)
Net assets attributable to holders of redeemable shares at the end of the financial year	121,944,948	79,121,420	42,823,528

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

Statement of Cash Flows

For the financial year ended 30 September 2020

	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>		(19,405,717)	(15,495,836)	(3,909,881)
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		(24,674,174)	(14,503,552)	(10,170,622)
Proceeds from sale of investments		45,363,061	23,679,186	21,683,875
Net loss on financial assets and liabilities at fair value through profit or loss		19,039,491	15,470,598	3,568,893
Net Decrease in margin cash and other receivables		536,757	318,616	218,141
Decrease in investment management fees payable		(150,780)	(97,604)	(53,176)
Decrease in performance fees payable		(15,425)	—	(15,425)
Increase in depositary fees payable		11,679	8,218	3,461
Decrease in administration fees payable		(71,551)	(43,990)	(27,561)
Increase in marketing fees payable		3,559	437	3,122
Increase in other expenses payable		10,898	7,757	3,141
Net Cash provided by Operating Activities		20,647,798	9,343,830	11,303,968
Cash Flows from Financing Activities				
Issue of redeemable shares		4,440,522	1,169,776	3,270,746
Redemption of redeemable shares		(25,470,879)	(9,979,695)	(15,491,184)
Net Cash used in Financing Activities		(21,030,357)	(8,809,919)	(12,220,438)
Net (decrease)/increase in Cash and Cash Equivalents		(382,559)	533,911	(916,470)
Cash and cash equivalents at the beginning of the financial year	8	4,172,667	2,256,414	1,916,253
Cash collateral	8	80,617	37,406	43,211
Net cash at the end of the financial year	8	3,870,725	2,827,731	1,042,994

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

Comparative Statement of Cash Flows

For the financial year ended 30 September 2019

	Note	Total	Mori European Fund	Mori Ottoman Fund
	€	€	€	€
Cash Flows from Operating Activities				
<i>Increase in net assets attributable to holders of redeemable shares from operations</i>		17,394,726	11,338,375	6,056,351
Adjustments to reconcile increase in net assets attributable to holders of redeemable shares from operations to net cash provided by operating activities:				
Purchase of investments		(25,481,976)	(12,091,821)	(13,390,155)
Proceeds from sale of investments		34,905,291	20,811,837	14,093,454
Net gain on financial assets and liabilities at fair value through profit or loss		(17,023,992)	(10,635,234)	(6,388,758)
Net Increase in margin cash and other receivables		(1,857,329)	(954,185)	(903,144)
Increase in investment management fees payable		78,491	48,484	30,007
Increase in performance fees payable		15,425	—	15,425
Decrease in depositary fees payable		(8,734)	(4,687)	(4,047)
Increase in administration fees payable		58,718	37,326	21,392
Decrease in marketing fees payable		(23,627)	(12,262)	(11,365)
Increase in other expenses payable		31,823	19,590	12,233
Net Cash provided by/used in Operating Activities		8,088,816	8,557,423	(468,607)
Cash Flows from Financing Activities				
Issue of redeemable shares		7,060,040	2,412,350	4,647,690
Redemption of redeemable shares		(16,696,127)	(11,061,495)	(5,634,632)
Net Cash used in Financing Activities		(9,636,087)	(8,649,145)	(986,942)
Net decrease in Cash and Cash Equivalents		(1,547,271)	(91,722)	(1,455,549)
Cash and cash equivalents at the beginning of the financial year	8	6,263,847	2,621,861	3,641,986
Cash collateral	8	(543,909)	(273,725)	(270,184)
Net cash at the end of the financial year	8	4,172,667	2,256,414	1,916,253

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

Notes to the Financial Statements

For the financial year ended 30 September 2020

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 2019 (the "Central Bank UCITS Regulations").

During the financial year ended 30 September 2020, 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"), trading as Euronext Dublin.

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 UCITS Regulations, the Central Bank UCITS Regulations and the Listing Rules of the ISE, trading as Euronext Dublin.

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. Euro is the currency noted in the Prospectus.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

New Standards effective for the year beginning 1 October 2019

IFRIC 23 'Uncertainty over Income Tax Treatments' ("IFRIC 23") is effective for annual reporting periods beginning on or after 1 January 2019 and aims to clarify how to reflect uncertainty in the recognition and measurement of income taxes under IAS 12. An assessment has been carried out and the new standard does not have a significant impact on the Funds' financial position, performance or disclosures in these financial statements.

(b) Financial Instruments

(i) Accounting for Investments

- Recognition, initial measurement and derecognition

Purchases and sales of financial assets at fair value through profit or loss are recognised on trade date – the date on which the Company commits to purchase or sell the financial instrument. Financial assets at fair value through profit or loss are derecognised when the rights to receive cash flows from the financial assets at fair value through profit or loss have expired or the Company has transferred substantially all risks and rewards of ownership. Realised fair value gains and losses on disposals of financial instruments are calculated using the Weighted Average method.

Classification and subsequent measurement of financial assets and financial liabilities

Financial Assets

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

On initial recognition, a financial asset is classified as measured at: amortised cost, at FVTOCI or at FVTPL.

The Company classifies its investments based on the contractual cash flow characteristics of the financial assets and the Company's business model.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

2. Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

(i) Accounting for Investments (continued)

Classification and subsequent measurement of financial assets and financial liabilities (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- The contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets at Fair Value

The Company invests in Investment Securities at a fair value of €75,223,751 at 30 September 2020 (30 September 2019: €113,879,108) which are mandatorily classified as FVTPL, as they did not meet the criteria for classification as FVTOCI.

Financial Assets at Amortised Cost

Included in financial assets at amortised cost are receivables for securities sold which are held for collection, securities purchased not yet delivered to the Company, other receivables and cash and cash equivalents. Recognition is initially at fair value and subsequently measured at amortised cost using the effective interest rate, less provision for impairment. At each reporting date, the Company shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses, or shorter if the receivable is expected to settle in less than 12 months.

Financial Liabilities and forward foreign currency contracts

In accordance with IFRS 9 the Company classifies its forward foreign currency contracts at FVTPL and the remaining financial liabilities as measured at amortised cost. The Company invests in financial liabilities at a fair value of €222,413 at 30 September 2020 (30 September 2019: €105,524).

The fair value of open forward foreign currency contracts is calculated as the difference between the contracted forward rate and the current forward rate that would close out the contract on the valuation date. Gains or losses arising on the settlement of forward foreign currency contracts are included in Net gains on investments in the Statement of Comprehensive Income. Unrealised gains or losses on unsettled forward currency contracts are included in the Statement of Financial Position.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within other net (losses)/gains on financial assets and liabilities at fair value through profit or loss in the period in which they arise.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

2. Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

(i) Accounting for Investments (continued)

- Impairment

Financial assets subject to IFRS 9's impairment requirements:

The Company measures credit risk and Expected Credit Loss ("ECL"), using probability of default, exposure at default, and loss given default. The Company considers both historical analysis and forward-looking information in determining any ECL. At 30 September 2020 and 30 September 2019, all amounts due from brokers and receivables are held with counterparties with a credit rating of B+ or higher. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company.

Financial assets not subject to IFRS 9's impairment requirements:

The Company is exposed to credit risk on derivative assets. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets, under IFRS 9 represent the Company's maximum exposure to credit risk on financial instruments not subject to the IFRS 9 impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

(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 2020 and 30 September 2019, 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.

(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 Statement of Financial Position and in the Statement of Comprehensive Income.

A futures contract is an agreement between two parties to buy or sell a financial instrument for a set price on a future date. Initial margin deposits are made in cash upon entering into futures contracts. During the period the futures contract is open, changes in the value of the contracts are recognised as unrealised gains or losses by "marking-to-market" on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending on whether unrealised losses or gains movements are incurred. When the contract is closed or expires, the Company records a realised gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Company's basis in the contract.

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 Statement of Financial Position date taking into account current market conditions and the current credit worthiness of the counterparties.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

2. Significant Accounting Policies (continued)

(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 Statement of Comprehensive Income.

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 Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

(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, 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 Statement of Financial Position date. Foreign currency exchange differences arising on translation are recognised in the Statement of Comprehensive Income. 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'.

(f) Redeemable Shares

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

The Redeemable Shares 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 Statement of Financial Position 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.

(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 Statement of Comprehensive Income. 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 Statement of Financial Position 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 Statement of Financial Position as Margin Cash. Margin cash is valued at amortised cost plus accrued interest which approximates fair value.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

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 2020			
Realised gain/(loss)			
Held for trading			
Equity instruments	2,262,969	2,281,939	(18,970)
Derivatives	250,510	124,198	126,312
Foreign Currency	(619,447)	(418,442)	(201,005)
Total realised gain/(loss)	<u>1,894,032</u>	<u>1,987,695</u>	<u>(93,663)</u>
Change in unrealised (loss)/gain			
Held for trading			
Equity instruments	(21,742,540)	(18,056,746)	(3,685,794)
Derivatives	(222,413)	(110,873)	(111,540)
Foreign Currency	454,861	318,455	136,406
Total change in unrealised loss	<u>(21,510,092)</u>	<u>(17,849,164)</u>	<u>(3,660,928)</u>
Net loss on financial assets and liabilities at Fair Value through Profit or Loss	<u>(19,616,060)</u>	<u>(15,861,469)</u>	<u>(3,754,591)</u>

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
Financial Year Ended 30 September 2019			
Realised (loss)/gain			
Held for trading			
Equity instruments	1,764,123	735,094	1,029,029
Derivatives	545,453	311,918	233,535
Foreign Currency	(2,556,665)	(1,329,805)	(1,226,860)
Total realised (loss)/gain	<u>(247,089)</u>	<u>(282,793)</u>	<u>35,704</u>
Change in unrealised gain			
Held for trading			
Equity instruments	14,914,303	9,730,447	5,183,856
Foreign Currency	402,043	185,774	216,269
Total change in unrealised gain	<u>15,316,346</u>	<u>9,916,221</u>	<u>5,400,125</u>
Net gain on financial assets and liabilities at Fair Value through Profit or Loss	<u>15,069,257</u>	<u>9,633,428</u>	<u>5,435,829</u>

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.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

4. Fees (continued)

Administration Fees (continued)

During the financial year ended 30 September 2020, the Administration fees totalled €504,721 (30 September 2019: €583,720) of which €28,334 was payable at 30 September 2020 (30 September 2019: €99,885).

Depositary Fees

Northern Trust Fiduciary 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.

The Depositary 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 Depositary 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 Depositary 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 2020, Depositary fees totalled €157,823 (30 September 2019: €76,227), of which €21,000 was payable at 30 September 2020 (30 September 2019: €9,321).

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, Class C USD and Class M 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 2020, the Investment Manager charged management fees of €1,624,289 (30 September 2019: €1,872,736), of which €302,472 was payable at 30 September 2020 (30 September 2019: €453,252).

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 €98,141 (30 September 2019: €105,332).

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

4. Fees (continued)

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, C Share Classes or M Share Class. 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 Depositary 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.

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.

"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.

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.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

4. Fees (continued)

Performance Fees (continued)

Mori Eastern European Fund (continued)

"Calculation Day" for these 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.

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 2020, the performance fees totalled €26 (30 September 2019: €nil), of which €nil were payable at 30 September 2020 (30 September 2019: €nil).

Mori Ottoman Fund

The Investment Manager will 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 these 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.

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 2020, the performance fees totalled €300,827 (30 September 2019: €15,425), of which €nil were payable at 30 September 2020 (30 September 2019: €15,425).

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 2019: €12,000 plus VAT).

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

4. Fees (continued)

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 €104,427 (30 September 2019: €105,535), with €25,676 still outstanding at 30 September 2020 (30 September 2019: €26,250).

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

Auditor Fees

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

	2020 €	2019 €
Statutory Audit	23,250	23,250
Other Assurance	–	–
Tax Advisory	–	–
Other Non-Audit Services	–	–
	23,250	23,250

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 2020 and 30 September 2019. These mainly represent broker fees on equities traded throughout the financial year. Included in the transaction costs expensed in the Statement of Comprehensive Income are the following transaction costs incurred by the Sub-Funds in relation to their trading activity:

Sub-Fund	2020	2019
Mori Eastern European Fund	€17,843	€14,822
Mori Ottoman Fund	€12,637	€12,265

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 2020 and 30 September 2019 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)

For the financial year ended 30 September 2020

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: €21,883 (30 September 2019: €113,547)
- Mori Ottoman Fund: €Nil (30 September 2019: €54,165)

7. Share Capital

The Company has authorised two types of shares:

Management Shares

As at 30 September 2020 and 30 September 2019, 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 2020 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	124,517	584	82,935
Subscriptions	277	–	5,356
Redemptions	(12,953)	–	(4,945)
Closing Balance	111,841	584	83,346

Mori Eastern European Fund	Class C EUR	Class C GBP	Class M EUR
Opening Balance	110,364	3,519	23,100
Subscriptions	–	–	4,524
Redemptions	(110,364)	(1,817)	(13,100)
Closing Balance	–	1,702	14,524

Mori Ottoman Fund	Class A EUR	Class AA GBP	Class C EUR
Opening Balance	159,506	239	409,544
Subscriptions	718	–	112
Redemptions	(38,688)	–	(399,800)
Closing Balance	121,536	239	9,856

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

7. Share Capital (continued)

Redeemable Shares (continued)

Mori Ottoman Fund	Class C GBP	Class C USD	Class M USD
Opening Balance	563	1,223,846	–
Subscriptions	191	12,190	35,671
Redemptions	–	(311,527)	(11,987)
Closing Balance	754	924,509	23,684

At 30 September 2019, 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	137,550	584	81,214
Subscriptions	7	–	6,975
Redemptions	(13,040)	–	(5,254)
Closing Balance	124,517	584	82,935

Mori Eastern European Fund	Class C EUR	Class C GBP	Class M EUR
Opening Balance	110,364	3,771	53,223
Subscriptions	–	12	5,500
Redemptions	–	(264)	(35,623)
Closing Balance	110,364	3,519	23,100

Mori Ottoman Fund	Class A EUR	Class AA GBP	Class C EUR
Opening Balance	186,309	239	421,004
Subscriptions	1,695	–	31,208
Redemptions	(28,498)	–	(42,668)
Closing Balance	159,506	239	409,544

Mori Ottoman Fund	Class C GBP	Class C USD
Opening Balance	1,506	924,509
Subscriptions	144	394,054
Redemptions	(1,087)	(94,717)
Closing Balance	563	1,223,846

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 above classes of redeemable participating shares are unhedged.

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

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

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

As at 30 September 2020, cash, cash collateral and margin cash were held with the following financial institutions:

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
BGC Partners	22,228	22,228	–
The Northern Trust Company	4,936,686	3,322,337	1,614,349
IS Investment	1,951,059	1,025,471	925,588
Total	6,909,973	4,370,036	2,539,937

Cash collateral amounting to €1,065,961 is held with The Northern Trust Company for the sole purpose of entering into Forward Foreign Currency Contracts. Margin cash at Statement of Financial Position date is held with BGC Partners and IS Investments.

As at 30 September 2019, cash, cash collateral and margin cash were held with the following financial institutions:

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
BGC Partners	29,998	29,998	–
The Northern Trust Company	5,319,245	2,788,426	2,530,819
IS Investment	2,295,507	1,216,399	1,079,108
Total	7,644,750	4,034,823	3,609,927

Cash collateral amounting to €1,146,578 is held with The Northern Trust Company for the sole purpose of entering into Forward Foreign Currency Contracts. Margin cash at Statement of Financial Position date is held with BGC Partners and IS Investments.

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, the functional currency of the Sub-Funds, and the Statement of Financial Position and Statement of Comprehensive Income may be significantly affected by movement in the exchange rates against the Euro. The value of the Sub-Funds and their income, as measured in Euro, 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)

For the financial year ended 30 September 2020

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 2020, none of the Sub-Funds held interest-bearing assets (30 September 2019: 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 2020 VaR (99%) in 000's	30 September 2019 VaR (99%) in 000's
- Mori Eastern European Fund (monthly VAR)	€8,183	€8,248
- Mori Ottoman Fund (monthly VAR)	€3,830	€7,086

Additional disclosures - Mori Eastern European Fund

	30 September 2020 VaR (99%) in 000's	30 September 2019 VaR (99%) in 000's
- Lowest monthly VAR	€6,037	€6,037
- Average monthly VAR	€8,027	€7,541
- Highest monthly VAR	€9,452	€8,397

Additional disclosures - Mori Ottoman Fund

	30 September 2020 VaR (99%) in 000's	30 September 2019 VaR (99%) in 000's
- Lowest monthly VAR	€3,541	€3,541
- Average monthly VAR	€4,486	€4,586
- Highest monthly VAR	€5,164	€5,164

Sensitivity analysis

If the market price of all investments held by the Sub-Funds as at 30 September 2020 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 €7,522,375 (approximately 9.25% of net assets attributable to holders of redeemable shares) (30 September 2019: €11,387,911 (approximately 9.34% 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 90.89% (30 September 2019: 91.59%) 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 2020. Mori Ottoman Fund has exposure to currency risk as 95.21% (30 September 2019: 95.47%) 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 2020. 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)

For the financial year ended 30 September 2020

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 2020			
Mori Eastern European Fund			
Czech Koruna	883,770	–	883,770
Polish Zloty	5,526,023	–	5,526,023
Russian Ruble	17,653,834	(7,130,783)	10,523,051
Turkish Lira	12,476,726	–	12,476,726
US Dollars	20,262,099	–	20,262,099
Total	56,802,452	(7,130,783)	49,671,669

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2020			
Mori Ottoman Fund			
Czech Koruna	490,983	–	490,983
Polish Zloty	1,181,949	–	1,181,949
Pound Sterling	3,249	–	3,249
Romanian Leu	425,441	–	425,441
Russian Ruble	3,959,943	(3,839,653)	120,290
Turkish Lira	9,988,393	–	9,988,393
US Dollars	13,207,918	–	13,207,918
Total	29,257,876	(3,839,653)	25,418,223

Comparative as at 30 September 2019:

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2019			
Mori Eastern European Fund			
Czech Koruna	2,259,491	–	2,259,491
Polish Zloty	8,893,524	–	8,893,524
Pound Sterling	–	(68)	(68)
Russian Ruble	29,770,871	–	29,770,871
Turkish Lira	17,619,714	(3,221,086)	14,398,628
US Dollars	17,142,127	–	17,142,127
Total	75,685,727	(3,221,154)	72,464,573

Currency	Foreign Currency Monetary Assets €	Foreign Currency Monetary Liabilities €	Net Foreign Currency Monetary Assets/(Liability) €
30 September 2019			
Mori Ottoman Fund			
Czech Koruna	1,422,905	–	1,422,905
Polish Zloty	1,579,308	–	1,579,308
Pound Sterling	778	–	778
Romanian Leu	603,883	–	603,883
Russian Ruble	8,114,353	–	8,114,353
Turkish Lira	15,541,310	(3,221,087)	12,320,223
US Dollars	16,841,382	–	16,841,382
Total	44,103,919	(3,221,087)	40,882,832

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

9. Financial Instruments and Associated Risks (continued)

(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 2020 and 30 September 2019, 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 2020 and 30 September 2019.

(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.

The Liquidity Risk exposure of the Sub-Funds as at 30 September 2020 is as follows:

	Less than 1 month €	1 -6 months €	Total €
Mori Eastern European Fund			
Financial liabilities at fair value through profit or loss	(110,873)	-	(110,873)
Amounts payable on redemptions	(280,956)	-	(280,956)
Investment Management fee payable	(211,819)	-	(211,819)
Depositary fees payable	(14,174)	-	(14,174)
Administration fees payable	(20,877)	-	(20,877)
Marketing fees payable	-	(2,901)	(2,901)
Other expenses payable	-	(95,757)	(95,757)
Net assets attributable to holders of redeemable shares	(54,647,526)	-	(54,647,526)
Total	(55,286,225)	(98,658)	(55,384,883)

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

9. Financial Instruments and Associated Risks (continued)

(d) Liquidity Risk (continued)

	Less than 1 month €	1 -6 months €	Total €
Mori Ottoman Fund			
Financial liabilities at fair value through profit or loss	(111,540)	-	(111,540)
Investment Management fee payable	(90,653)	-	(90,653)
Depositary fees payable	(6,826)	-	(6,826)
Administration fees payable	(7,457)	-	(7,457)
Marketing fees payable	-	(3,213)	(3,213)
Other expenses payable	-	(47,505)	(47,505)
Net assets attributable to holders of redeemable shares	(26,697,919)	-	(26,697,919)
Total	(26,914,395)	(50,718)	(26,965,113)

The Liquidity Risk exposure of the Sub-Funds as at 30 September 2019 was as follows:

	Less than 1 month €	1 -6 months €	Total €
Mori Eastern European Fund			
Financial liabilities at fair value through profit or loss	(52,762)	-	(52,762)
Amounts payable on redemptions	(112,817)	-	(112,817)
Investment Management fee payable	(309,423)	-	(309,423)
Depositary fees payable	(5,956)	-	(5,956)
Administration fees payable	(64,867)	-	(64,867)
Marketing fees payable	-	(2,464)	(2,464)
Other expenses payable	-	(88,000)	(88,000)
Net assets attributable to holders of redeemable shares	(79,121,420)	-	(79,121,420)
Total	(79,667,245)	(90,464)	(79,757,709)

	Less than 1 month €	1 -6 months €	Total €
Mori Ottoman Fund			
Financial liabilities at fair value through profit or loss	(52,762)	-	(52,762)
Amounts payable on redemptions	(4,453)	-	(4,453)
Investment Management fee payable	(143,829)	-	(143,829)
Depositary fees payable	(3,365)	-	(3,365)
Administration fees payable	(35,018)	-	(35,018)
Marketing fees payable	-	(91)	(91)
Performance fees payable	(15,425)	-	(15,425)
Other expenses payable	-	(44,364)	(44,364)
Net assets attributable to holders of redeemable shares	(42,823,528)	-	(42,823,528)
Total	(43,078,380)	(44,455)	(43,122,835)

(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 2020, NTC had a long term rating from Standard & Poor's of A+ (30 September 2019: 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.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

9. Financial Instruments and Associated Risks (continued)

(e) Credit Risk (continued)

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 Statement of Financial Position 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.

The calculation of credit risk exposure for the Company as at 30 September 2020 is shown below and details the exposure to each counterparty by instrument type.

30 September 2020

		The Northern Trust Company	IS Investment	BGC Partners
Instrument Type	Total €	€	€	€
Cash, overdraft and margin cash	6,909,973	4,936,686	1,951,059	22,228
Forwards	555,751	555,751	-	-
Futures	(222,413)	-	(222,413)	-
Total Credit risk exposure	7,243,311	5,492,437	1,728,646	22,228

30 September 2019

		The Northern Trust Company	IS Investment	BGC Partners
Instrument Type	Total €	€	€	€
Cash, overdraft and margin cash	7,644,750	5,319,245	2,295,507	29,998
Forwards	(105,524)	(105,524)	-	-
Total Credit risk exposure	7,539,226	5,213,721	2,295,507	29,998

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

9. Financial Instruments and Associated Risks (continued)

(e) Credit Risk (continued)

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 2020, the Company's counterparties had the following Standard and Poor's credit ratings:

	2020	2019
Northern Trust Corporation	A+	A+
BGC Partners	BBB-	BBB-
IS Investment	B+	B+

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

Offsetting and amounts subject to master netting arrangements and similar agreements

As at 30 September 2020, 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 2020**

	Gross amounts offset in the Statement of Financial Position			Gross amounts not offset in the Statement of Financial Position		
	Gross amounts of recognised financial assets	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position $C = A - B$	Financial Instruments	Cash Collateral	Net amount
	A €	B €	C = A - B €	D(i) €	D(ii) €	E = C - D €
Derivative financial instruments	361,238	—	361,238	—	(250,365)	—
Total	361,238	—	361,238	—	(250,365)	—
	Gross amounts of recognised financial liabilities	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position $C = A - B$	Financial Instruments	Cash Collateral	Net amount
	A €	B €	C = A - B €	D(i) €	D(ii) €	E = C - D €
Derivative financial instruments	(110,873)	—	(110,873)	—	—	—
Total	(110,873)	—	(110,873)	—	—	—

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

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 liabilities - 30 September 2020

	Gross amounts offset in the Statement of Financial Position			Gross amounts not offset in the Statement of Financial Position		
	Gross amounts of recognised financial assets	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position C = A - B	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Derivative financial instruments	194,513	–	194,513	–	(82,973)	–
Total	194,513	–	194,513	–	(82,973)	–
	Gross amounts of recognised financial liabilities	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position C = A - B	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Derivative financial instruments	(111,540)	–	(111,540)	–	–	–
Total	(111,540)	–	(111,540)	–	–	–

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 Statement of Financial Position, and (ii) any financial collateral (including cash collateral), both received and pledged.

Mori Eastern European Fund

Financial liabilities - 30 September 2019

	Gross amounts offset in the Statement of Financial Position			Gross amounts not offset in the Statement of Financial Position		
	Gross amounts of recognised financial assets	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position C = A - B	Financial Instruments	Cash Collateral	Net amount
	A	B	C = A - B	D(i)	D(ii)	E = C - D
	€	€	€	€	€	€
Derivative financial instruments	52,762	–	52,762	–	(52,762)	–
Total	52,762	–	52,762	–	(52,762)	–

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

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 liabilities - 30 September 2019

	Gross amounts offset in the Statement of Financial Position			Gross amounts not offset in the Statement of Financial Position		
	Gross amounts of recognised financial assets	Gross amounts offset in the Statement of Financial Position	Net amounts of assets presented in the Statement of Financial Position $C = A - B$	Financial Instruments	Cash Collateral	Net amount
	A €	B €	C = A - B €	D(i) €	D(ii) €	E = C - D €
Derivative financial instruments	52,762	—	52,762	—	(52,762)	—
Total	52,762	—	52,762	—	(52,762)	—

Mori Eastern European Fund and Mori Ottoman Fund had no derivatives as financial liabilities as at 30 September 2019.

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 Statement of Financial Position, 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 counterparties during the financial year are BGC Partners, The Northern Trust Company and IS Investment (30 September 2019: Same).

(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.

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.

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

9. Financial Instruments and Associated Risks (continued)

(g) Efficient Portfolio Management (continued)

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.

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 Statement of Comprehensive Income on page 24. The Sub-Funds only traded futures and forward currency exchange contracts during the financial year ended 30 September 2020.

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 2020				
Financial assets at fair value through profit or loss				
Equity instruments	50,451,538	-	-	50,451,538
Forward contracts	-	361,238	-	361,238
Total	50,451,538	361,238	-	50,812,776
Financial liabilities at fair value through profit or loss				
Future contracts	(110,873)	-	-	(110,873)
Total	(110,873)	-	-	(110,873)

Mori Ottoman Fund

	Level 1 €	Level 2 €	Level 3 €	Total €
Financial Assets at Fair Value as at 30 September 2020				
Financial assets at fair value through profit or loss				
Equity instruments	24,216,462	-	-	24,216,462
Forward contracts	-	194,513	-	194,513
Total	24,216,462	194,513	-	24,410,975
Financial liabilities at fair value through profit or loss				
Future contracts	(111,540)	-	-	(111,540)
Total	(111,540)	-	-	(111,540)

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

10. Fair Value of Financial Instruments (continued)

Fair Value Hierarchy (continued)

Comparative as at 30 September 2019:

Mori Eastern European Fund

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value as at 30 September 2019	€	€	€	€
Financial assets at fair value through profit or loss				
Equity instruments	74,761,799	-	-	74,761,799
Total	74,761,799	-	-	74,761,799
Financial liabilities at fair value through profit or loss				
Forward contracts	-	(52,762)	-	(52,762)
Total	-	(52,762)	-	(52,762)

Mori Ottoman Fund

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value as at 30 September 2019	€	€	€	€
Financial assets at fair value through profit or loss				
Equity instruments	39,117,309	-	-	39,117,309
Total	39,117,309	-	-	39,117,309
Financial liabilities at fair value through profit or loss				
Forward contracts	-	(52,762)	-	(52,762)
Total	-	(52,762)	-	(52,762)

Level 3 Reconciliation

The following table lists the investments which have been classified into Level 3 as at 30 September 2020 and 30 September 2019.

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
Ar Tarim Organik Gida AS*	150,000	-	-
Asya Katilim Bankasi AS*	2,000,000	-	-
East Pharma Ltd GDR*	355,000	-	-
Uzel Makina Sanayii AS*	14,000	-	-
		-	-

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

The following table reconciles the movement during the financial year ended 30 September 2019 in investments which have been classified into Level 3, there was no movement during the financial year ended 30 September 2020:

Mori Ottoman Fund

	€
Balance as at 1 October 2018	305,639
Purchases/(Sales)	-
(Losses)/Gains reported	-
-Movement in unrealised	(305,639)
Balance as at 30 September 2019	-

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

10. Fair Value of Financial Instruments (continued)

Level 3 Reconciliation (continued)

There have been no transfers between levels during the financial year ended 30 September 2020 and 30 September 2019.

Sensitivity analysis

If the market price of the Level 3 investments held by the Sub-Funds as at 30 September 2020 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 €nil (approximately nil% of net assets attributable to holders of redeemable shares) (30 September 2019: €nil (approximately nil% 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.

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 Statement of Financial Position are classified in Level 1. Receivables and payables are classified in Level 2.

11. Trade and other receivables

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2020			
Prepaid expenses	6,280	4,094	2,186
Reclaims receivable	209,735	197,977	11,758
Total	216,015	202,071	13,944

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2019			
Accrued bank interest income	782	393	389
Accrued dividend income	181,344	137,865	43,479
Prepaid expenses	37,176	24,840	12,336
Reclaims receivable	181,253	158,892	22,361
Total	400,555	321,990	78,565

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

12. Trade and other payables

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2020			
Accrued bank interest expense	(1,498)	(1,335)	(163)
Accrued audit fee	(27,827)	(18,817)	(9,010)
Accrued company secretarial fee	(3,663)	(2,467)	(1,196)
Accrued Directors' fee	(25,676)	(17,282)	(8,394)
Accrued German/Austrian tax audit fee	(12,858)	(8,683)	(4,175)
Accrued legal fee	(7,554)	(4,610)	(2,944)
Accrued other professional fees	(25,062)	(16,884)	(8,178)
Accrued other payable	(39,124)	(25,679)	(13,445)
Total	(143,262)	(95,757)	(47,505)

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2019			
Accrued bank interest expense	(1,762)	(1,277)	(485)
Accrued audit fee	(27,997)	(18,120)	(9,877)
Accrued company secretarial fee	(3,644)	(2,348)	(1,296)
Accrued Directors' fee	(26,250)	(17,027)	(9,223)
Accrued German/Austrian tax audit fee	(13,125)	(8,508)	(4,617)
Accrued legal fee	(7,755)	(6,337)	(1,418)
Accrued other payable	(51,832)	(34,383)	(17,449)
Total	(132,365)	(88,000)	(44,365)

13. General expenses

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2020			
Company secretarial fee	(16,592)	(11,128)	(5,464)
German/Austrian tax audit fee	(21,842)	(14,763)	(7,079)
ISE listing fees	(10,032)	(6,718)	(3,314)
Other listing fees	(66,857)	(43,693)	(23,164)
Other professional fees	(87,856)	(58,978)	(28,878)
Other expenses	(202,705)	(155,362)	(47,343)
Total	(405,884)	(290,642)	(115,242)

	Total €	Mori Eastern European Fund €	Mori Ottoman Fund €
As at 30 September 2019			
Company secretarial fee	(16,334)	(10,634)	(5,700)
German/Austrian tax audit fee	(18,098)	(11,277)	(6,821)
ISE listing fees	(8,548)	(5,574)	(2,974)
Other listing fees	(54,219)	(35,966)	(18,253)
Other professional fees	(100,869)	(66,095)	(34,774)
Other expenses	(222,040)	(171,340)	(50,700)
Total	(420,108)	(300,886)	(119,222)

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

14. Exchange Rates

The exchange rates applied at 30 September 2020 and 2019 for Mori Eastern European Fund and Mori Ottoman Fund (the Euro functional currency funds) were:

Currency	30 September 2020	30 September 2019
Czech Koruna	27.0885	25.8160
Hungarian Forint	363.1752	334.9650
Norwegian Krone	10.9720	9.9055
Polish Zloty	4.5339	4.3708
Pound Sterling	0.9071	0.8847
Romanian Leu	4.8740	4.7428
Russian Ruble	90.9991	70.7349
Swiss Franc	1.0774	1.0871
Turkish Lira	9.0343	6.1558
Ukraine Hryvnia	33.1714	26.2766
US Dollar	1.1727	1.0902

15. Comparative Net Asset Values

A. Total Net Asset Value		30 September 2020	30 September 2019	30 September 2018
Mori Eastern European Fund	Class A EUR	€45,807,624	€65,459,564	€62,320,618
	Class AA GBP	£5,033	£6,266	£5,418
	Class B EUR	€7,233,842	€9,251,027	€7,815,213
	Class C EUR*	–	€1,137,793	€976,654
	Class C GBP	£17,248	£44,455	£41,166
	Class M EUR	€1,581,498	€3,215,704	€6,360,127
Mori Ottoman Fund	Class A EUR	€15,693,421	€23,778,481	€24,121,986
	Class AA GBP	£2,270	£2,513	£2,188
	Class C EUR	€109,437	€5,171,884	€4,591,695
	Class C GBP	£8,475	£6,965	£16,126
	Class C USD	US\$10,812,465	US\$15,112,844	US\$10,504,539
	Class M USD**	US\$1,949,737	–	–
B. Net Asset Value per Share		30 September 2020	30 September 2019	30 September 2018
Mori Eastern European Fund	Class A EUR	€409.5792	€525.7072	€453.0747
	Class AA GBP	£8.6235	£10.7367	£9.2836
	Class B EUR	€86.7925	€111.5455	€96.2298
	Class C EUR*	–	€10.3094	€8.8494
	Class C GBP	£10.1306	£12.6318	£10.9164
	Class M EUR	€108.8902	€139.2079	€119.5006
Mori Ottoman Fund	Class A EUR	€129.1252	€149.0755	€129.4733
	Class AA GBP	£9.4859	£10.4993	£9.1404
	Class C EUR	€11.1041	€12.6284	€10.9065
	Class C GBP	£11.2419	£12.3722	£10.7096
	Class C USD	US\$11.6954	US\$12.3487	US\$11.3623
	Class M USD**	US\$82.3241	–	–

*Mori Eastern European Fund Class C EUR terminated on 17 December 2019.

**Mori Ottoman Fund Class M USD launched on 14 January 2020.

16. Soft Commissions

With the advent of MiFID II effective 1 January 2018, the Investment Manager has taken the decision to make no further use of soft commission arrangements. Accordingly, there have been no soft commission payments relating to any Sub-Fund during the financial year ended 30 September 2020 (30 September 2019: none).

Notes to the Financial Statements (continued)

For the financial year ended 30 September 2020

17. Distribution Policy

There were no dividends or distributions paid to the shareholders during the financial year (30 September 2019: none).

18. Significant Events

The retail and institutional redemption/subscription/switch application forms for the Company were updated on 29 October 2019.

Mori Eastern European Fund Class C EUR terminated on 17 December 2019.

Mori Ottoman Fund Class M USD was launched on 14 January 2020.

On 21 February 2020, the Prospectus for the Company was updated with new share classes' information and regulatory references.

Covid-19: Each of the Administrator, Depository, Investment Manager and other service providers to the Company and their delegates may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies and social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations to the Company until they are able to remedy the force majeure event. While it is expected that such service providers will implement contingency plans for addressing force majeure events it is possible that such force majeure events exceed the assumptions of such plans.

Certain force majeure events (such as war or an outbreak of an infectious disease) may also have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Funds may invest specifically. Since late 2019, several countries have experienced outbreaks of a novel coronavirus (nCoV) which is from a family of viruses that cause illnesses ranging from the common cold to more severe diseases. Any spread of an infectious illness or similar public health threat could reduce consumer demand or economic output, impact on the market value of investments, result in market closures, travel restrictions or quarantines, and generally have a significant impact on the world economy and disrupt markets. The nature and extent of the impact of such events is difficult to predict but they may adversely affect the return on each Fund and its investments. Market disruptions or closures may result in the Investment Manager being unable to accurately value the assets of a Fund, or in the event of high levels of redemption, the Company may use certain liquidity management tools permitted by the Central Bank, including deferred redemptions, the implementation of fair value pricing or temporarily suspension of a Fund.

There were no other significant events during the financial year ended 30 September 2020.

19. Subsequent Events

There were no subsequent events to report after the financial year ended 30 September 2020.

20. Commitments and Contingent Liabilities

There were no significant commitments or contingent liabilities as at 30 September 2020 (30 September 2019: none).

21. Comparative figures

The comparative figures for the Financial Statements are for the financial year ended 30 September 2019.

22. Approval of Audited Financial Statements

The audited Financial Statements were approved and authorised for issue by the Directors on 10 December 2020.

Portfolio Statement

As at 30 September 2020

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 (2019: 94.49%)</u>				
	Czech Republic (2019: 2.86%)				
CZECH REPUBLIC	Moneta Money Bank AS	450,000	CZK	883,770	1.62%
				883,770	1.62%
	Greece (2019: 6.14%)				
GREECE	Ellaktor SA	325,000	EUR	453,375	0.83%
	GEK Terna Holding Real Estate Construction SA	200,000	EUR	1,226,000	2.24%
	JUMBO SA	30,000	EUR	450,000	0.82%
	Mytilineos	100,000	EUR	916,500	1.68%
				3,045,875	5.57%
	Jersey (2019: 0.00%)				
JERSEY	WisdomTree Physical Gold	15,000	USD	2,306,826	4.22%
	WisdomTree Physical Silver	70,000	USD	1,338,038	2.45%
				3,644,864	6.67%
	Netherlands (2019: 0.50%)				
NETHERLANDS	Veon Ltd	400,000	USD	429,796	0.78%
				429,796	0.78%
	Poland (2019: 11.25%)				
POLAND	Alior Bank	120,000	PLN	355,193	0.65%
	CCC SA	25,000	PLN	260,263	0.48%
	Enea SA	250,000	PLN	314,300	0.58%
	Eurocash SA	200,000	PLN	635,218	1.16%
	Powszechna Kasa Oszczednosci Bank				
	Polski SA	410,000	PLN	1,918,028	3.51%
	Powszechny Zaklad Ubezpieczen SA	240,000	PLN	1,312,255	2.40%
	Tauron Polska Energia SA	1,100,000	PLN	532,789	0.97%
				5,328,046	9.75%
	Russia (2019: 51.53%)				
RUSSIA	Aeroflot	358,030	RUB	290,755	0.53%
	Bank St. Petersburg	666,521	RUB	307,994	0.56%
	Etalon Group Ltd GDR	250,000	USD	341,108	0.62%
	Gazprom PAO	1,000,000	RUB	1,878,590	3.44%
	Globaltrans Investment Plc GDR	161,560	USD	840,418	1.54%
	Lukoil PJSC	75,000	RUB	3,693,992	6.76%
	Magnit PJSC	16,165	RUB	882,866	1.62%
	Magnit PJSC GDR	20,000	USD	254,466	0.47%
	Mail.ru Group Ltd GDR	60,000	USD	1,401,953	2.57%
	MMC Norilsk Nickel PJSC	10,000	RUB	2,066,833	3.78%
	Mobile TeleSystems PJSC	400,000	RUB	1,492,542	2.73%
	Novatek OAO	150,000	RUB	1,752,874	3.21%

Portfolio Statement (continued)

As at 30 September 2020

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)					
Equities (2019: 94.49%) (continued)					
Russia (2019: 51.53%) (Continued)					
	QIWI plc	28,073	USD	415,355	0.76%
	Raspadskaya	221,782	RUB	295,777	0.54%
	Sberbank of Russia	1,378,290	RUB	3,453,332	6.32%
	Severstal PAO GDR	140,000	USD	1,517,418	2.78%
	Surgutneftegas Ordinary Shares	2,000,000	RUB	761,106	1.39%
	Surgutneftegas Preferential Shares	1,800,000	RUB	777,172	1.42%
	Tatneft PAO ADR	30,000	USD	915,363	1.67%
	X5 Retail Group NV GDR	49,000	USD	1,546,071	2.83%
				24,885,985	45.54%
TURKEY (2019: 20.69%)					
TURKEY	Akbank Turk Anonim Sirketi	800,000	TRY	456,041	0.83%
	Asya Katilim Bankasi AS	2,500,000	TRY	–	–
	Emlak Konut Gayrimenkul Yatirim Ortakligi AS	2,400,000	TRY	459,583	0.84%
	Enerjisa Enerji	296,565	TRY	292,814	0.54%
	Haci Omer Sabanci Holding AS	660,000	TRY	607,819	1.11%
	Kardemir Karabuk Demir Celik Sanayi ve Ticaret AS	2,000,000	TRY	750,476	1.37%
	Karsan Otomotiv Sanayii Ve Ticaret AS	2,000,001	TRY	688,490	1.26%
	KOC Holding AS	200,000	TRY	324,763	0.59%
	Koza Altin Isletmeleri AS	94,997	TRY	819,133	1.50%
	Koza Anadolu Metal Madencilik Isletmeleri AS	700,000	TRY	979,382	1.79%
	Migros Ticaret	100,000	TRY	456,041	0.84%
	Ozak Gayrimenkul Yatirim Ortakligi AS	1,400,000	TRY	636,908	1.17%
	Sok Marketler Ticaret AS	400,000	TRY	532,638	0.98%
	Tekfen Holding AS	450,000	TRY	738,189	1.35%
	Turk Telekomunikasyon AS	620,000	TRY	490,001	0.90%
	Turkcell Iletisim Hizmetleri	100,000	TRY	168,248	0.31%
	Turkiye Garanti Bankasi	700,000	TRY	550,127	1.01%
	Turkiye Halk Bankasi AS	491,223	TRY	278,935	0.51%
	Turkiye Is Bankasi	1,000,000	TRY	592,189	1.08%
	Turkiye Sise ve Cam Fabrikalari AS	650,000	TRY	526,661	0.96%
	Turkiye Vakiflar Bankasi Tao	2,600,000	TRY	1,191,463	2.18%
				11,539,901	21.12%
UKRAINE (2019: 1.52%)					
UKRAINE	MHP SA GDR	150,000	USD	693,301	1.27%
				693,301	1.27%
Total Equities				50,451,538	92.32%

Portfolio Statement (continued)

As at 30 September 2020

Mori Eastern European Fund

Financial Assets at Fair Value Through Profit or Loss (continued)

<u>Open Forward Foreign Currency Transactions (2019: 0.00%)</u>				Unrealised gain €	% of Net Assets
Currency Sold	Currency Bought	Counterparty	Maturity Date		
RUB 650,000,000	USD 8,788,237	Northern Trust	19/10/2020	361,238	0.66%
				361,238	0.66%
Total Open Forward Foreign Currency Contracts				361,238	0.66%
Total Financial Assets at Fair Value through Profit or Loss				50,812,776	92.98%

Counterparty	Description	Quantity	Currency	Fair Value €	% of Net Assets
--------------	-------------	----------	----------	-----------------	-----------------

Financial Liabilities at Fair Value Through Profit or Loss

<u>Futures - Short Positions (2019: 0.00%)</u>					
IS INVESTMENT	BIST 30 Future October 2020	(2,000)	TRY	(110,873)	(0.20%)
				(110,873)	(0.20%)
Total Futures - Short Positions				(110,873)	(0.20%)

Open Forward Foreign Currency Transactions (2019: (0.07%))

Total Financial Liabilities at Fair Value through Profit or Loss	(110,873)	(0.20%)
---	------------------	----------------

	Fair Value €	% of Net Assets
Financial assets and liabilities at fair value through profit or loss	50,701,903	92.78%
Cash and cash equivalents	2,827,731	5.17%
Other Net Assets	1,117,892	2.05%
Net Assets Attributable to Holders of Redeemable Shares	54,647,526	100.00%

<u>Analysis of Total Assets</u>	% of Total Assets
Transferable securities admitted to an official stock exchange or traded on a regulated market	91.09%
OTC financial derivative instruments	0.65%
Cash and cash equivalents	5.11%
Other Assets	3.15%
Total Assets	100.00%

Portfolio Statement (continued)

As at 30 September 2020

Mori Ottoman Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss					
	Equities (2019: 91.34%)				
	Czech Republic (2019: 3.32%)				
CZECH REPUBLIC	Moneta Money Bank AS	250,000	CZK	490,983	1.84%
				490,983	1.84%
	Greece (2019: 2.56%)				
GREECE	Mytilineos	60,000	EUR	549,900	2.06%
				549,900	2.06%
	Jersey (2019: 0.00%)				
JERSEY	WisdomTree Physical Gold	8,000	USD	1,230,307	4.61%
	WisdomTree Physical Silver	35,000	USD	669,019	2.51%
				1,899,326	7.12%
	Netherlands (2019: 0.31%)				
NETHERLANDS	Veon Ltd	180,000	USD	193,408	0.73%
				193,408	0.73%
	Poland (2019: 3.69%)				
POLAND	Alior Bank	60,000	PLN	177,596	0.66%
	CCC SA	15,000	PLN	156,158	0.58%
	Enea SA	125,000	PLN	157,150	0.59%
	Eurocash SA	130,000	PLN	412,892	1.55%
	Tauron Polska Energia SA	550,000	PLN	266,395	1.00%
				1,170,191	4.38%
	Romania (2019: 2.88%)				
ROMANIA	Fondul Proprietatea SA/Fund GDR	47,403	USD	626,569	2.35%
	SIF 2 Moldova Bacau	1,620,000	RON	425,441	1.59%
				1,052,010	3.94%
	Russia (2019: 43.25%)				
RUSSIA	Bank St. Petersburg	500,000	RUB	231,046	0.87%
	Etalon Group Ltd GDR	100,000	USD	136,443	0.51%
	Globaltrans Investment Plc GDR	44,582	USD	231,911	0.87%
	Lukoil OAO ADR	35,000	USD	1,727,540	6.47%
	Magnit PJSC	5,388	RUB	294,270	1.10%
	Mail.ru Group Ltd GDR	30,000	USD	700,976	2.63%
	Mobile TeleSystems PJSC	250,000	RUB	932,839	3.49%
	Novatek OAO	10,000	USD	1,168,294	4.38%
	QIWI plc	14,425	USD	213,426	0.80%
	Raspadskaya	209,928	RUB	279,968	1.05%
	Sberbank of Russia	400,000	RUB	1,002,207	3.75%
	Severstal PAO GDR	40,000	USD	433,548	1.62%
	Sistema PJSC	60,000	USD	274,251	1.03%
	Surgutneftegas Preferential Shares	2,000,000	RUB	863,525	3.23%
	TGK-1 OAO	1,660,858,000	RUB	203,503	0.76%

Portfolio Statement (continued)

As at 30 September 2020

Mori Ottoman Fund

Country of Origin	Description	Quantity	Currency	Fair Value €	% of Net Assets
Financial Assets at Fair Value Through Profit or Loss (continued)					
Equities (2019: 91.34%) (continued)					
Russia (2019: 43.25%) (Continued)					
	Unipro PJSC	5,000,000	RUB	152,584	0.57%
	X5 Retail Group NV GDR	19,340	USD	610,225	2.29%
				9,456,556	35.42%
Slovenia (2019: 0.63%)					
				–	–
TURKEY (2019: 33.77%)					
TURKEY	Akbank Turk Anonim Sirketi	400,000	TRY	228,021	0.85%
	Aksa Enerji Uretim AS	900,000	TRY	623,625	2.34%
	Aksigorta	320,000	TRY	274,510	1.03%
	Anadolu Anonim Turk Sigorta Sirketi	500,000	TRY	384,646	1.44%
	Ar Tarim Organik Gida AS	150,000	TRY	–	–
	Asya Katilim Bankasi AS	2,000,000	TRY	–	–
	EastPharma Limited GDR	355,000	USD	–	–
	Emlak Konut Gayrimenkul Yatirim Ortakligi AS	1,200,000	TRY	229,792	0.86%
	Enerjisa Enerji	200,000	TRY	197,470	0.74%
	Haci Omer Sabanci Holding AS	300,000	TRY	276,281	1.03%
	Is Gayrimenkul Yatirim Ortakligi AS	1,300,000	TRY	251,819	0.94%
	Is Yatirim Menkul Degerler AS	800,000	TRY	828,844	3.10%
	Kardemir Karabuk Demir Celik Sanayi ve Ticaret AS	1,000,000	TRY	375,238	1.41%
	Karsan Otomotiv Sanayii Ve Ticaret AS	1,634,161	TRY	562,551	2.11%
	KOC Holding AS	100,000	TRY	162,382	0.61%
	Koza Altin Isletmeleri AS	85,000	TRY	732,931	2.75%
	Koza Anadolu Metal Madencilik Isletmeleri AS	400,000	TRY	559,647	2.10%
	Ozak Gayrimenkul Yatirim Ortakligi AS	900,000	TRY	409,441	1.53%
	Sok Marketler Ticaret AS	200,000	TRY	266,319	1.00%
	Tekfen Holding AS	300,000	TRY	492,126	1.84%
	Turk Telekomunikasyon AS	470,000	TRY	371,452	1.39%
	Turkcell Iletisim Hizmetleri	100,000	TRY	168,248	0.63%
	Turkiye Garanti Bankasi	350,000	TRY	275,064	1.03%
	Turkiye Is Bankasi	900,000	TRY	532,970	2.00%
	Turkiye Sise ve Cam Fabrikalari AS	350,000	TRY	283,587	1.06%
	Turkiye Vakiflar Bankasi Tao	1,500,000	TRY	687,382	2.57%
	Uzel Makina Sanayii AS	14,000	TRY	–	–
				9,174,346	34.36%
Ukraine (2019: 0.93%)					
UKRAINE	MHP SA GDR	49,706	USD	229,742	0.86%
				229,742	0.86%
Total Equities				24,216,462	90.71%

Portfolio Statement (continued)

As at 30 September 2020

Mori Ottoman Fund

Financial Assets at Fair Value Through Profit or Loss (continued)

<u>Open Forward Foreign Currency Transactions (2019: 0.00%)</u>				Unrealised gain	% of Net Assets
Currency Sold	Currency Bought	Counterparty	Maturity Date	€	
RUB 350,000,000	USD 4,732,128	Northern Trust	19/10/2020	194,513	0.73%
				194,513	0.73%
Total Open Forward Foreign Currency Contracts				194,513	0.73%
Total Financial Assets at Fair Value through Profit or Loss				24,410,975	91.44%

Counterparty	Description	Quantity	Currency	Fair Value	% of Net Assets
				€	

Financial Liabilities at Fair Value Through Profit or Loss

<u>Futures - Short Positions (2019: 0.00%)</u>					
IS INVESTMENT	BIST 30 Future October 2020	(2,000)	TRY	(111,540)	(0.42%)
				(111,540)	(0.42%)
Total Futures - Short Positions				(111,540)	(0.42%)

Open Forward Foreign Currency Transactions (2019: (0.12%))

Total Financial Liabilities at Fair Value through Profit or Loss	(111,540)	(0.42%)
---	------------------	----------------

	Fair Value	% of Net Assets
	€	
Financial assets and liabilities at fair value through profit or loss	24,299,435	91.02%
Cash and cash equivalents	1,042,994	3.91%
Other Net Assets	1,355,490	5.07%
Net Assets Attributable to Holders of Redeemable Shares	26,697,919	100.00%

<u>Analysis of Total Assets</u>	% of Total Assets
Transferable securities admitted to an official stock exchange or traded on a regulated market	89.81%
OTC financial derivative instruments	0.72%
Cash and cash equivalents	3.87%
Other Assets	5.60%
Total Assets	100.00%

Significant Portfolio Changes (Unaudited)

For the financial year ended 30 September 2020

Mori Eastern European Fund

Significant Purchases

Securities	Shares	€
WisdomTree Physical Gold	15,000	2,121,210
Gazprom PAO	350,000	1,275,054
MLP Saglik Hizmetleri	600,000	1,156,482
WisdomTree Physical Silver	70,000	1,051,122
Tekfen Holding AS	450,000	1,004,565
Emlak Konut Gayrimenkul Yatirim Ortakligi AS	2,600,000	690,690
Ten Square Games	12,000	644,893
CCC SA	25,000	603,541
Akbank Turk Anonim Sirketi	800,000	601,467
Sok Marketler Ticaret AS	400,000	590,927
Turkcell Iletisim Hizmetleri	280,000	590,232
Turkiye Halk Bankasi AS	491,223	549,248
Enea SA	250,000	549,169
Veon Ltd	220,000	545,514
Turkiye Sise ve Cam Fabrikalari AS	650,000	495,462
Tauron Polska Energia SA	1,100,000	480,364
Koza Altin Isletmeleri AS	45,000	395,068
QIWI plc	28,073	375,670
KOC Holding AS	200,000	338,999
Alor Bank	50,000	329,030

Significant Sales

Securities	Shares	€
Sberbank of Russia	(721,710)	(2,234,408)
Yandex NV	(50,000)	(1,868,558)
MLP Saglik Hizmetleri	(600,000)	(1,406,513)
Rosneft OAO GDR	(200,000)	(1,028,750)
Powszechny Zaklad Ubezpieczen SA	(110,000)	(951,878)
TAV Havalimanlari	(250,000)	(933,648)
Novatek OAO	(50,000)	(918,655)
Philip Morris	(1,600)	(870,252)
Gazprom PAO	(350,000)	(859,881)
PLAY Communications	(100,000)	(844,538)
Enka Insaat Ve Sanayi AS	(852,133)	(836,045)
Arcelik	(270,000)	(828,176)
JUMBO SA	(45,000)	(816,238)
Yapi ve Kredi Bankasi	(2,091,439)	(808,383)
GEK Terna Holding Real Estate Construction SA	(100,000)	(778,861)
Ten Square Games	(12,000)	(741,144)
Lukoil PJSC	(7,954)	(735,006)
Koza Anadolu Metal Madencilik Isletmeleri AS	(390,000)	(619,447)
Turk Hava Yollari AO	(450,000)	(563,637)
Soda Sanayii	(600,000)	(484,242)
Rostelecom	(400,000)	(479,158)
Kardemir Karabuk Demir Celik Sanayi ve Ticaret AS	(1,000,000)	(431,243)
Turkcell Iletisim Hizmetleri	(180,000)	(396,317)
Novolipetsk Steel OJSC GDR	(30,000)	(358,863)
Surgutneftegas Ordinary Shares	(500,000)	(327,144)
Turk Telekomunikasyon AS	(280,000)	(314,819)
Emlak Konut Gayrimenkul Yatirim Ortakligi AS	(1,200,000)	(254,973)

The significant changes to the portfolio for the financial year ended 30 September 2020 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.

Significant Portfolio Changes (Unaudited) (continued)

For the financial year ended 30 September 2020

Mori Ottoman Fund

All Purchases

Securities	Shares	€
WisdomTree Physical Gold	8,000	1,125,698
Novatek	5,000	763,940
Tekfen Holding AS	300,000	669,710
Turkcell Iletisim Hizmetleri	275,000	580,863
MLP Saglik Hizmetleri	300,000	578,241
WisdomTree Physical Silver	35,000	525,561
Veon Ltd	180,000	446,330
Gazprom ADR	60,000	433,078
Gazprom	60,000	407,728
CCC SA	15,000	364,005
Emlak Konut Gayrimenkul Yatirim Ortakligi AS	1,300,000	345,345
Ten Square Games	6,000	322,447
Akbank Turk Anonim Sirketi	400,000	300,733
Turkiye Halk Bankasi AS	264,505	295,749
Sok Marketler Ticaret AS	200,000	295,464
Sistema PJSFC	60,000	291,178
Enea SA	125,000	274,588
Turkiye Sise ve Cam Fabrikalari AS	350,000	266,788
Koza Altin Isletmeleri AS	30,000	263,379
Tauron Polska Energia SA	550,000	240,182
QIWI plc	14,425	193,712
KOC Holding AS	100,000	169,499
Alior Bank	20,000	132,249

Significant Sales

Securities	Shares	€
Gazprom ADR	(360,000)	(2,204,764)
Sberbank of Russia	(430,000)	(1,329,320)
Yandex	(30,000)	(1,170,092)
Sberbank of Russia ADR	(75,000)	(996,554)
TAV Havalimanlari	(190,000)	(834,137)
Karsan Otomotiv Sanayii Ve Ticaret AS	(2,365,839)	(715,525)
PLAY Communications	(80,000)	(676,364)
MLP Saglik Hizmetleri	(300,000)	(655,345)
Logo Yazilim Sanayi Ve Ticaret	(69,384)	(547,760)
Jumbo	(30,000)	(545,882)
Ege Endustri Ve Ticaret	(5,000)	(528,906)
Turkiye Vakiflar Bankasi Tao	(500,000)	(494,255)
Turk Telekomunikasyon AS	(430,000)	(479,603)
Philip Morris	(820)	(469,289)
Arcelik	(150,000)	(462,268)
Inter Rao Ues PJSC	(7,403,000)	(414,128)
Yapi ve Kredi Bankasi	(1,054,771)	(407,700)
Gazprom	(60,000)	(404,357)
Turkcell Iletisim Hizmetleri	(175,000)	(385,308)
Ten Square Games	(6,000)	(370,573)
Moneta Money Bank AS	(100,000)	(322,125)
Turk Hava Yollari AO	(250,000)	(313,104)
Tatneft PJSC	(58,690)	(307,157)
Koza Anadolu Metal Madencilik Isletmeleri AS	(190,000)	(302,194)
TMK Group	(89,950)	(278,011)
Enka Insaat Ve Sanayi	(294,723)	(268,810)
Aeroflot - Russian Airlines	(300,000)	(266,837)
Koza Altin Isletmeleri AS	(24,978)	(257,114)
Soda Sanayii	(300,000)	(242,121)
Mobile TeleSystems PJSC	(50,000)	(240,178)
Rostelecom	(200,000)	(239,579)

Significant Portfolio Changes (Unaudited) (continued)

For the financial year ended 30 September 2020

Mori Ottoman Fund (continued)

Significant Sales (continued)

Securities	Shares	€
Tmk	(336,676)	(225,489)
Mail.ru Group Ltd GDR	(10,000)	(218,465)
Kardemir Karabuk Demir Celik Sanayi ve Ticaret AS	(500,000)	(215,621)

The significant changes to the portfolio for the financial year ended 30 September 2020 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 (Unaudited) (continued)

For the financial year ended 30 September 2020

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 2020		Ratio of Total Operating Expenses to average Sub-Fund daily net assets for the financial year ended 30 September 2019		Ratio of Performance fees to average Sub-Fund daily net assets for the financial year ended 30 September 2020	Ratio of Performance fees to average Sub-Fund daily net assets for the financial year ended 30 September 2019	
		including performance fee		including performance fee			including performance fee	
Mori Eastern European Fund	Class A EUR Shares	2.94%	-	2.74%	-	-	-	-
	Class AA GBP Shares	2.40%	-	2.42%	-	-	-	-
	Class B EUR Shares	3.04%	-	2.84%	-	-	-	-
	Class C EUR Shares	1.55%	-	2.34%	-	-	-	-
	Class C GBP Shares	2.54%	-	2.34%	-	-	-	-
	Class M EUR Shares	2.54%	-	2.34%	-	-	-	-
Mori Ottoman Fund	Class A EUR Shares	4.56%	1.60%	2.82%	0.06%	-	-	-
	Class AA GBP Shares	2.38%	-	2.40%	-	-	-	-
	Class C EUR Shares	2.46%	-	2.26%	-	-	-	-
	Class C GBP Shares	1.84%	-	1.73%	-	-	-	-
	Class C USD Shares	2.46%	-	2.26%	-	-	-	-
	Class M USD Shares	2.10%	-	-	-	-	-	-

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 (Unaudited) (continued)

For the financial year ended 30 September 2020

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 1/10/2019- 30/09/2020	Calendar 01/01/2019- 31/12/2019	3 Year Cumulative 01/01/2017- 31/12/2019
Mori Eastern European Fund	Class A EUR	EUR	15/07/1998	(22.09%)	32.85%	27.62%
	Class AA GBP	EUR	05/03/2012	(19.68%)	26.89%	29.26%
	Class B EUR	GBP	30/11/2009	(22.19%)	32.72%	26.91%
	Class C EUR	USD	05/03/2012	-	-	-
	Class C GBP	EUR	05/03/2012	(19.80%)	26.95%	29.26%
	Class M EUR	EUR	02/09/2016	(21.78%)	33.37%	29.15%
Mori Ottoman Fund	Class A EUR	EUR	03/01/2006	(13.38%)	30.84%	18.84%
	Class AA GBP	GBP	13/05/2013	(9.65%)	25.54%	20.85%
	Class C EUR	EUR	06/06/2012	(12.07%)	33.12%	22.16%
	Class C GBP	GBP	11/01/2012	(9.14%)	26.25%	23.14%
	Class C USD	USD	06/06/2012	(5.29%)	30.71%	30.02%
	Class M USD	USD	14/01/2020	(17.68%)	-	-

Other Information (Unaudited)

For financial year ended 30 September 2020

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 for the German Tax data is: <https://fund-reporting-portal.pwc.com/fund-list/Mori>

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 October 2019 to 30 September 2020 by Mori Eastern European Fund and Mori Ottoman Fund were €14,727 and €7,065 respectively.