

Mobius

— INVESTMENT TRUST —

ANNUAL REPORT OF MOBIUS INVESTMENT TRUST PLC
FOR THE PERIOD FROM INCORPORATION ON
7 AUGUST 2018 TO 30 NOVEMBER 2019

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The Association of
Investment Companies

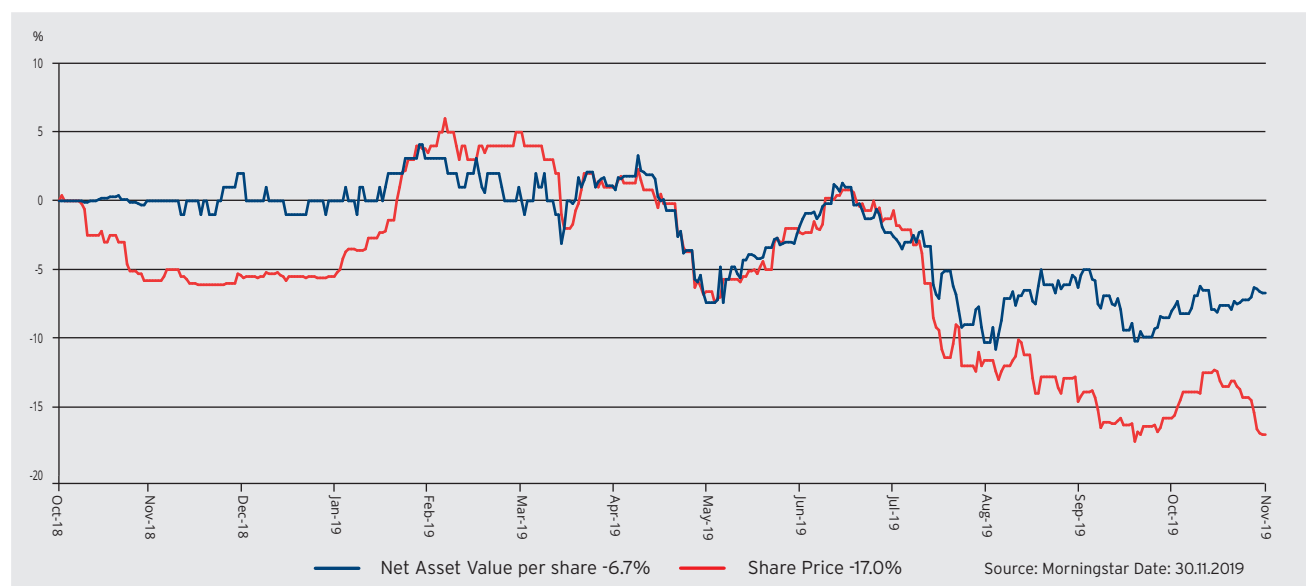
A member of the Association of Investment Companies

FINANCIAL HIGHLIGHTS

	30 November 2019	At launch on 1 October 2018	% change
Net Asset Value per Ordinary share	91.4p	98.0p	(6.7)%
Share Price	83.0p	100.0p	(17.0)%
Discount to net asset value*	9.2%	-	-
Final dividend	0.30p	-	-
Ongoing Charges*	1.7%	-	-

*Alternative performance measure, see Glossary beginning on page 65.

Total Return Performance for the Period from Launch to 30 November 2019*



*Alternative performance measure, see Glossary beginning on page 65.

KEY INFORMATION

The Company

Mobius Investment Trust plc (the "Company") is a closed-ended investment company. Its shares are listed on the premium segment of the Official List and traded on the main market of the London Stock Exchange. The Company is a member of the Association of Investment Companies.

Investment Objective

The Company's investment objective is to achieve long-term capital growth and income returns predominantly through investment in a diversified portfolio of companies exposed directly or indirectly to emerging or frontier markets.

The investment policy of the Company is set out on pages 7 and 8.

Capital Structure

As at 30 November 2019, the Company's capital structure consists of 105,000,000 Ordinary shares of 1p each and 50,000 Management shares of £1 each.

Alternative Investment Fund Manager

Mobius Capital Partners LLP have been the Company's Alternative Investment Fund Manager ("AIFM") since inception.

Investment Philosophy

Mobius Capital Partners LLP is an emerging and frontier markets asset manager offering an innovative private equity approach to public markets. Mobius Capital Partners LLP is focused on a single long-only strategy based on actively partnering with portfolio companies to improve their corporate governance and to deliver a clear Environmental, Social and Governance ("ESG") pathway.

Mobius Investment Trust plc will invest in a high conviction portfolio of 20-30 small to mid-cap companies, across emerging and frontier markets.

Management Fee

1% per annum of the lower of (i) net asset value and (ii) market capitalisation (the "Fund Value") up to and including £500 million; 0.85% of the Fund Value over £500 million and up to £1 billion; and 0.75% of the Fund Value over £1 billion. There are no provisions for a performance fee set out in the Investment Management Agreement.

ISA Status

The Company's shares are eligible for Stocks and Shares ISAs.

Retail Investors advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers ("IFAs") in the UK to ordinary retail investors in accordance with the Financial Conduct Authority ("FCA") rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

How to Invest

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including investment dealing accounts, ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. Further details can be found on page 67.

Website

www.mobiusinvestmenttrust.com

CHAIRMAN'S STATEMENT



Introduction

Dear Shareholder,

On behalf of the Board, I would like to thank you once again for your support during the IPO and throughout Mobius Investment Trust's first 14 months as a listed entity.

This is the first annual report of Mobius Investment Trust plc (the "Company", "MMIT"), covering the period since incorporation on 7 August 2018 to 30 November 2019.

Over this period, we have enjoyed working closely with the team at Mobius Capital Partners to launch this vehicle and deliver a truly differentiated and innovative investment solution.

The asset management industry is undergoing rapid changes with significant investment inflows into passive products. We believe that both passive and machine-based investing strategies may be effective in certain areas in developed countries but will struggle to compete against an active engagement approach, especially in emerging and frontier markets. Therefore, MMIT has set out to do something different:

One of the core pillars of the investment strategy is to help investee companies catalyse a re-rating through collaborative engagement which is focused on governance, strategic, capital allocation, operational and ESG topics. This form of constructive engagement is a new approach in emerging markets and is most effective when it focuses on improving a company's characteristics to drive a higher return on invested capital (ROIC).

Performance

I am pleased to note that over 170 engagement action points have been raised with portfolio companies since inception. These focussed on five primary areas: governance, strategy, capital allocation, operational and ESG improvements. The initial steps on engagement target an improvement in a company's governance framework - this provides the foundations for better decision making

over the longer term through improved alignment between decision makers and investors. This engagement has generated a number of early successes which have started to have a material impact on valuations. The positive response from management teams and stakeholders has been particularly encouraging.

The Investment Manager Report will provide further details on the performance attribution.

Recent investment returns have been encouraging with NAV growing by 6.7% between 30 November 2019 and 3 February 2020, this being the latest practicable date before the signing of this annual report.

Over the period from launch on 1 October 2018 to 30 November 2019, the Company's net asset value (NAV) per share decreased by 6.7%, closing at 91.4p on 30 November 2019. The share price dropped to 83.0p (down 17.0%) over the period trading at an average discount to NAV of 0.9%.

In view of market volatility over the period, our Investment Manager has taken a cautious approach to investing the initial launch proceeds with 83.4% invested as at 30 November 2019. At that date the portfolio comprised 21 holdings across 10 countries. A comprehensive review of the factors affecting the Company's performance during the period can be found in the Investment Managers' Review starting on page 11.

Share Capital

The Company raised £100 million at its launch on 1 October 2018, with 100 million ordinary shares in issue at the time. In order to satisfy demand in the market, 5,000,000 new ordinary shares were issued between March and July 2019, at a price representing a premium to net asset value per share.

Issuing new shares at a premium to net asset value per share creates value for existing shareholders and any share issuance also improves the liquidity of the Company's shares, controls the premium to net asset value per share at which the shares trade and spreads the operating costs over a larger capital base, reducing the ongoing charges ratio.

More recently, the Company's shares have traded at a discount to net asset value per share, with the discount standing at 9.2% at 30 November 2019. Since then, and up to the date of this report, the discount has narrowed to 4.2%.

CHAIRMAN'S STATEMENT continued

As noted in the prospectus, the Directors will consider repurchasing ordinary shares in the market if they believe it to be in shareholders' interests as a whole and as a means of correcting any imbalance between supply of, and demand for, the shares. The Board has been mindful that the discount has widened beyond the 5% level mentioned in the prospectus, at which share buy backs would be considered. In the light of this, the Board has consulted with a number of shareholders during the last months and has concluded that at this early stage in the Company's life, and due to its size, it would not be appropriate to buy back any shares and reduce liquidity.

The Board is keeping the share price discount under close review and, coupled with proactive marketing activity, it believes that the optimal strategy for discount management is investment performance. I would like to thank all our shareholders for their continued support and consistent feed-back regarding their belief in the Company's strategy.

Dividend

For the period under review, the revenue return was 0.34 pence per share. Whilst the generation of income from dividends is a secondary objective of the Company, the Company's status as an investment trust makes the payment of a de-minimis dividend necessary. It is therefore the Board's recommendation that a final dividend of 0.30p per share be paid on 1 May 2020 to shareholders on the register on 3 April 2020. The associated ex-dividend date will be 2 April 2020. An ordinary resolution to approve this final dividend will be put to shareholders at the forthcoming Annual General Meeting ('AGM') and can be found on page 68.

The Board

In accordance with good corporate governance practice, a review of the effectiveness of the Board and its Committees was undertaken during the period, the results of which can be read in more detail on page 29. The Board also pays close attention to the capacity of individual directors to carry out their work on behalf of the Company and reviews all proposed external appointments.

It has been a challenging first year for the Company and I would like to thank my fellow Directors for their hard work, support and enthusiasm. The positive contribution in each of the informal conversations and mostly the Board meetings held during the period has been invaluable to

provide feed-back to the management team and bring value-added insights to the developments in our target markets.

It is the Board's policy that all Directors should stand for election and re-election annually, and shareholders will find the appropriate resolutions in the Notice of the AGM on page 68. In recommending individual Directors to shareholders for election, we considered their experience, their performance during the period as well as their other board positions and their time commitments. The Board is satisfied that each Director is able to be fully engaged with the Company's business and will continue to provide invaluable contribution to the Company's governance.

Outlook

At the time of writing the world is dealing with the outbreak of the Coronavirus. This episode is a reminder of how volatile the global investment climate can turn over night. Notwithstanding these circumstances the economic backdrop has improved and I believe we might be at a turning point for Emerging Markets. The IMF in its latest forecast has predicted growth for emerging and developing economies to remain high at 4.4% in 2020 (vs. 2% for the US and 1.3% for Europe), China and the US have signed a phase one trade deal, the US Federal Reserve seems committed to low interest rates and investors are returning to emerging markets. In a 2019 survey of 200 asset owners conducted by State Street Global Advisors, 75% of respondents were expecting their institutions to increase their allocation to emerging market equities over the next two years. And so we look forward to the new year with confidence. We believe MMIT's portfolio offers investors a set of attractive companies with good upside potential. And the customised strategy is already bearing fruits as our engagement efforts are starting to positively impact valuations.

Annual General Meeting

The first AGM of the Company will be held at its registered office in 25 Southampton Buildings, London WC2A 1AL on Thursday, 23 April 2020 at 12.00 noon. The notice convening the AGM can be found on pages 68 to 71 and an explanation of the proposed special business resolutions can be found in the report of the Directors on page 32 and in the explanatory notes on pages 72 to 73.

Shareholders will be able to submit their forms of proxy either in paper format or online. Further details on how to vote are given on page 64.

CHAIRMAN'S STATEMENT continued

The AGM provides shareholders with an opportunity to meet the Board and also to receive a presentation from the Company's Investment Managers, and we hope that as many shareholders as possible will attend.

Maria Luisa Cicognani
Chairman

6 February 2020

INVESTMENT OBJECTIVE AND POLICY

Investment objective

The Company's investment objective is to achieve long-term capital growth and income returns predominantly through investment in a diversified portfolio of companies exposed directly or indirectly to emerging or frontier markets.

Investment policy

Asset allocation

The Company will seek to meet its investment objective by investing in a diversified portfolio of companies exposed directly or indirectly to emerging or frontier markets. The Company will invest predominantly in:

- companies incorporated in and/or traded on stock exchanges located in emerging or frontier markets; or
- companies which have the majority of their operations, or earn a significant amount of their revenues in, emerging or frontier markets but are traded on stock exchanges located in developed countries.

The Company will focus on small to mid-cap companies. The Company may invest in pre-IPO and unlisted companies subject to the investment restrictions detailed below.

In pursuing its investment objective, the Company may:

- invest in equity or equity related securities (including preference shares, convertible unsecured loan stock, warrants and other similar securities);
- hedge against directional risk using index futures and/or cash;
- hold bonds and warrants on transferable securities;
- utilise options and futures for hedging purposes and for efficient portfolio management;
- enter into contracts for differences;
- hold participation notes;
- use forward currency contracts; and
- hold liquid assets.

Notwithstanding the above, the Company does not intend to utilise derivatives or other financial instruments to take short positions, nor to increase the Company's leverage in excess of the limit set out in the borrowing policy.

The Company will not seek to track or mirror any index or benchmark and, accordingly, the Company may frequently be overweight or underweight in certain investments, or may be concentrated in a more limited number of sectors, geographical areas or countries, when compared with a particular index or benchmark.

The Company will focus on companies that have:

- a resilient business model and sound management;
- the possibility for operational and environmental, social and governance ("ESG") improvements;
- the potential to improve competitive advantages and cash flow generation; and
- stakeholders that are open to, and have an interest in, positive change.

The Company will, through its Investment Manager, seek to unlock value in investee companies by actively partnering with investee companies through a governance-oriented approach, seeking to act as a catalyst for broader ESG improvements.

The Company does not expect to take controlling interests in investee companies.

The Company will seek to provide shareholders with exposure to a portfolio which is appropriately diversified by geography and sector to achieve an appropriate balance of risk over the long term. Once fully invested, it is expected that the Company's portfolio will comprise approximately 20 to 30 investments. The Company will at all times invest and manage its assets in a manner which is consistent with the objective of spreading and mitigating investment risk.

Investment restrictions

The Company will observe the following investment restrictions, each calculated at the time of investment:

- no more than 10 per cent of Gross Assets will be invested in a single company;
- no more than 35 per cent of Gross Assets will be invested in companies incorporated in or traded on an exchange in or otherwise primarily exposed to a single emerging or frontier market; and
- no more than 15 per cent of Gross Assets will be invested in companies that are not traded on a stock exchange.

In compliance with the Listing Rules, no more than 10 per cent, in aggregate, of Gross Assets may be invested in other investment companies which are listed on the Official List.

Borrowing policy

The Company may deploy leverage of up to 20 per cent of Net Asset Value (calculated at the time of borrowing) to seek to enhance long-term capital growth and income returns and for the purpose of capital flexibility. The Company's leverage is expected to primarily comprise bank borrowings but may include the use of derivative instruments and such other methods as the Board may determine.

INVESTMENT OBJECTIVE AND POLICY continued

Hedging

The Company's reporting currency and share price quotation is Sterling. However, the Company will make investments denominated in currencies other than Sterling. In addition, the majority of the income from the Company's investments is expected to be generated in currencies other than Sterling.

The Company does not currently intend to hedge currency risk in respect of the capital value of its portfolio or in respect of its Sterling distributions. However, the Company will review its hedging strategy on a regular basis. The Company will not engage in currency trading for speculative purposes.

Cash management

Whilst it is the intention of the Company to be fully or near fully invested in normal market conditions, the Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities ("Cash and Cash Equivalents").

There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash or cash equivalent position instead of being fully or near fully invested.

Changes to the investment policy

No material change will be made to the investment policy without the approval of shareholders by ordinary resolution.

In the event of a breach of the investment policy set out above and the investment and leverage restrictions set out therein, the Investment Manager shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

INVESTMENT PORTFOLIO

as at 30 November 2019

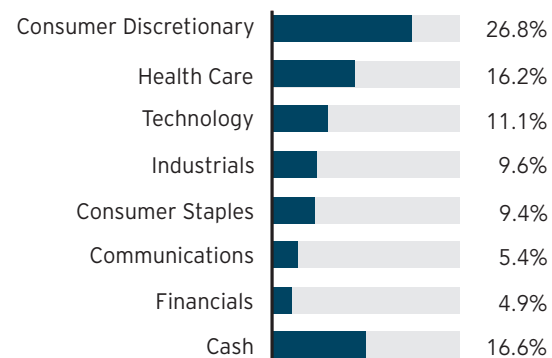
Investments	Country	Fair value £'000	% of net assets
Fleury	Brazil	5,905	6.2
Yum China	China	5,895	6.1
Persistent Systems	India	5,102	5.3
AK Medical Holdings	China	4,916	5.1
APL Apollo Tubes	India	4,807	5.0
Lojas Americanas	Brazil	4,637	4.8
Grupo Lala S.A.B de C.V.	Mexico	4,520	4.7
Eurocash	Poland	4,492	4.7
eMemory Technology	Taiwan	4,448	4.6
Polycab India	India	4,394	4.6
Mail.Ru	Russia	4,196	4.4
IMAX China Holdings	China	4,164	4.4
Cogna Educacao (<i>formerly Kroton Educacional</i>)	Brazil	3,862	4.0
Goodbaby International Holdings	China	3,700	3.9
Mavi Giyim Sanayi Ve Ticaret	Turkey	3,469	3.6
Hugel	South Korea	3,380	3.5
NICE Holdings	South Korea	2,786	2.9
Magma Fincorp	India	1,992	2.1
Rayence	South Korea	1,329	1.4
Cafe24	South Korea	1,091	1.1
Safaricom	Kenya	970	1.0
Total Investments		80,055	83.4
Net Current Assets		15,935	16.6
Total Net Assets		95,990	100.0

INVESTMENT PORTFOLIO continued

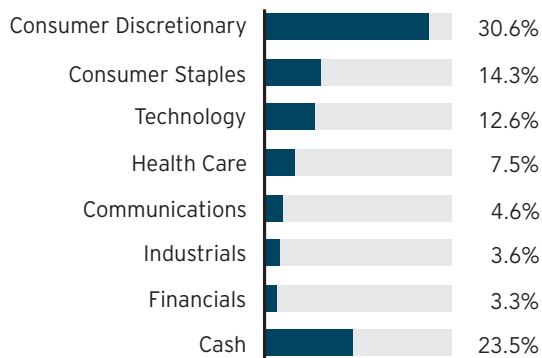
Portfolio Distribution

Sector Breakdown

30 November 2019

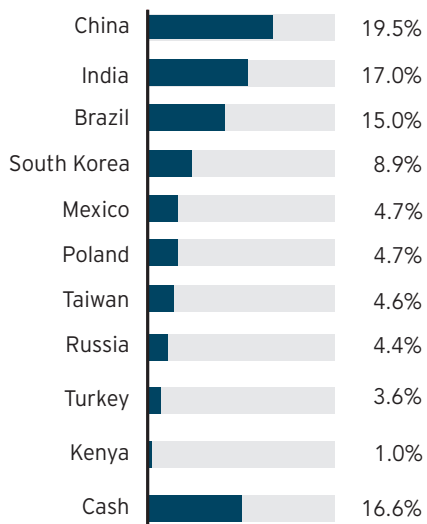


31 May 2019



Geographical Breakdown

30 November 2019



31 May 2019



INVESTMENT MANAGERS' REVIEW

Introduction of the Management Team

Investment Committee

Mobius Capital Partners LLP has been appointed as the Company's Investment Manager. The Investment Manager's Investment Committee makes all investment and divestment decisions in respect of the Company.



Dr Mark Mobius is a pioneering investor and has actively managed emerging market funds since 1987. Prior to launching Mobius Capital Partners, Dr Mobius was at Franklin Templeton Investments for more than 30 years, most recently as Executive Chairman of the Templeton Emerging Markets Group. During his tenure, the group expanded assets under management from US\$100 million to over US\$40 billion and launched a number of emerging market and frontier funds focusing on Asia, Latin America, Africa and Eastern Europe. His career and influence have earned him numerous industry awards. Dr Mobius has also been a key figure in developing the international policy for emerging markets.



Carlos Hardenberg is a well-known emerging markets fund manager with 20 years' experience having lived in Warsaw, Singapore, Istanbul and London. For a decade he managed Templeton Frontier Markets Fund, one of the largest frontier markets funds in the industry, as well as a number of global emerging markets funds, including TEMIT, a £2.2 billion London listed investment trust.

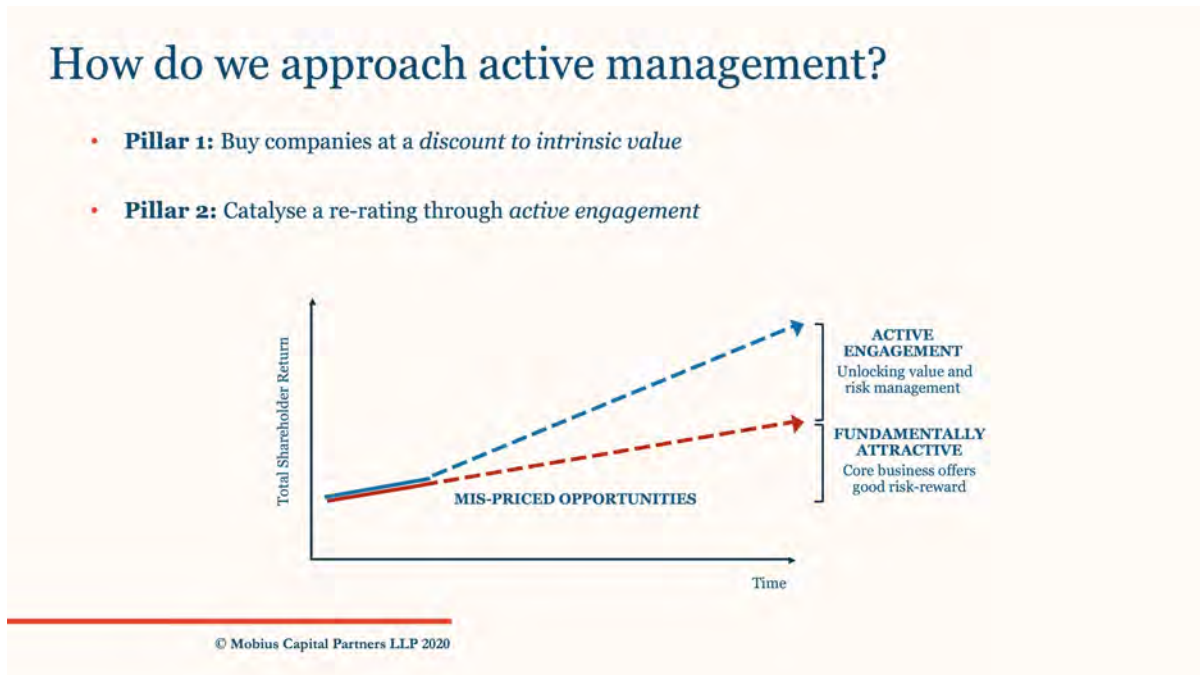


Greg Konieczny has over 25 years of experience in research and portfolio management with a strong focus on emerging Europe. He was the fund manager of Fondul, the London and Bucharest listed US\$2.7 billion Romanian fund, as well as an open-ended Eastern European fund. In addition, he led a private equity GEM strategy and Franklin Templeton's EM Active Ownership Group.

INVESTMENT MANAGERS' REVIEW continued

Investment Strategy

Mobius Investment Trust plc ('MMIT') provides access to Mobius Capital Partners' concentrated equities strategy, which is focused on dynamic mid-sized companies in emerging and frontier markets. Our fundamental bottom-up research process identifies resilient business models which are undervalued and mispriced. We actively partner with management teams to unlock value by driving improvements in operational performance and governance standards. In essence, the strategy consists of two pillars: buy companies at a discount to intrinsic value (Pillar 1) and then constructively engage with various stakeholders to create additional upside (Pillar 2).



Based on this two-pillar approach we have established a robust and repeatable investment process. It enables us to transition from our investment universe of 15,000 stocks to a concentrated portfolio of 20-30 holdings. Initial filtering is done on the basis of market capitalisation and daily liquidity. We typically look for companies with an average trading volume of \$1m per day and a market capitalisation range from \$500m to \$10bn, however we have the flexibility to invest in smaller or larger companies if the investment case is particularly attractive. Using our proprietary screen, our extensive global network and our research trips, we then narrow the universe down from 4,500 to approximately 400 stocks. The screen looks at a multitude of factors and percentile ranks companies versus their 5-year history.

From this pool of interest, we condense the opportunity set further by forming a 'Watch List' of roughly 150 companies. A member of the investment team then presents a summary of any attractive individual stocks to the Investment Committee ('IC'). This consists of an industry overview, financials, an investment thesis as well as engagement opportunities. Macroeconomic factors are also fully integrated.

If there is a majority consensus (at present between 50-60 companies have progressed), the investment team then spend 4-6 weeks conducting further in-depth research. The process consists of a 360-degree due-diligence which includes an analysis of the industry, competitors, suppliers and other relevant stakeholders. From this list, 20-30 high conviction ideas are selected by the IC to enter the portfolio. The commonality between the holdings is that they are undervalued or mispriced companies (Pillar 1) with the opportunity to actively engage (Pillar 2).

INVESTMENT MANAGERS' REVIEW continued

What are the characteristics we look for?

- *Family run businesses*
- *Private equity involvement*
- *Harnessing a management turnaround*
- *Event driven / special situations*



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We believe a closed-ended structure perfectly complements this approach as it allows access to less liquid stocks and markets, with greater inherent inefficiencies and therefore greater potential for improvement.

Incorporating ESG (Environmental, Social and Governance) factors into engagement

Companies in emerging and frontier markets typically have lower standards of corporate governance and are also more susceptible to facing environmental and social issues. This is particularly true for small and mid-cap companies, which are often run by entrepreneurs and families. These companies are more likely to suffer from poor investor relations, and provide limited protection to minority shareholders.


ESG in Emerging Markets

High correlation between ESG integration and corporate financial performance in EM



Region	% of occasions earnings improved following ESG engagements
North America	~42%
Developed Europe	~25%
Developed Asia/AUS/NZ	~32%
Developed (total)	~38%
Emerging Markets	~65%

ESG alpha¹ is higher in emerging markets than in developed markets



Year	EM ESG Alpha	Europe ESG Alpha	Japan ESG Alpha
January 2011	~0%	~0%	~0%
January 2013	~10%	~5%	~2%
January 2015	~20%	~8%	~3%
January 2017	~35%	~10%	~4%
January 2019	~37%	~10%	~5%

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Source: Friede, Busch and Bassen, "ESG & Corporate Financial Performance: Mapping the global landscape", Deutsche Asset & Wealth Management & University of Hamburg, December 2015
Source: Bloomberg
¹ ESG alpha is the difference between the performance of MSCI ESG Leader Net Total Return Index vs. MSCI Index Total Return Index

INVESTMENT MANAGERS' REVIEW continued

At Mobius Capital Partners, we see ourselves as operator owners and do not screen out companies based on low ESG standards. Rather, our focus is on companies where we can improve ESG standards through our customised engagement strategy. In this approach we differentiate ourselves from other ESG focused funds. We have observed a strong link between ESG engagement and improvements in the financial performance of our portfolio companies. By integrating ESG factors into our investment process and engaging with portfolio companies, investors can significantly reduce the risk profile of their portfolio. Over the long-term, this not only translates into positive risk-adjusted returns, but also positively impacts all stakeholders.

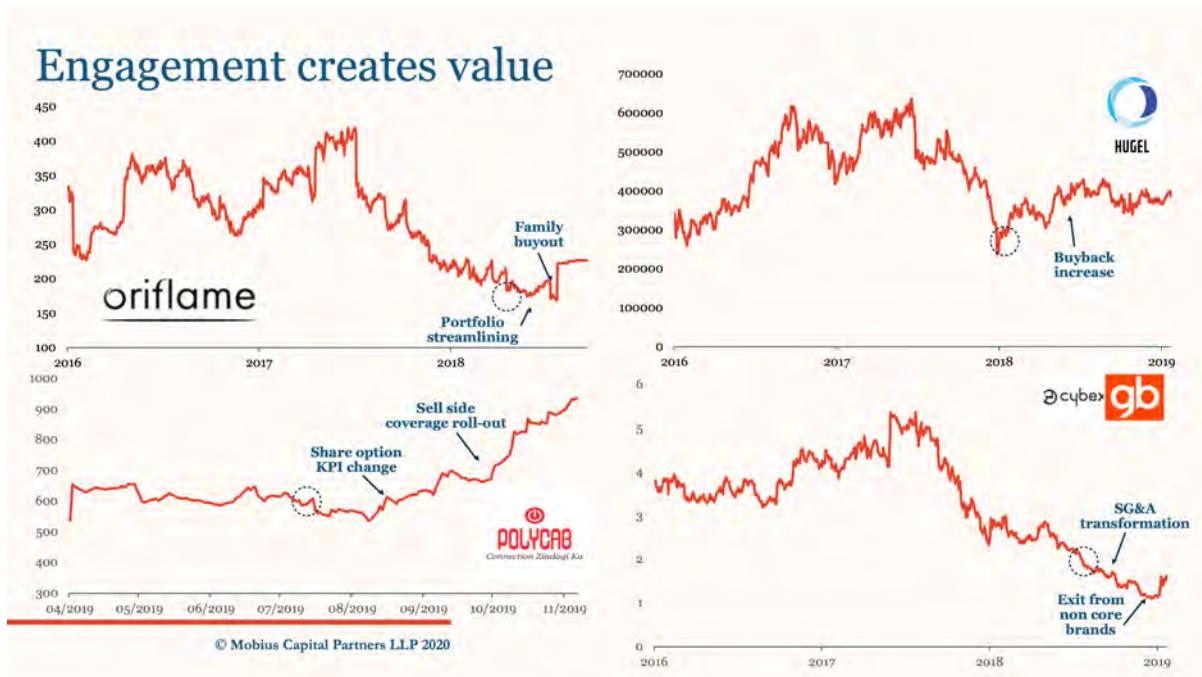
Performance

The Net Asset Value (NAV) of MMIT decreased by 6.7% over the full period to 30 November 2019, reaching a high of 102.2p on 05 February 2019 and closing at 91.43p.

MMIT traded at an average discount to NAV of 0.9% during the period under review, which had increased to 9.2% at close on 30 November 2019. MMIT also issued 5.0 million new ordinary shares at close on 30 November 2019 lowering MMIT's ongoing costs and potentially enhancing secondary market liquidity.

In accordance with the discount management policy, MMIT's Board has been notified that the monthly average discount widened beyond 5.0%. Before formalising next steps, the investment manager was instructed by the Board to undertake a consultation with the existing investor base given some concerns that a buyback would lead to a reduction in liquidity and be counterproductive. To date, feedback has unanimously supported this view and indicated a preference for narrowing the discount through generating natural demand. However, should the gap widen further, additional steps including a buyback will be considered.

We remain committed to our stated investment strategy and process. We recognise that our high active share (+99%) will result in short term disparities with the wider market, but will act as a source of alpha as the benefits of our engagement with each portfolio holding are borne out. We recognise that some engagement topics will take time to execute and for the benefits to be borne out in the company's valuation.



INVESTMENT MANAGERS' REVIEW continued

Portfolio Overview

As of 30 November 2019, MMIT invested 83.4 % of capital, with 21 holdings across 10 countries. The largest geographic exposure was China (19.5%), followed by India (17.0%) and Brazil (15.0%). The largest sector exposure was Consumer Discretionary (26.8%), followed by Health Care (16.2%) and Technology (11.1%).

We have had five disposals over the period until 30 November 2019. These have included CCC, Cosmecca, Matahari, lochpe Maxion and Brilliance China Automative, alongside one management takeover at Oriflame Cosmetics. Our turnover was less than 20% which was in line with our expectations.

The rationale for our disposals have been well documented in prior investor communication. In summary, CCC, Cosmecca, Matahari and lochpe Maxion were driven by Pillar 1 concerns regarding fundamental shifts in the outlook of their business potential. The disposal of Brilliance China Automative was shaped by unforeseen lack of progress on our Pillar 2 objectives. Despite this, the share price rose 25% over our holding period reflecting our Pillar 1 due diligence. Finally, Oriflame Cosmetics were taken private by the founding family in May 2019 after the company had publicly recognised a number of issues we had raised with them, including restructuring the product suite.

Top Contributors and Key Detractors

Over the period, the top three largest contributors to performance were AK Medical (+2.5%), Polycab India (+1.3%) and Yum China (+1.0%). Magma Fincorp (-3.1%), Cafe24 (-2.3%) and Goodbaby International (-2.0%) were the main detractors.

AK Medical is a domestic leader in orthopaedic implants market in China, with a focus on hip and knee replacements. With a population of 250m pensioners, the investment case is based on the strong growth in Chinese implants as well as a substitution effect from multinational companies to domestic producers. The company has best-in-class R&D capabilities and was the first company in China to receive market approval for 3D-printed metal implants. On a per capita healthcare expenditure basis, China is still in its infancy compared to the US or Europe. As part of our ongoing engagement, we aim to focus on optimising shareholder returns by focusing on capital allocation related topics.

Polycab India is one of India's leading electrical brands with revenues over \$1bn. Its sustainable competitive position is shaped by its pan Indian distribution, scale, supply chain efficiency, product innovation and improving brand equity. The re-rating story will be driven by the company's success in growing its fast-moving electrical goods business which carries superior economics. Our engagement focusses on cash release through improved working capital, senior management incentivisation and improving the investor relations function. Our engagement work has yielded tangible results already. Through the course of the third quarter the company released strong numbers which saw an acceleration in both revenue and earnings growth on a quarterly basis which drove return on capital employed higher by 222bps to 26.3%.

Yum China owns and operates more than 8,400 restaurants in over 1,200 towns and cities across China, including several popular quick service restaurant chains that include Pizza Hut, KFC, Taco Bell and Little Sheep. With more than 180m loyalty members for KFC and Pizza Hut combined, this offers a strong platform for growth (Pillar 1). Our Pillar 2 engagement is focused on balance sheet optimisation; shareholder returns through increased buyback programme and franchising opportunities.

INVESTMENT MANAGERS' REVIEW continued

Case study: Yum China I

Company Description

China's largest chain restaurant with more than 8,750 units across 1,300 cities. Market cap > \$16bn

Pillar 1: Why we invested

- Strategic positioning – a disproportionate winner
- Thought leaders in digital and delivery execution
- Anticipating an inflection in cash generation
- Innovative and incentivized management team
- Further levers for value creation and shareholder returns

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Share price chart since the IPO (USD)



Free cash flow generation profile



Case study: Yum China II

Pillar 2: Key engagement topics

Engagement is focused on the following:

- Balance sheet optimisation
- Path to franchising
- Unlock value through affiliate roll up
- Improved investor perception

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CNBC
Yum China shares jump after earnings beat
 The company also raised its dividend 20 percent, from 10 cents to 12 cents per share, and increased its **stock buyback plan** by \$850 million to \$1.4 billion.

Letter from Shanghai – Innovation Empowering Growth

YUMC provided detailed brand and financial targets. It also restated its strategy of sustainable long-term business growth via penetration and innovation, with continued investment in branding, products and digital, and delivery.

Our thoughts after annual investor day: raising forecast and TP
 We came back from Yum China's annual investor day with a more constructive view. We raise our earnings estimates and price target, and maintain our OW rating. **Digital, Delivery, and Scale** are the key words of all presentations, and each division's business plan is aligned

Magma Fincorp is one of India's leading non-banking financial companies with a niche in vehicle finance, small business lending and home loans. They have 316 branches across 21 states covering 2,900 location clusters. Our Pillar 1 investment case is based on a turnaround situation which had put a very professional and incentivised management team in place with clear financial targets. Based on these targets multiple levers were at play to generate a 2.5% ROA and 15% ROE. Furthermore, the company traded at an attractive discount compared to its peers. Our engagement focus (Pillar 2) has shifted after the departure of one of the CEOs in July and a cyclical slow down in end markets led to a drop in the share price. It now concentrates on accelerating the hire of a new CEO and redeveloping the KPIs that define the management share option scheme.

Cafe24 is a Korean company that offers a full suite of services for e-commerce retailers. From a Pillar 1 perspective we liked the rapid expanding market opportunity both within Korea and internationally. Secondly, the business model is robust - free to use (after a small start-up fee), retailers are charged when their customers transact on their site. This translates in sticky customers and high switching costs. Thirdly, the founder management team remains fully invested

INVESTMENT MANAGERS' REVIEW *continued*

post IPO – they own 30% of the company and are therefore aligned. Finally, Cafe24 traded at a discount to its peer group; In Q2 2019 the share price fell because of a Q1 earnings miss: despite revenue growth well above expectations, profits were weaker due to higher costs – mainly driven by wages due to material investments in AI and technology heads. Because of the strong market reaction we focused our engagement on communication and improving the robustness of the budgeting process. As a result of this, in May Cafe24 has held their first call with investors since its listing on KOSDAQ in February 2018.

Goodbaby is a leading juvenile durables manufacturer, with a significant market share in baby strollers and baby safety car seats. While the company had experienced some headwinds throughout the last year the company's share price was up +31.6% in November, after the Q3 2019 trading statement reflected significant operating improvements across the firm's Chinese businesses. In addition, Goodbaby continues to defocus itself from low-profitability non-core (tactical) brands which should be reflected in enhanced returns on invested capital going forward. We have worked closely with the company's management team to increase the level of transparency, evidenced in the recent move to quarterly trading statements, which has been well received by both domestic and international investors.

Emerging Market Developments

In 2019, emerging market investing has been defined by multiple rotations, which have often been sharp and volatile. The first quarter was driven by a surge in China (more specifically A-shares) as sentiment improved on corporate credit quality and more sanguine growth prospects. As we moved into the second quarter, trade war newsflow dominated markets with a sharp trade-triggered reversal in May which saw some level of stabilization the following month. A strong technology (hardware) rally in the third quarter was shaped by optimism about 5G infrastructure investment spend, iPhone volumes and a memory turnaround which offset the ongoing drags from trade. Indeed 2019 was Taiwan's best year of relative outperformance vs. Asia since 2001. As we look forward to the new decade, the ongoing rally in technology and Taiwan has been bolstered by a strong recovery in Korea.

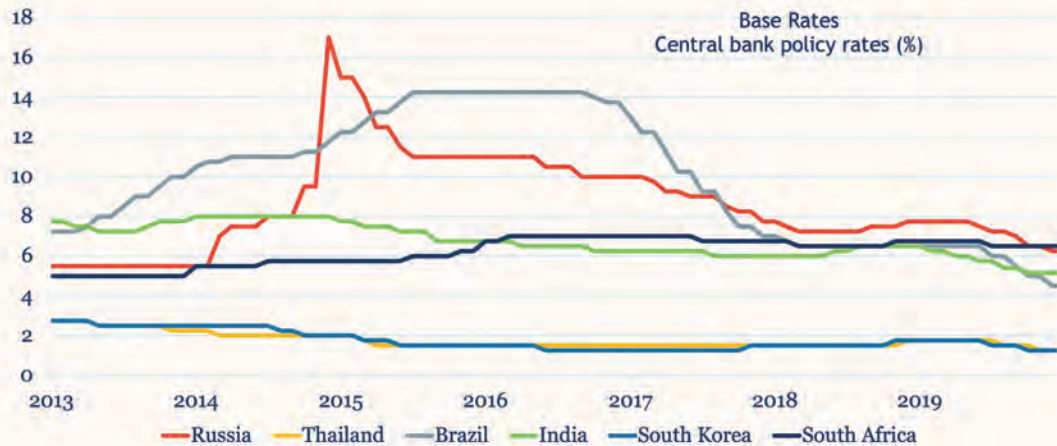
It is now clear that trade frictions (primarily between the US and China) have been more of a market driver than anticipated this time last year. However, the fallout from a more aggressive policy easing programme from global central banks has been sharp outperformance of 'growth' as an investment style. As bond yields have fallen globally, this has supported long duration assets and facilitated multiple expansion. However, there is evidence to suggest that this may begin to change as we look to 2020.

Market Outlook 2020

The emerging market outlook for 2020 is supportive. The geopolitical backdrop has improved: whilst details on a trade war resolution are yet to be clarified, the incremental newsflow is brighter. Meanwhile fiscal easing has begun to gain momentum in Asia (China, Korea, India and Thailand have made particular progress) which should enhance market liquidity and support near term growth expectations. Even though manufacturing remains weak, inventory positions are becoming leaner and PMIs have begun to inch up in Asia. We continue to closely monitor the impact of the Coronavirus on emerging and frontier markets.

INVESTMENT MANAGERS' REVIEW continued

Base rates are falling in Emerging Markets



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All of this points to a higher growth outlook in emerging markets vs. the 4.1% that was registered in 2019. As bond yields begin to stabilize, and in turn begin their ascent, we see great opportunities emerging, particularly amongst smaller companies which we think the market has overlooked. Whilst political risks are never too far from focus in emerging markets, 2020 sees a relatively calm calendar with only a handful of elections. This contrasts to 2019, which saw nearly a third of the world's population hit the polls in noisy - and at times, disruptive - campaigns.

We look forward to the financial year ahead. We are excited about the wide range of opportunities we continue to find across our investment universe, alongside the significant progress we have achieved working with our portfolio companies on improving operational performance and ESG standards. We believe that this approach can unlock significant value over the long term and we already see our engagement bearing fruit. From a macro perspective, we believe our portfolio is well positioned to capitalise on a number of fast moving trends in emerging and frontier markets.

Carlos Hardenberg
Greg Konieczny
Mark Mobius
Mobius Capital Partners LLP
 Investment Managers

6 February 2020

BUSINESS REVIEW

Business Review

The Strategic Report, set out on pages 2 to 23, contains a review of the Company's business model and strategy, an analysis of its performance during the financial period from incorporation on 7 August 2018 to 30 November 2019 and its future developments and details of the principal risks and challenges it faces. The Strategic Report has been prepared solely to provide information to shareholders to enable them to assess how the Directors have performed their duty to promote the success of the Company.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Business Model

The Company is an externally managed investment trust and its shares are premium listed on the Official List and traded on the main market of the London Stock Exchange.

As an externally managed investment trust all of the Company's day to day management and administrative functions are outsourced to service providers. As a result, the Company has no executive Directors, employees or internal operations.

The Board has appointed Mobius Capital Partners LLP to manage its investment portfolio. Company management, company secretarial and administrative services are outsourced to Frostrow Capital LLP. In addition, Frostrow provides the AIFM Directive risk management function on behalf of the AIFM (see pages 33 and 34 for further information).

Investment Objective and Policy

The Company's investment objective and policy are set out on pages 7 to 8.

Dividend Policy

It is the Company's policy to pursue capital growth for shareholders as well as income. Many of the companies in which the Company invests are relatively young businesses to which the Company is committed for the long term. The Company's Investment Manager is drawn to companies with excellent returns on capital with the ability to expand as well as generate dividends. The Company will comply with the investment trust rules regarding distributable income.

The Board

The first Directors of the Company were Messrs Alexander Haynes and Alan Sauvain of Stephenson Harwood LLP, the Company's legal advisers. They were appointed on 7 August 2018, the Company's date of incorporation, and they resigned on 5 September 2018, when the current Board was appointed. The Board of the Company now comprises Maria Luisa Cicognani (Chairman), Christopher Casey, Dr Sophie Robé and Charlie Shi, all of whom are independent non-executive directors. All Directors served from 5 September 2018 to the period-end and up to the date of signing this report and they will stand for election at the forthcoming Annual General Meeting.

Further information on the Directors can be found on pages 24 and 25.

Board Focus and Responsibilities

With the day to day management of the Company outsourced to service providers the Board's primary focus at each Board meeting is reviewing the investment performance and associated matters, such as, inter alia, future outlook and strategy, gearing, asset allocation, investor relations, marketing, and industry issues.

In line with its primary focus, the Board retains responsibility for all the key elements of the Company's strategy and business model, including:

- Investment Objective and Policy, incorporating the investment guidelines and limits, and changes to these;
- whether the Manager should be authorised to gear the portfolio up to a pre-determined limit;
- review of performance against the Company's KPIs;
- review of the performance and continuing appointment of service providers; and
- maintenance of an effective system of oversight, risk management and corporate governance.

Details of the principal KPIs, along with details of the principal risks, and how they are managed, follow within this Business Review.

Further information, including the remuneration and contractual terms of appointment, of the principal service providers to the Company, being Mobius Capital Partners LLP, Frostrow Capital LLP and Northern Trust Global Services SE, the Company's Depositary and Custodian, who are responsible for the safekeeping of the Company's assets, is set out on pages 33 and 34 in the Report of the Directors.

The Corporate Governance report, on pages 26 to 31, includes a statement of compliance with corporate governance codes, together with the outline of the internal control and risk management framework within which the Board operates.

BUSINESS REVIEW continued

Information on the Company's social, community, employee or environmental responsibilities can be found in the Corporate Governance Statement on pages 30 and 31.

Key Performance Indicators

The Company's Board of Directors meets at least four times a year. At each quarterly meeting it reviews performance against a number of key measures, as follows:

- Net asset value per share total return against the peer group*^
- Average discount/premium of share price to net asset value per share over the year^
- Ongoing charges ratio^

* Measured since launch.

^ Alternative Performance Measure (see Glossary beginning on page 65).

Net asset value per share total return - peer group

The Company is committed to building a long-term investment record and will assess itself by reference to its peers.

The Company's peer group has been defined as a selection of eight investment trusts with a similar investment objective out of the AIC's Global Emerging Markets Sector.

Over the period ended 30 November 2019, the Company ranked last in its peer group with a net asset value per share performance of -6.7% against a peer group average of 8.0%. Subsequent to the period end from 1 December to 31 January 2020 the Company ranked number one against its peer group with a net asset value return of 5.7%, the average for the peer group was 0.8%. The Board continues to monitor this closely (see Glossary beginning on page 65 for further details).

Discount/premium of share price to net asset value per share

The Board believes that an important driver of an investment trust's discount or premium over the long term is investment performance together with a proactive marketing strategy. However, there can be volatility in the discount or premium during the year. Therefore, the Board takes powers each year to buy back and issue shares with a view to limiting the volatility of the share price discount or premium.

During the period under review five million new ordinary shares were issued by the Company in addition to the 100 million ordinary shares issued at launch. New shares will only be issued at a premium to the Company's cum income net asset value per share at the time of issue. No shares were bought back by the Company. However, during the months since August 2019, up until the end of November 2019, the Company traded at an average discount of 4.3%. As stated in the prospectus, the Directors will consider repurchasing ordinary shares when the average one-month discount at which the ordinary

shares have traded exceeds 5% of the net asset value per ordinary share. The Board did, indeed, consider share buybacks at the time, and consulted with existing shareholders given concerns that buybacks would lead to a reduction in liquidity. To date, feedback has indicated a preference for narrowing the discount through generating natural demand and, at the time of writing, the discount has narrowed again to 4.2%.

Average premium/(discount) of share price to net asset value per share**^ during the period ended

30 November 2019 (0.9%)	31 May 2019 0.2%
Peer group average discount (3.8%)	Peer group average discount (3.2%)

* Source: Morningstar

^ Alternative Performance Measure (see Glossary beginning on page 65)

Ongoing charges ratio

The Board continues to be conscious of expenses and works hard to maintain a sensible balance between high quality service and costs.

As at 30 November 2019 the ongoing charges ratio was 1.7%. This ongoing charges ratio compares to the average of the Company's peer group of 1.3%.

Ongoing charges ratio^

30 November 2019 1.7%
Peer group average 1.3%

^ Alternative Performance Measure (see Glossary beginning on page 65)

Risk Management

The Board is responsible for the management of the risks faced by the Company and the Audit Committee on behalf of the Board regularly reviews these risks and how risk is managed. The risks faced by the Company have been categorised under three headings as follows:

- Investment risks (including financial risks)
- Strategic risks
- Operational risks (including cyber crime, corporate governance, accounting, legal and regulatory)

The Board considers that these are the principal risks currently facing the Company and that could affect the ability of the Company to deliver its investment objective. The Board confirms that the principal risks of the Company, including those which would threaten its future performance, have been robustly assessed during the period from incorporation on 7 August 2018 to 30 November 2019.

A summary of these risks and their mitigation is set out overleaf:

BUSINESS REVIEW *continued*

Principal Risks and Uncertainties

Investment Risks (including financial risks)

Market and Foreign Exchange Risk

By the nature of its activities, the Company's portfolio is exposed to fluctuations in market prices (from both individual security prices and foreign exchange rates) and due to the exposure to emerging markets world-wide, in which the portfolio companies operate, it is expected to have higher volatility than the wider market. As such investors should be aware that by investing in the Company they are exposing themselves to this risk.

Mitigation

To manage this risk the Board have appointed Mobius Capital Partners LLP to manage the portfolio within the remit of the investment objective and policy. The investment policy limits ensure that the portfolio is diversified reducing the risks associated with individual stocks and markets. Frostrow Capital LLP monitors compliance with the investment policy on a daily basis.

The Board on an ongoing basis, through monthly and quarterly reporting from Frostrow Capital LLP and Mobius Capital Partners LLP, monitors exposure to investments, performance, and compliance with the investment objective and policy.

At each quarterly Board meeting Mobius Capital Partners LLP provide an explanation of investment decisions, the make-up of the investment portfolio and the investment strategy.

Portfolio Risk

The performance of the Company's portfolio is influenced by a number of factors, including the quality of the initial investment decision; the quality of the management team of the underlying portfolio company and the ability of that team to implement its business strategy successfully; and the success of the Investment Managers in building an effective working relationship the management of each portfolio company in order to agree and implement value-creation strategies;

The Investment Managers, Mobius Capital Partners LLP, have put in place a rigorous investment process which ensures disciplined investment selection and portfolio management. This includes detailed due diligence and portfolio reviews as well as an active engagement with portfolio companies, in particular on environmental, social and governance ('ESG') matters.

The AIFM, Mobius Capital Partners LLP, has delegated its risk management function to Frostrow Capital LLP.

Counterparty Risk

In addition to market and foreign currency risks, discussed above, the Company is exposed to credit risk arising from the use of counterparties. If a counterparty were to fail, the Company could be adversely affected through either delay in settlement or loss of assets. The most significant counterparty the Company is exposed to is Northern Trust Global Services SE, the Depository and Custodian, which is responsible for the safekeeping of the Company's assets. Under the terms of the contract with Northern Trust Global Services SE the Company's investments are required to be segregated from Northern Trust Global Services SE's own assets.

Counterparty risk is managed by the Board through:

- reviews of the arrangements with, and services provided by, the Custodian to ensure that the security of the Company's custodial assets is being maintained;
- monitoring of the Depository and Custodian, including reviews of internal control reports and sub-custodial arrangements, as appropriate; and
- reviews of Mobius Capital Partners LLP's approved list of counterparties, the process for monitoring, and adding to, the approved counterparty list and the Company's use of those counterparties.

Further information on other financial risks, can be found in note 15 beginning on page 60.

BUSINESS REVIEW continued

Principal Risks and Uncertainties

Mitigation

Strategic Risks

Strategy Implementation Risk

The Company is subject to the risk that its long-term strategy and its level of performance fail to meet the expectations of its shareholders.

A robust and sustainable corporate governance structure has been implemented with the Board being responsible for continued delivery for shareholders. Experienced emerging markets investment managers have been retained to deliver the strategy.

Investment Management Key Person Risk

There is a risk that the individual(s) responsible for managing the Company's portfolio may leave their employment or may be prevented from undertaking their duties.

The Board manages this risk by:

- appointing an Investment Manager who operates a team environment such that the loss of any individual should not impact on service levels;
 - receiving regular reports from the Investment Manager, such reports include any significant changes in the make-up of the team supporting the Company;
 - meeting the wider team, outside the designated lead manager, at both Board meetings and at the Investment Manager's offices;
 - outside of regular Board meetings the Chairman is in regular contact with senior representatives of the Investment Manager; and
 - delegating to the Management Engagement and Remuneration Committee, responsibility to perform an annual review of the service received from the Investment Manager, including, *inter-alia*, the team supporting the lead manager and succession planning.
-

Shareholder Relations Risk

The Company is also exposed to the risk, particularly if the investment strategy and approach are unsuccessful, that the Company underperforms its peer group and Index resulting in the Company becoming unattractive to investors and a widening of the share price discount to net asset value per share.

In managing this risk the Board:

- reviews the Company's investment objective and policy and Mobius Capital Partners LLP's investment approach in relation to the investment performance, market and economic conditions and the operation of the Company's peers;
 - regularly discusses the Company's future development and strategy;
 - undertakes a regular review of the level of the Company's share price discount/premium to net asset value per share and consideration is given to ways in which share price performance may be enhanced, including the effectiveness of marketing, share issuance and share buy-backs, where appropriate; and
 - reviews an analysis of the shareholder register at each Board meeting and is kept informed of shareholder sentiment.
-

BUSINESS REVIEW *continued*

Principal Risks and Uncertainties

Mitigation

Operational Risks

Service Providers Risk

The Board is reliant on the systems of the Company's service providers and as such disruption to, or a failure of, those systems could lead to a failure to comply with corporate governance requirements, law and regulations, leading to reputational damage and/or financial loss to the Company. This encompasses disruption or failure caused by cyber crime and covers dealing, trade processing, administrative services, financial and other operational functions.

To manage these risks the Board:

- receives a monthly report from Frostrow Capital LLP, which includes, *inter alia*, details of compliance with applicable laws and regulations;
- reviews internal control reports and key policies, including the disaster recovery procedures, of its service providers;
- maintains a risk matrix with details of risks to which the Company is exposed, the approach to those risks, key controls relied on and the frequency of the controls operation;
- receives updates on pending changes to the regulatory and legal environment and progress towards the Company's compliance with such changes; and
- has considered the increased risk of cyber-attacks and has received reports and assurance from its service providers regarding the controls in place.

Geopolitical Risk

Geopolitical risk to the Company is also kept under close review by the Board.

The Board regularly discusses global geopolitical issues and also general economic conditions and developments. Having one Board member based in Asia and one in Continental Europe helps provide valuable local insights into the important issues.

Impact of Brexit

The Board has considered whether Brexit poses a discrete risk to the Company. At the date of this report, there was still considerable uncertainty around both the process and the effects of Brexit and therefore the analysis at this stage is necessarily general.

As the Company is priced in sterling and the Company's portfolio companies are priced in foreign currencies sharp movements in exchange rates can affect the net asset value.

Furthermore, whilst the Company's current shareholders are predominantly UK based, sharp or unexpected changes in investor sentiment, or tax or regulatory changes, could lead to short term selling pressure on the Company's shares which potentially could lead to the share price discount widening.

Overall, however, the Board believes that over the longer term, Brexit is unlikely to affect the Company's business model or whether the Company's shares trade at a premium or discount to the net asset value per share. The Board will continue to monitor developments as they occur.

Looking to the Future

The Board concentrates its attention on the Company's investment performance and Mobius Capital Partners LLP's investment approach and on factors that may have an effect on this approach.

The Board monitors the performance of the Company's net asset value compared to its peer group.

The Board is regularly updated by Frostrow Capital LLP on wider investment trust industry issues and regular discussions are held concerning the Company's future development and strategy.

A review of the Company's period ending 30 November 2019, its performance and the outlook for the Company can be found in the Chairman's Statement on pages 4 to 6 and in the Investment Manager's Review on pages 11 to 18.

The Company's overall strategy remains unchanged.

By order of the Board

Frostrow Capital LLP

Company Secretary
6 February 2020

BOARD OF DIRECTORS



Maria Luisa Cicognani
Independent Non-Executive Chairman

Appointed to the Board on 5 September 2018

Remuneration per annum: £35,000

Shareholding in the Company: 71,740

Skills and Experience:

Maria Luisa has over 25 years' experience with significant knowledge of the banking sector, emerging markets and corporate governance issues, having been a member of the supervisory boards of several banks and financial institutions. Between 1993 and 2005, she worked at the European Bank for Reconstruction and Development before holding senior positions within Merrill Lynch and Renaissance Capital between 2005 and 2008, Mediobanca between 2008 and 2014, Azimut Global Counseling in Italy and Azimut International Holding in Luxembourg between 2014 and 2016. From 2016 until 2017, she was an advisor to Crown Agents Investment Management, which manages assets for central banks in emerging markets and other frontier investors, and from 2017 until 2018, she was chairperson of MONETA Money Bank in Prague.

Maria Luisa holds a Bachelor's degree in Business and Administration from Bocconi University in Italy and a Master's degree in Japanese Economy and Business from the International University of Japan.

Other Appointments:

Maria Luisa is also a non-executive director of TBC Bank Group plc and she advises on corporate governance as a board member of Arafat Holding's UK subsidiary, Baird BMB, having been a non-executive director of the Egypt-listed holding company for three years.

Standing for election

Yes



Christopher Casey
Independent Non-Executive Director and Chairman of the Audit Committee

Appointed to the Board on 5 September 2018

Remuneration per annum: £30,000

Shareholding in the Company: 10,000

Skills and Experience:

Christopher has extensive experience as a non-executive director and audit committee chairman for public companies, in particular investment trusts, in London and Hong Kong.

Previously he was chairman, independent non-executive director and audit committee chairman of China Polymetallic Mining Limited until 2016, and independent non-executive director and audit committee chairman of Latchways plc until 2015.

Christopher's career spans over 40 years and he was previously an audit partner at KPMG before moving to transaction services, providing due diligence assistance to private equity and corporate clients. He graduated from Oxford University in 1977 with a degree in Politics, Philosophy and Economics.

Other Appointments:

Christopher is also a non-executive director of TR European Growth Trust plc, BlackRock North American Income Trust plc, City Natural Resources High Yield Trust plc, Eddie Stobart Logistics plc and Life Settlement Assets plc.

Standing for election

Yes

BOARD OF DIRECTORS continued



Dr Sophie Robé
Independent Non-Executive Director

Appointed to the Board on 5 September 2018

Remuneration per annum: £25,000

Shareholding in the Company: none

Skills and Experience:

Previously to being a managing director of Phenix Capital, Sophie was a director at Jupiter Asset Management in London, heading business development in the Netherlands (Regional Equity, Sustainable Equity and Convertibles) from 2010 to 2012, and acting as Global Head of hedge fund sales from 2002 to 2010. She also held senior positions at Commerzbank and Cominvest Asset Management.

Sophie is a CFA Charterholder and holds a PhD in Finance and Econometrics from the University of Kassel in Germany.

Other Appointments:

Sophie is the founder and managing director of Phenix Capital, a leading European investment consultant with focus on social and environmental impact investments and aligning allocations to the UN Sustainable Development Goals. She also co-founded Phenix Capital Impact Events, which seeks to establish an impact investment community and investing ecosystem in the Netherlands and across Europe.

Standing for election

Yes



Charlie Shi
Independent Non-Executive Director and Chairman of the Management Engagement and Remuneration Committee

Appointed to the Board on 5 September 2018

Remuneration per annum: £25,000

Shareholding in the Company: none

Skills and Experience:

Between 2006 and 2012, Charlie served as an independent, non-executive director for China Life Asset Management Limited (CLAMC) in Beijing and he continues to serve on the Alternative Investment Consultative Committee of CLAMC. Between 2012 and 2017, Charlie served as an independent, non-executive director for China Life Franklin Asset Management (Hong Kong) Limited.

Throughout his professional career, he has been responsible for sourcing, making and managing successful investments, including AutoNavi Holdings Limited (NASDAQ: AMAP), Baidu.com, Inc (NASDAQ: BIDU) China Cord Blood Corporation (NYSE: CO) and others.

Other Appointments:

Charlie is the founder of Omaha Capital China, which focused primarily on venture and growth capital investments in the areas of internet, medical technologies and services, new energy and specialty retail in the Greater China region. He is also a director of Omaha Capital Management Limited and Apex Class Limited (currently both pure investment holding companies) as well as Omaha Capital China GP II Limited (no longer operational). Furthermore, he is an independent non-executive director of Franklin Templeton Sealand Fund Management Co Ltd and PICO Far East Holdings Limited and an independent non-executive member of the Board of Supervisors of PICC Property & Casualty Co Ltd.

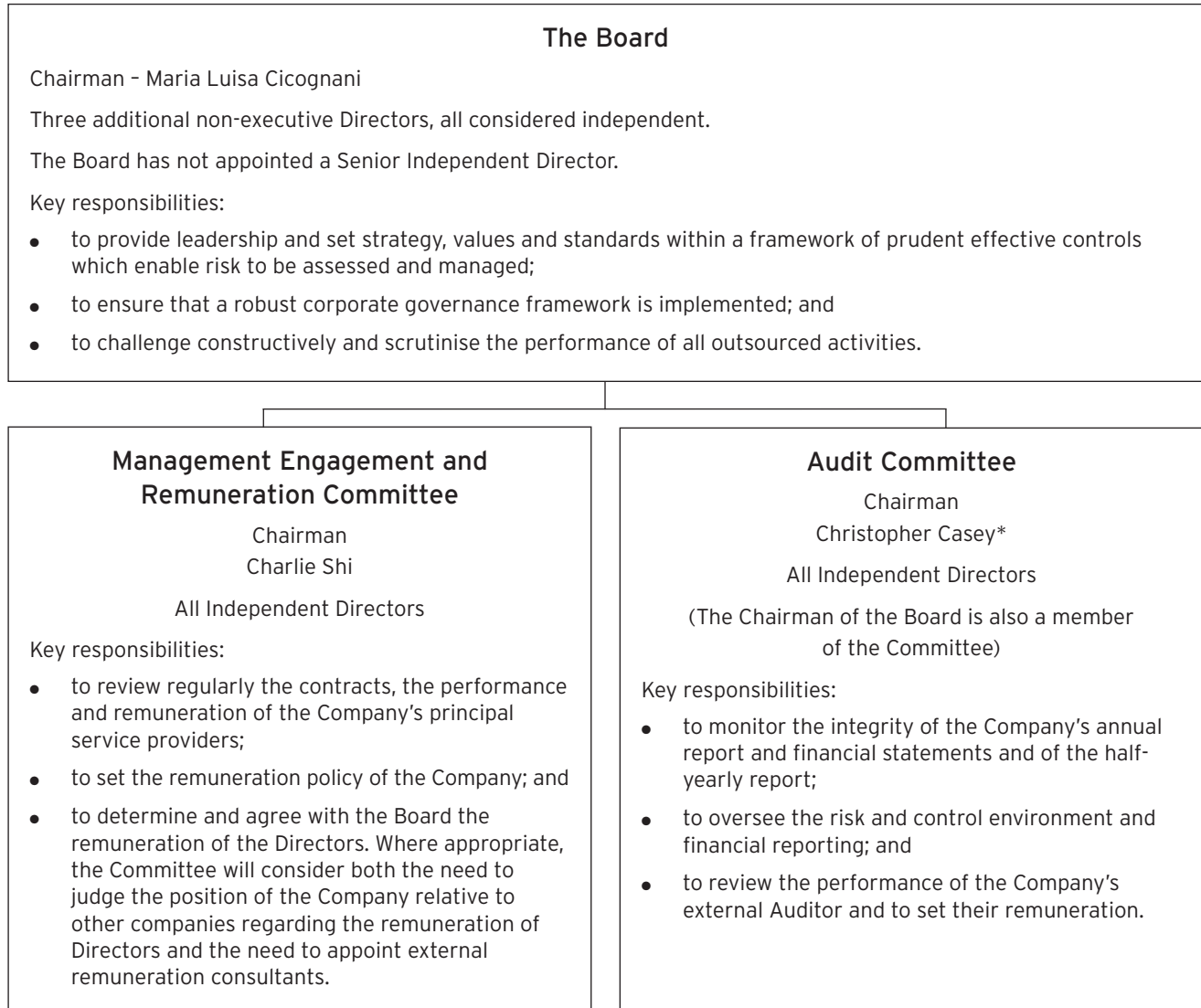
Standing for election

Yes

CORPORATE GOVERNANCE

The Board and Committees

Responsibility for effective governance lies with the Board. The governance framework of the Company reflects the fact that as an investment company it has no employees and outsources portfolio management to Mobius Capital Partners LLP and Company management, company secretarial, marketing and administrative services to Frostrow Capital LLP.



* The Directors believe that Christopher Casey has the necessary recent and relevant financial experience to chair the Company's Audit Committee.

Copies of the full terms of reference, which clearly define the responsibilities of each Committee, can be obtained from the Company Secretary and will be available for inspection at the Annual General Meeting. They can also be found on the Company's website at www.mobiusinvestmenttrust.com

The Company does not have a Nomination Committee. Instead, all duties of a Nomination Committee such as the annual consideration of Directors' performance and the skills possessed collectively by the Board as well as the consideration of new appointments, are performed by the Board as a whole.

CORPORATE GOVERNANCE continued

Corporate Governance Statement

The Board is committed to maintaining and demonstrating high standards of corporate governance. The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ('AIC Code'), and by reference to the AIC Corporate Governance Guide for Investment Companies ('AIC Guide') published in 2016.

The Financial Reporting Council has confirmed that by following the AIC Code and the AIC Guide, boards of investment companies will meet their obligations in relation to the UK Code and paragraph 9.8.6 of the UK Listing Rules.

The AIC Code and AIC Guide address the principles set out in the UK Corporate Governance Code (the "UK Code"), which applies for the period ended 30 November 2019, as well as setting out additional principles and recommendations on issues that are specific to investment trusts. The Board considers that reporting in accordance with the principles and recommendations of the AIC Code provides the most relevant and comprehensive information to shareholders. The AIC Code and the AIC Guide can be viewed at www.theaic.co.uk and the UK Code can be viewed on the Financial Reporting Council website www.frc.org.uk.

A revised UK Corporate Governance Code was published in July 2018 for accounting years commencing on or after 1 January 2019. A corresponding revised AIC Code was published in January 2019. The Company has commenced a review of its internal policies and will report against the revised AIC Code in the Annual Report of the Company for the year commencing 1 December 2019.

The Corporate Governance Statement on pages 26 to 31, forms part of the Report of the Directors on pages 32 to 36.

The Principles of the AIC Code

The AIC Code is made up of 21 principles split into three sections covering:

- The Board
- Board Meetings and relations with Mobius Capital Partners LLP and Frostrow
- Shareholder Communications

Statement of Compliance

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as follows:

The UK Code includes certain provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function

For the reasons set out in the AIC Guide, the Board considers these provisions are not relevant to the position

of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. Therefore with the exception of the need for an internal audit function which is addressed further on page 38, the Company has not reported further in respect of these provisions.

The Board

The Board is responsible for the effective governance and the overall management of the Company's affairs. The governance framework of the Company reflects the fact that as an investment company it outsources portfolio management services to Mobius Capital Partners LLP and company secretarial, administration, marketing and risk management services to Frostrow Capital LLP.

The Board's key responsibilities are to set the strategy, values and standards; to provide leadership within a controls framework which enable risks to be assessed and managed; to challenge constructively and scrutinise performance of all outsourced activities; and to review regularly the contracts, performance and remuneration of the Company's principal service providers and Investment Manager.

Directors' Independence

The Board consists of four non-executive Directors, each of whom is independent of Mobius Capital Partners LLP and the Company's other service providers. No member of the Board is a Director of another investment company managed by Mobius Capital Partners LLP, nor has any Board member been an employee of the Company, Mobius Capital Partners LLP or any of the Company's service providers. All Directors were appointed on 5 September 2018 and have been in office for just over one year. All Directors will retire at the Company's Annual General Meeting (AGM) and seek to be elected by shareholders. Further details regarding the Directors can be found on pages 24 and 25.

The Board carefully considers the various guidelines for determining the independence of non-executive Directors, placing particular weight on the view that independence is evidenced by an individual being independent of mind, character and judgement. All Directors are presently considered to be independent. All Directors retire at the AGM each year and, if appropriate, seek re-election. Each Director has signed a letter of appointment to formalise the terms of their engagement as a non-executive Director, copies of which are available on request at the office of Frostrow Capital LLP and at the AGM.

Directors' Interests

The beneficial interests of the Directors in the Company are set out on page 42 of this annual report.

CORPORATE GOVERNANCE continued

Meetings

The Board meets formally at least four times each year. Representatives of Mobius Capital Partners LLP attend all meetings at which investment matters are discussed; representatives from Frostrow Capital LLP are in attendance at each Board meeting. The Chairman encourages open debate to foster a supportive and co-operative approach for all participants.

The Board has agreed a schedule of matters specifically reserved for decision by the Board. This includes establishing the investment objectives, strategy, the permitted types or categories of investments, the markets in which transactions may be undertaken, the amount or proportion of the assets that may be invested in any category of investment or in any one investment, and the Company's share issuance and share buyback policies.

The Board, at its regular meetings, undertakes reviews of key investment and financial data, revenue projections and expenses, analyses of asset allocation, transactions and performance comparisons, share price and net asset value performance, marketing and shareholder communication strategies, the risks associated with pursuing the investment strategy, peer group information and industry issues.

The Chairman is responsible for ensuring that the Board receives accurate, timely and clear information. Representatives of Mobius Capital Partners LLP and Frostrow Capital LLP report regularly to the Board on issues affecting the Company.

The Board is responsible for strategy and has established an annual programme of agenda items under which it reviews the objectives and strategy for the Company at each meeting.

Meeting Attendance

The table below sets out the number of Board and Committee meetings held during the period ended 30 November 2019 and the number of meetings attended by each Director.

In addition to the scheduled Board and Committee meetings, Directors attended three ad-hoc Board and Committee meetings to consider matters such as share issuances or the approval of regulatory announcements.

Number of meetings	Management Engagement & Audit Remuneration Committee		
	Board (5)	Committee (1)	Committee (1)
Maria Luisa Cicognani	5	1	1
Christopher Casey	5	1	1
Sophie Robé	4	1	0
Charlie Shi	5	1	1

Board Composition and Succession

The Board has approved a composition and succession plan to ensure that the Board members collectively (i) display the necessary balance of professional skills, experience, length of service and industry/Company knowledge; and (ii) are fit and proper to direct the Company's business with prudence and integrity. This plan will be reviewed annually and at such other times as circumstances may require.

To this end, the Board will collectively review all appointments to the Board and its Committees and, following a skills review of the current Directors, will seek to add persons with complementary skills or who possess skills and experience which might fill any gaps in the Board's knowledge or experience and who can devote sufficient time to the Company to carry out their duties effectively.

The Board will ensure that a robust recruitment process is undertaken for all director appointments to deliver fair and effective selection outcomes. Independent advisors will be appointed to aid director recruitment and to help to mitigate the risk of self-selection from a narrow pool of candidates. The Board will ensure that any search agency used has no connection with the Company or any of the Board members and that the appropriate disclosure is made in the next annual report.

Achieving a diversity and balance of skills and knowledge in the Board will be a key determinant of any new appointments. Selecting the best candidate, irrespective of background is paramount. This will benefit the effectiveness of the Board by creating a breadth of perspective among directors.

The Board supports the principle of Boardroom diversity, of which gender is one important aspect, and the recommendations of Lord Davies' review. The Board's aim is to have a broad range of approaches, backgrounds, skills and experience represented on the Board to make appointments on merit against objective criteria, including diversity.

Policy on Director Tenure

The Board subscribes to the view expressed within the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces his or her ability to act independently and, following formal performance evaluations, believes that each of the Directors is independent in character and judgement and that there are no relationships or circumstances which are likely to affect their judgement.

The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. When considering the length of an individual Director's service, the Board will do so in the context of the average length of tenure of the Board as a whole. In view of its non-executive nature, the Board considers that it is not

CORPORATE GOVERNANCE continued

appropriate for the Directors to be appointed for a specific term, although new Directors are appointed with the expectation that they will serve for a minimum period of three years subject to shareholder approval.

All of the Company's Directors will seek re-election at each Annual General Meeting.

Board Evaluation

An evaluation of the Board and its Committees as well as the Chairman and the individual Directors will be carried out annually. In addition to evaluations carried out by the Board collectively, the Management Engagement and Remuneration Committee on behalf of the Board will consider annually whether an external evaluation should be undertaken by an independent agency.

The Chairman will act on the results of the Board's evaluation by recognising the strengths and addressing the weaknesses of the Board and recommending any areas for development. If appropriate, the Chairman will propose that new members are appointed to the Board or will seek the resignation of Board Directors.

During the period under review, the performance of the Board, its committees and individual Directors (including each Director's independence) was evaluated through a formal assessment process led by the Chairman. This involved the circulation of a Board and Committee evaluation checklist, tailored to suit the nature of the Company, followed by discussions between the Chairman and each of the Directors. The performance of the Chairman was evaluated by the other Directors under the leadership of the Chairman of the Audit Committee.

As part of the Board evaluation discussions, each of the Directors also assessed the overall time commitment of their external appointments and it was concluded that all Directors have sufficient time to discharge their duties. This conclusion was reached on the basis that most external appointments, especially for Messrs Casey and Shi, are non-executive roles which are far less time-consuming than full-time executive positions in a trading company would be.

In addition to being a non-executive Director of Mobius Investment Trust plc and as set out on page 24, Mr Casey is a non-executive director of four other investment trusts as well as Eddie Stobart Logistics plc, which recently has become a cash shell under AIM Rule 15. Investment trusts generally only require time for quarterly board meetings, committee meetings which usually take place on the same day as board meetings and for reviewing documents such as Board papers, annual and half yearly reports. Mr Casey has made himself available for all meetings of the Company and, in his capacity of Audit Committee Chairman, has also held meetings and conference calls with the Company's auditors. In between scheduled meetings and calls, he also makes himself available to the

Managers and the Company Secretary as and when his expertise and opinion are required.

Mr Shi is a director of several other companies as summarised on page 25. The companies that come under the heading of Omaha Capital consist of one investment holding company with no operating functions and limited partnerships one of which was wound up in November 2019 and one of which is expected to complete its voluntary liquidation in February 2020. Apex Class Limited also is a pure investment holding company with no operating functions. All other directorships are independent and non-executive and only require limited time commitment. Like Mr Casey, Mr Shi has attended all meetings of the Company and, in between meetings and conference calls, has also made himself available to the Managers and the Company Secretary whenever his input was required. As the Chairman of the Management Engagement and Remuneration Committee he was involved in reviewing all management arrangements of the Company.

The Chairman is satisfied that the structure and operation of the Board continues to be effective and relevant and that there is a satisfactory mix of skills, experience and knowledge of the Company. The Board has considered the position of all the Directors as part of the evaluation process and believes that it would be in the Company's best interests to propose them for election.

Training and Advice

New appointees to the Board are provided with a full induction programme. The programme covers the Company's investment strategy, policies and practices. The Directors are also given key information on the Company's regulatory and statutory requirements as they arise including information on the role of the Board, matters reserved for its decision, the terms of reference of the Board Committees, the Company's corporate governance practices and procedures and the latest financial information. It is the Chairman's responsibility to ensure that the Directors have sufficient knowledge to fulfil their role.

On an ongoing basis, and further to the annual evaluation process, the Company Secretary will make arrangements for Directors to develop and refresh their skills and knowledge in areas which are mutually identified as being likely to be required, or of benefit to them, in carrying out their duties effectively. Directors will endeavour to make themselves available for any relevant training sessions which may be organised for the Board.

The Directors have access to the advice and services of a Company Secretary through its appointed representative which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is also responsible for ensuring good information flows between all parties.

CORPORATE GOVERNANCE continued

There is an agreed procedure for Directors, in the furtherance of their duties, to take independent professional advice if necessary at the Company's expense.

Conflicts of Interest

Company Directors have a statutory obligation to avoid a situation in which they (and connected persons) have, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company.

In line with the Companies Act 2006, the Board has the power to sanction any potential conflicts of interest that may arise and impose such limits or conditions that it thinks fit. A register of interests and external appointments is maintained and is reviewed at every Board meeting to ensure that all details are kept up to date. Should a conflict arise, the Board has the authority to request that the Director concerned abstains from any relevant discussion, or vote, where a perceived conflict may arise. Appropriate authorisation will be sought prior to the appointment of any new directors or if any new conflicts or potential conflicts arise.

No conflicts of interest arose during the year under review.

Risk Management and Internal Controls

The Board has overall responsibility for the Company's risk management and internal control systems and for reviewing their effectiveness. The Company applies the guidance published by the Financial Reporting Council on internal controls. Internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve the business objective and can provide only reasonable and not absolute assurance against material misstatement or loss. These controls aim to ensure that the assets of the Company are safeguarded, that proper accounting records are maintained and that the Company's financial information is reliable. The Directors have a robust process for identifying, evaluating and managing the significant risks faced by the Company, which are recorded in a risk matrix. The Audit Committee, on behalf of the Board, considers each risk as well as reviewing the mitigating controls in place. Each risk is rated for its "likelihood" and "impact" and the resultant numerical rating determines its ranking into 'Principal/Key', 'Significant' or 'Minor'. This process was in operation during the year and continues in place up to the date of this report. The process also involves the Audit Committee receiving and examining regular reports from the Company's principal service providers. The Board then receives a detailed report from the Audit Committee on its findings. The Directors have not identified any significant failures or weaknesses in respect of the Company's internal control systems.

Information on the Company's financial, strategic and operational risk management can be found in the Strategic Report on pages 20 to 23.

Relations with Shareholders

A detailed analysis of the substantial shareholders in the Company is provided to the Directors at each Board meeting. Representatives of Mobius Capital Partners LLP and Frostrow Capital LLP regularly meet with institutional shareholders and private client asset managers to discuss strategy and to understand their issues and concerns and, if applicable, to discuss corporate governance issues. The results of such meetings are reported at the following Board meeting.

Regular reports from the Company's corporate stockbroker are submitted to the Board on investor sentiment and industry issues.

The Company aims to provide shareholders with a full understanding of the Company's investment objective, policy and activities, its performance and the principal investment risks by means of informative annual and half-yearly reports. This is supplemented by the daily publication of the net asset value of the Company's shares through the London Stock Exchange. The Company's website, www.mobiusinvestmenttrust.com is regularly updated and provides useful information about the Company, including the Company's financial reports, monthly factsheets, quarterly Manager's commentaries and announcements.

Shareholders wishing to communicate with the Chairman, or any other member of the Board, may do so by writing to the Company, for the attention of the Company Secretary at the offices of Frostrow Capital LLP. All shareholders are encouraged to attend the Annual General Meeting, where they are given the opportunity to question the Chairman, the Board and representatives of Mobius Capital Partners LLP. Mobius Capital Partners LLP will make a presentation to shareholders covering the investment performance and strategy of the Company at the forthcoming Annual General Meeting. The Directors welcome the views of all shareholders and place considerable importance on communications with them.

Socially Responsible Investment

The Company's investment activities and day to day management is delegated to the Investment Manager, the Manager and other third parties. As an investment trust, the Company has no direct social, community, employee or environmental responsibilities. Its principal responsibility to shareholders is to ensure that the investment portfolio is properly managed and invested. As detailed above, the management of the portfolio has been delegated to the Company's Investment Manager.

In light of the nature of the Company's business there are no relevant human rights issues and the Company does not have a human rights policy. The Company does not maintain premises, hold any physical assets or operations and does not have any employees. Consequently, the

CORPORATE GOVERNANCE continued

Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

The Investment Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and in developing their policies on social, community and environmental matters.

UK Stewardship Code and Exercise of Voting Powers

The Board and the Investment Manager support the UK Stewardship Code, issued by the FRC, which sets out the principles of effective stewardship by institutional investors. The Company's investment portfolio is managed by Mobius Capital Partners LLP who have extensive experience with emerging markets and who have a strong commitment to effective stewardship.

The Board has delegated discretion to Mobius Capital Partners LLP to exercise voting powers on its behalf in respect of shares owned by the Company.

Frostrow Capital LLP

Company Secretary
6 February 2020

REPORT OF THE DIRECTORS

The Directors present this Annual Report on the affairs of the Company together with the audited financial statements and the Independent Auditor's Report for the period from incorporation on 7 August 2018 to 30 November 2019.

Business and Status of the Company

The Company is registered as a public limited company in England and Wales (Registered Number: 11504912) and is an investment company within the terms of Section 833 of the Companies Act 2006 (the 'Act'). Its shares are premium listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange, which is a regulated market as defined in Section 1173 of the Act.

The Company has applied for and been accepted as an investment trust under Section 1158 of the Corporation Taxes Act 2010. The Directors are of the opinion that the Company has conducted its affairs so as to be able to retain such approval.

It is the Directors' intention that the Company should continue to manage its affairs so as to be a qualifying investment for inclusion in the stocks and shares components of an Individual Savings Account ('ISA') and Junior ISA.

The Company is a member of the Association of Investment Companies ('AIC').

Alternative Performance Measures

The Financial Statements (on pages 52 to 62) set out the required statutory reporting measures of the Company's financial performance. In addition, the Board assesses the Company's performance against a range of criteria which are viewed as particularly relevant for investment trusts, which are summarised and explained in greater detail in the Strategic Report, under the heading 'Key Performance Indicators' on page 20.

Definitions of the terms used and the basis of calculation adopted are set out in the Glossary beginning on page 65.

Annual General Meeting

THE FOLLOWING INFORMATION TO BE DISCUSSED AT THE FORTHCOMING ANNUAL GENERAL MEETING IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other

accompanying documents, including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting.

Resolution 11 Authority to allot shares

Resolution 12 Authority to disapply pre-emption rights

Resolution 13 Authority to buy back shares

Resolution 14 Authority to hold General Meetings (other than the AGM) on at least 14 clear days' notice

The full text of the resolutions can be found in the Notice of Annual General Meeting on pages 68 to 71. Explanatory notes regarding the resolutions can be found on pages 72 and 73.

Results and Dividend

The results attributable to shareholders for the year are shown on page 52 in the Income Statement.

The Directors are recommending that a final dividend of 0.30p per share be paid on 1 May 2020 to shareholders on the register on 3 April 2020. The associated ex-dividend date will be 2 April 2020. An ordinary resolution to approve this final dividend will be put to shareholders at the forthcoming Annual General Meeting ('AGM') and can be found on page 68.

Capital Structure

As at 30 November 2019, there were 105,000,000 ordinary shares of 1p each (at launch on 1 October 2018: 100,000,000 ordinary shares) and 50,000 management shares of £1 each in issue.

All ordinary shares rank equally for dividends and distributions. Each shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every ordinary share held. Details of the substantial holders of ordinary shares in the Company are listed on page 35.

The management shares do not carry a right to receive notice of, or attend or vote at, any general meeting of the Company unless no other shares are in issue at that time. The management shares are entitled to receive, in priority to any payment of a dividend on any other class of share, a fixed cumulative dividend of 0.01% per annum on their nominal amount. On a return of capital (including on a winding up) the holders of the management shares shall only receive an amount up to the capital paid up on such

REPORT OF THE DIRECTORS continued

management shares. The management shares are not redeemable.

During the period and since launch, 5,000,000 new shares were issued. Since the period-end, to the date of this report, no further shares have been issued.

The giving of powers to issue or buy-back the Company's shares requires the relevant resolution to be passed by shareholders. Proposals for the renewal of the Board's current powers to issue and buy-back shares are detailed on pages 68 and 69 as well as 72 and 73.

There are no restrictions concerning the transfer of ordinary shares in the Company; no special rights with regard to control attached to ordinary shares; no restrictions on voting rights; no agreements between holders of ordinary shares regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

Redemption Facility

As set out in the prospectus, the Company has a redemption facility through which shareholders will be entitled to request the redemption of all or part of their holding of ordinary shares on a periodic basis. The first redemption point for the ordinary shares will be 30 November 2022 and each subsequent redemption point shall fall on 30 November every third year thereafter. The Directors have absolute discretion to operate the periodic redemption facility on any given Redemption Point and to accept or decline in whole or part any redemption request.

Cancellation of the Share Premium Account

In order to increase the Company's distributable reserves, the Company had resolved that, subject to the confirmation and approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the issue be cancelled, and the amount of the share premium account so cancelled be credited to a reserve.

Following the approval of the Court and the subsequent registration of the Court order with the Registrar of Companies on 18 December 2018, the cancellation of the share premium account became effective and the amount of £96,932,000 previously held in the share premium account was transferred to a special distributable reserve.

Viability Statement

The Board has carried out a robust assessment of the principal risks facing the Company including those that would threaten its business model, future performance,

solvency or liquidity. The Board has drawn up a matrix of risks facing the Company and has put in place a schedule of investment limits and restrictions, appropriate to the Company's investment objective and policy, in order to mitigate these risks as far as practicable. The principal risks which have been identified, and the steps taken by the Board to manage these, are detailed on pages 20 to 23.

The Company is a long-term investor and the Board believes it is appropriate to assess the Company's viability over a five year period in recognition of our Investment Manager's long-term horizon and also what we believe to be investors' horizons, taking account of the Company's current position and the potential impact of the principal risks and uncertainties as shown on pages 21 to 23.

The Directors also took into account the liquidity of the portfolio when considering the viability of the Company over the next five years and its ability to meet liabilities as they fall due. It is anticipated that 82% of the current portfolio could be liquidated within seven trading days.

The Directors do not expect there to be any significant change in the principal risks that have been identified and the adequacy of the controls in place. Also the Directors do not envisage any change in strategy or objectives or any events that would prevent the Company from continuing to operate over that period as the Company's assets are liquid, its commitments are limited and the Company intends to continue to operate as an investment trust. The Directors believe that only a substantial financial crisis affecting the global economy could have an impact on this assessment. Please see page 23 for the Board's assessment of the impact of Brexit on the Company.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five year period.

Principal Service Providers

Investment Manager

Mobius Capital Partners LLP is the Alternative Investment Fund Manager ("AIFM") for the Company pursuant to an Investment Management Agreement dated 10 September 2018 (the "IMA"). The investment management fee payable to the AIFM is calculated at an annual rate of 1.0% of the lower of (i) Net Asset Value; and (ii) Market Capitalisation (the "Fund Value") up to and including £500 million; of 0.85% of the Fund Value over £500 million and up to and including £1 billion; and of 0.75% of the Fund Value over £1 billion. The management fee is payable in arrears monthly. There are no provisions for the payment of a performance fee.

REPORT OF THE DIRECTORS continued

The IMA may be terminated by either party by giving to the other not less than 12 months' notice in writing, such notice not to expire earlier than the third anniversary of Admission of the Company's ordinary shares (i) to the premium segment of the Official List; and (ii) to trading on the London Stock Exchange's main market for listed securities, this having been 1 October 2018.

Manager

Frostrow Capital LLP acts as the Company's Manager, Company Secretary and Administrator. It is an independent provider of services to the investment companies sector and currently has 13 other investment trust and investment company clients whose assets totalled approximately £8.4 billion as at the date of this report.

Company secretarial, marketing, and administrative services are provided by Frostrow Capital LLP under an Administration and Management Services Agreement dated 10 September 2018.

A management services fee of 0.225% of the lower of (i) Net Asset Value and (ii) Market Capitalisation (= the Fund Value) of the Company, charged monthly in arrears, is payable, up to a Fund Value of £250 million. Frostrow's fees will reduce from 0.225% to 0.20% on Fund Value of the Company in the range of £250 million to £500 million, and to 0.175% on that part of the Fund Value in excess of £500 million. Frostrow also agreed to discount its fees by 10% in respect of the period from 1 October 2018 to 30 November 2019. The agreement may be terminated by either the Company or Frostrow on six months' written notice.

Furthermore, Frostrow provides the AIFM Directive risk management function on behalf of the AIFM under a delegation agreement with Mobius Capital Partners LLP (MCP). This delegation of the risk management function may be terminated by either Frostrow or the AIFM, MCP, on two months' written notice.

Further details of the fees payable to Mobius Capital Partners LLP and Frostrow Capital LLP are set out in note 3 to the accounts on page 56.

Depositary and Custodian

With effect from 10 September 2018, Northern Trust Global Services SE (Northern Trust) was appointed as the Company's Depositary by the Board and Mobius Capital Partners LLP.

Under the Depositary Agreement, an annual fee of 0.015% per annum charged on the Net Asset Value is payable, subject to a minimum annual fee of £25,000. The Depositary Agreement may be terminated upon six months' written notice from the Company or the Investment Manager to the Depositary or the Depositary to the Company and the Investment Manager.

Investment Manager and Manager Evaluation and Re-Appointment

The review of the performance of Mobius Capital Partners LLP as Investment Manager and Frostrow Capital LLP as Manager is a continuous process carried out by the Board with a formal evaluation being undertaken each year. As part of this process the Board monitors the services provided by the Investment Manager and the Manager and receives regular reports and views from them. The Board also receives comprehensive performance measurement reports to enable it to determine whether or not the performance objective set by the Board has been met.

The Board believes the continuing appointment of Mobius Capital Partners LLP and Frostrow Capital LLP, under the terms described above, is in the interests of shareholders. In coming to this decision the Board also took into consideration the following additional reasons:

- the quality and depth of experience of Mobius Capital Partners LLP and the level of performance of the portfolio in absolute terms and the Company's peer group since launch; and
- the quality and depth of experience of the management, administrative and company secretarial team that Frostrow Capital LLP allocates to the Company.

Directors

Directors' and Officers' Liability Insurance Cover

Directors' and Officers' liability insurance cover was maintained by the Board during the period ended 30 November 2019. It is intended that this policy will continue for the year ending 30 November 2020 and subsequent years.

Directors' Indemnities

As at the date of this report, a deed of indemnity has been entered into by the Company and each of its Directors under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities incurred as a result of carrying out his role as a Director of the Company. Each Director is indemnified against the costs of defending any criminal or civil proceedings or any claim by the Company or a regulator as they are incurred provided that where the defence is unsuccessful the Director must repay those defence costs to the Company. The indemnities are qualifying third party indemnity provisions for the purposes of the Companies Act 2006.

A copy of each deed of indemnity is available for inspection at the offices of Frostrow during normal business hours and will be available for inspection at the Annual General Meeting.

REPORT OF THE DIRECTORS continued

Substantial Interests in Share Capital

As at 30 November 2019 and 31 December 2019, being the latest practicable date before publication of the annual report, the Company was aware of the following substantial interests in the voting rights of the Company:

Shareholder	30 November 2019	
	Number of ordinary shares held	% of issued share capital
Allan and Gill Gray Foundation	20,000,000	19.05
Mark Mobius	15,367,092	14.63
Hargreaves Lansdown (EO)	6,225,746	5.93
BMO Global Asset Management (UK)	5,500,000	5.24
Connor Broadley	5,064,803	4.82
Premier Miton Investors	3,850,000	3.67
Church House Investments	3,628,100	3.46
Hawksmoor Investment Management	3,500,000	3.33

Shareholder	31 December 2019	
	Number of ordinary shares held	% of issued share capital
Allan & Gill Gray Foundation	20,000,000	19.05
Mark Mobius	15,367,092	14.63
Hargreaves Lansdown, stockbrokers (EO)	6,281,966	5.99
BMO Global Asset Management (UK)	5,500,000	5.24
Connor Broadley	5,035,182	4.80
Premier Miton Investors	3,850,000	3.67
Church House Investments	3,679,500	3.50
Hawksmoor Investment Management	3,500,000	3.33

Interests of key management personnel in the shares of the Company as at 30 November 2019:

Greg Konieczny	3,050,000	2.90
Carlos Hardenberg	770,000	0.73

Beneficial Owners of Ordinary Shares - Information Rights

The beneficial owners of ordinary shares who have been nominated by the registered holder of those shares to receive information rights under Section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares rather than to the Company's registrar, Computershare, or to the Company directly.

Articles of Association

Amendment of the Company's Articles of Association requires a special resolution to be passed by shareholders.

Modern Slavery Act 2015

The Company does not provide goods or services in the normal course of business, and as a financial investment vehicle does not have customers. The Directors do not therefore consider that the Company is required to make a statement under the Modern Slavery Act 2015 in relation to slavery or human trafficking.

Anti-Bribery and Corruption Policy

The Board has adopted a zero tolerance approach to instances of bribery and corruption. Accordingly, it expressly prohibits any Director or associated persons when acting on behalf of the Company, from accepting, soliciting, paying, offering or promising to pay or authorise any payment, public or private, in the United Kingdom or abroad to secure any improper benefit for themselves or for the Company.

The Board applies the same standards to its service providers in their activities for the Company.

A copy of the Company's Anti Bribery and Corruption Policy can be found on its website at www.mobiusinvestmenttrust.com. The policy is reviewed annually by the Audit Committee.

Prevention of the Facilitation of Tax Evasion

During the period and in response to the implementation of the Criminal Finances Act 2017, the Board adopted a zero-tolerance approach to the criminal facilitation of tax evasion. A copy of the Company's policy on preventing the facilitation of tax evasion can be found on the Company's website www.mobiusinvestmenttrust.com. The policy is reviewed annually by the Audit Committee.

REPORT OF THE DIRECTORS continued

Political Donations

The Company has not in the past and does not intend in the future to make political donations.

Corporate Governance

The Corporate Governance report, which includes the Company's Corporate Governance policies is set out on pages 26 to 31.

Alternative Performance Measures

The Financial Statements set out the required statutory reporting measures of the Company's financial performance. In addition, the Board assesses the Company's performance against a range of criteria which are viewed as particularly relevant for investment trusts. These are summarised and explained in greater detail in the Strategic Report under the heading 'Key Performance Indicators' beginning on page 20. Please also see the Glossary beginning on page 65.

Common Reporting Standard (CRS)

CRS is a global standard for the automatic exchange of information commissioned by the Organisation for Economic Cooperation and Development and incorporated into UK law by the International Tax Compliance Regulations 2015. CRS requires the Company to provide certain additional details to HMRC in relation to certain shareholders. The reporting obligation began in 2016 and will be an annual requirement going forward. The Registrars, Computershare Investor Services, have been engaged to collate such information and file the reports with HMRC on behalf of the Company.

Listing Rule 9.8.4

Listing Rule 9.8.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

By order of the Board

Frostrow Capital LLP

Company Secretary

6 February 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information

included on the Company's website, which is maintained by the Company's Investment Manager. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

The Directors, having made relevant enquiries, are satisfied that it is appropriate to prepare the financial statements on the going concern basis as the net assets of the Company consist of liquid securities.

Disclosure of Information to the Auditors

The Directors who held office at the date of approval of the Annual Report and the Financial Statements confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Responsibility Statement of the Directors in respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company taken as a whole; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and the financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Maria Luisa Cicognani
Chairman

6 February 2020

AUDIT COMMITTEE REPORT

for the period ended 30 November 2019

Introduction from the Chairman

I am pleased to present my first formal report to shareholders as Chairman of the Audit Committee, for the period from incorporation on 7 August 2018 to 30 November 2019.

Composition and Meetings

Due to the small size of the Board, the Audit Committee comprises the whole Board (all Directors are independent and non-executive), including the Chairman of the Company. In accordance with the terms of reference of the Committee, the Chairman of the Board may be a member of the Committee, but may not act as the Committee Chairman.

The Committee has sufficient recent and relevant financial experience and, as a whole, has competence relevant to the sector in which the Company operates. I am also the audit committee chairman of various other listed companies and was, previously, an audit partner at KPMG LLP.

The other Committee members have a combination of financial, investment and other relevant experience gained throughout their careers. The experience of the members of the Committee can be assessed from the Directors' biographies set out on pages 24 and 25.

Role and Responsibilities of the Audit Committee

1. **To review the Company's half-year and annual financial statements** together with announcements and other filings relating to the financial performance of the Company.
2. **To review the risk management and internal control processes** of the Company and its key service providers. As part of this review the Committee assesses the appropriateness of the Company's anti-bribery and corruption policy and also its policy on the prevention of the facilitation of tax evasion.
3. **To recommend the appointment and removal of the external Auditors**, and agreeing the scope of their work and their remuneration, reviewing their independence and the effectiveness of the audit process. Also, to be responsible for the selection process of the external Auditors.
4. **To consider any non-audit work to be carried out by the Auditors.** The Audit Committee reviews the need for non-audit services to be performed by the Auditors in accordance with the Company's non-audit services policy, and authorises such on a case by case basis

having given consideration to the cost effectiveness of the services and the objectivity of the Auditor (see page 40 for further information).

5. **To consider the need for an internal audit function.** Since the Company delegates its day-to-day operations to third parties and has no employees, the Committee has determined there is no requirement for such a function.

The Committee's Terms of Reference are available for review on the Company's website at www.mobiusinvestmenttrust.com.

The Committee met once during the period under review and once more since the period-end. Attendance by each Director during the period is shown in the table on page 28.

Significant Issues Considered by the Audit Committee during the Period

Annual Financial Statements

The production of the Company's Annual Report (including the audit by the Company's external Auditor) is a thorough process involving input from a number of different areas. In order to be able to confirm that the Annual Report is fair, balanced and understandable, the Board has requested that the Committee advise on whether it considers these criteria have been satisfied. As part of this process the Committee has considered to the following:

- the procedures followed in the production of the Annual Report, including the processes in place to assure the accuracy of the factual content;
- the extensive levels of review that were undertaken in the production process, by the Company's Manager and also by the Committee; and
- the internal control environment as operated by the Investment Manager, Manager and other service providers.

As a result of the work undertaken by the Committee, it has confirmed that the Annual Report for the period ended 30 November 2019, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's financial position, performance, business model and strategy. The Committee has confirmed this to the Board.

Half-year Financial Statements

The Committee reviewed the half-year financial statements of the Company as well as the half-year results announcement before recommending their approval to the Board.

AUDIT COMMITTEE REPORT continued

Significant Reporting Matters

Valuation of the Company's Investments

During the year the Committee confirmed its understanding of the processes in place to record investment transactions and to value the investment portfolio. It was noted that established pricing vendors were used to source and also to verify the prices of the Company's investments. The correct recording of investment transactions was established through regular reconciliations by the Company's Manager, of both cash and securities with the Company's Custodian or relevant bank.

Existence and Ownership of Investments

The Committee also received assurance that all investment holdings and cash/deposit balances had been agreed by the Company's Manager to an independent confirmation from the Custodian or relevant bank.

Other Reporting Matters

Recognition of Revenue from Investments

The Committee confirmed its understanding of the processes in place to record investment income and transactions. The Committee sought and received confirmation from the Company's Manager that all dividends both received and receivable had been accounted for correctly. The Committee noted and took comfort from the segregation of duties in place between the Company's Manager and the Custodian.

Accounting Policies

During the period the Committee ensured that the accounting policies, as set out on pages 54 to 56, were applied consistently throughout the year. In the light of there being no unusual transactions during the year or other possible reasons, the Committee agreed that there was no reason to change the policies.

Going Concern

Having reviewed the Company's financial position and liabilities, the Committee is satisfied that it is appropriate for the Board to prepare the financial statements on the going concern basis. Further detail is provided on pages 37 and 48.

Internal Controls and Risk Management

At its meetings during the period and since the period-end, the Committee reviewed the effectiveness of the Company's risk management and internal controls systems as contained in the Company's schedule of key risks as described in the Strategic Report. No significant weaknesses were identified in the period under review.

The Committee acknowledges that the Company is reliant on the systems utilised by its service providers. The Committee therefore received and reviewed internal control reports from: Mobius Capital Partners LLP, the Company's Investment Manager; from Frostrow Capital LLP, the Company's Manager, Administrator and Company Secretary; from the Custodian, Northern Trust; and from Computershare Investor Services, the Company's Registrar. Following its review of these reports it concluded that there were no significant control weaknesses or other issues that required to be brought to the attention of the Board.

The Committee continues to monitor closely the increasing risk arising from cyber threats, notwithstanding that the Company outsources all of its activities to external parties. The Committee reviewed cyber security reports from its principal services providers during the year and noted the assurances that have been given about the effectiveness of control measures. The Committee concluded that cyber-attack represents an increasing threat and that this will need to continue to be monitored closely.

Taxation

The Committee confirmed the position of the Company in respect of compliance with investment trust status (compliance with Section 1158 of the Corporation Tax Act 2010), by seeking and receiving confirmation from the Company's Manager that the Company continues to meet the eligibility conditions.

The Committee also monitored closely the position with regard to the reclamation of withholding tax and the paying of other capital taxes. The Company employs a number of specialist local agents (in jurisdictions such as Taiwan, India and Bangladesh) to assist in the process.

Viability Statement

The Committee considered the longer-term viability requirements on behalf of the Board, so the Board may state that it has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment. The Committee reviewed papers produced in support of the statement made by the Board which assesses the viability of the Company over a period of five years. These included a series of stress tests that considered the impact of severe stock market and currency volatility on shareholders' funds. The Company is a long-term investor and the Committee believes that it is appropriate to recommend to the Board that the Company's viability should be assessed over a five-year period, also taking account of the Company's current position and the potential impact of the Company's principal risks and uncertainties as shown on pages 21 to 23.

AUDIT COMMITTEE REPORT continued

External Auditor

The Audit

The nature and scope of the audit for the period, together with PricewaterhouseCoopers LLP's audit plan, were considered by the Committee on 22 July 2019. The Committee then met PricewaterhouseCoopers LLP on 30 January 2020 to formally review the outcome of the audit and to discuss the limited issues that arose. The Committee also discussed the presentation of the Annual Report with the Auditors and sought their perspective.

Independence and Effectiveness

In order to fulfil the Committee's responsibility regarding the independence of the Auditors, the Committee reviewed:

- the senior audit personnel in the audit plan for the year,
- the Auditors' arrangements concerning any conflicts of interest,
- the extent of any non-audit services,
- the statement by the Auditors that they remain independent within the meaning of the regulations and their professional standards, and
- the Auditors' independence.

In order to consider the effectiveness of the audit process, the Committee reviewed:

- the Auditors' fulfilment of the agreed audit plan,
- the report arising from the audit itself, and
- feedback from the Company's Manager.

A summary of the Company's policy on the provision by the Auditors of non-audit services to the Company can be found below.

The Committee is satisfied with the Auditors' independence and the effectiveness of the audit process, together with the degree of diligence and professional scepticism brought to bear.

Appointment and Tenure

PricewaterhouseCoopers LLP were appointed as the Auditors of the Company shortly after the incorporation of the Company. Mr Christopher Meyrick is the Engagement Leader allocated to the Company by PricewaterhouseCoopers LLP.

In accordance with the current legislation, the Company is required to instigate a tender process for Auditors at least every 10 years and will have to change its auditor after a maximum of 20 years. In addition, the nominated Engagement Leader will be required to rotate after serving a maximum of 5 years with the Company; it is therefore anticipated that Mr Meyrick will serve as Engagement Leader until completion of the audit process in 2024. The

Company has complied throughout the period ended 30 November 2019 with the provisions of the Statutory Audit Services Order 2014, issued by the Competition and Markets Authority ("CMA Order").

The re-appointment of PricewaterhouseCoopers LLP as Auditors to the Company will be submitted for shareholder approval, together with a separate Resolution to authorise the Committee to reconfirm the remuneration of the Auditors, at the AGM to be held on 23 April 2020.

Non-Audit Services

The Company operates on the basis whereby the provision of all non-audit services by the Auditors has to be pre-approved by the Audit Committee. Such services are only permissible where no conflicts of interest arise, the service is not expressly prohibited by audit legislation, where the independence of the Auditors is not likely to be impinged by undertaking the work and the quality and the objectivity of both the non-audit work and audit work will not be compromised. In particular, non-audit services may be provided by the Auditors if they are inconsequential or would have no direct effect on the Company's financial statements and the audit firm would not place significant reliance on the work for the purposes of the statutory audit.

Prior to their appointment as Auditors of the Company, PricewaterhouseCoopers LLP acting in their capacity as Reporting Accountant, carried out work in respect of the prospectus of the Company, assisting with the Financial Position and Prospects Procedures (FPPP), the working capital memorandum and the application for listing. The cost of these non-audit services amounted to £53,000 plus VAT. After the launch of the Company on 1 October 2018, PricewaterhouseCoopers LLP were appointed as the Company's Auditors on 1 February 2019. Since then to the end of the reporting period, PricewaterhouseCoopers LLP have carried out no further non-audit work.

Effectiveness of the Committee

A formal internal Board review which included reference to the Audit Committee's effectiveness, was undertaken by the Chairman of the Company during the year. The outcome was positive with no significant concerns expressed.

Christopher Casey

Chairman of the Audit Committee

6 February 2020

DIRECTORS' REMUNERATION REPORT

for the period ended 30 November 2019

Statement from the Chairman

I am pleased to present the Directors' Remuneration Report to shareholders. This report has been prepared in accordance with the requirements of the Companies Act 2006.

The Directors' Remuneration Report is subject to an annual advisory vote and therefore an Ordinary Resolution for the approval of this report will be put to shareholders at the Company's forthcoming Annual General Meeting (AGM).

The law requires the Company's Auditors to audit certain of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such and the Auditors' audit opinion is included in their report to shareholders on pages 44 to 51.

As noted in the Strategic Report, all of the Directors are non-executive and therefore there is no Chief Executive Officer. The Company does not have any employees. There is therefore no CEO or employee information to disclose.

The Management Engagement and Remuneration Committee considers the framework for the remuneration of the Directors. It reviews the ongoing appropriateness of the Company's remuneration policy and the individual remuneration of Directors by reference to the activities of the Company and comparison with other companies of a similar structure and size. This is in-line with the AIC Code.

The Management Engagement and Remuneration Committee met once during the period and decided not to increase Directors' fees for the time being. However, it was agreed that, going forward, Directors' fees should be increased annually in line with the peer group and the market.

Directors' Fees

The Directors, as at the date of this report, and who have all served throughout the year, received the fees listed in the table below. These exclude any employer's national insurance contributions, if applicable. No other forms of remuneration were received by the Directors and so fees represent the total remuneration of each Director.

No communications have been received from shareholders regarding Directors' remuneration.

Articles 121 and 122 of the Company's Articles of Association provide that Directors are entitled to be reimbursed for reasonable expenses incurred by them in connection with the performance of their duties and attendance at Board and General Meetings.

Under HMRC guidance, travel expenses and other out of pocket expenses may be considered as taxable benefits for the Directors. Where expenses reimbursed to the Directors are classed as taxable under HMRC guidance, they are shown in the taxable expenses column of the Directors' remuneration table along with the associated tax liability which is settled by the Company.

Approval

Resolutions to approve both the Remuneration Report and the Directors' Remuneration Policy will be put to shareholders at the first AGM of the Company to be held on 23 April 2020. Subject to its approval by shareholders at the AGM, the Remuneration Policy as set out on page 43 will apply until it is next put to shareholders for renewal of that approval, which must be at intervals of not more than three years, or when the Directors' Remuneration Policy is varied in which case shareholder approval for the new Directors' Remuneration Policy will be sought.

	Date of Appointment to the Board	Fixed Fees 2019	Taxable Expenses 2019	Total Remuneration 2019
		£	£	£
Maria Luisa Cigognani	5 September 2018	43,256	–	43,256
Christopher Casey	5 September 2018	37,077	–	37,077
Dr Sophie Robé	5 September 2018	30,897	–	30,897
Charlie Shi	5 September 2018	30,897	–	30,897

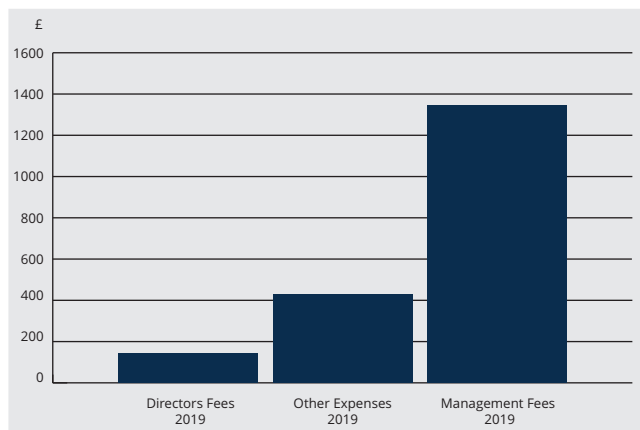
Loss of Office

Directors do not have service contracts with the Company but are engaged under Letters of Engagement. These specifically exclude any entitlement to compensation upon leaving office for whatever reason.

DIRECTORS' REMUNERATION REPORT continued

Relative Cost of Directors' Remuneration

The bar chart below shows the comparative cost of Directors' fees compared with the level of Company expenses for the period ended 30 November 2019.



Directors' Interests in Shares

(audited information)

The Directors' interests in the share capital of the Company are shown in the table below:

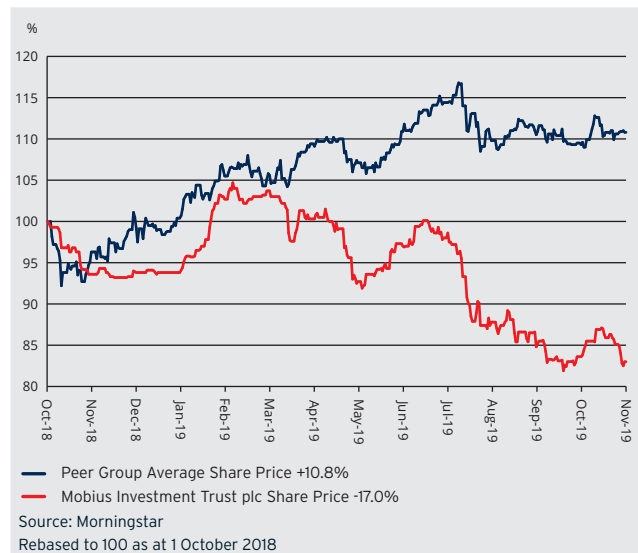
		Number of shares held 30 November 2019
Maria Luisa Cicognani	Beneficial	71,740
Christopher Casey	Beneficial	10,000
Dr Sophie Robé	-	-
Charlie Shi	-	-

Since the year end there have not been any changes in the Directors' interests.

Share Price Total Return

The chart above illustrates the shareholder return for a holding in the Company's shares as compared to the peer group, which the Board has adopted as the measure for the Company's performance from launch to 30 November 2019.

Total Shareholder Return for the Period from launch to 30 November 2019



DIRECTORS' REMUNERATION REPORT continued

Directors' Remuneration Policy

The Company's Remuneration Policy provides that fees payable to the Directors should reflect the time spent by the Board on the Company's affairs and the responsibilities borne by the Directors. The level of remuneration is set with reference to comparable organisations and appointments, in order to attract individuals of a high calibre.

The remuneration of the Directors is determined within the limits set out in the Company's Articles of Association, which state that the aggregate amount of Directors' fees shall not exceed £300,000 in any financial year or such larger amount as the Company may by ordinary resolution decide. Directors' remuneration comprises solely Directors' fees. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

None of the Directors has a service contract. The terms of their appointment provide that Directors shall retire and be subject to election at the first Annual General Meeting (AGM) of the Company after their appointment and to re-election annually thereafter. The terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office.

In accordance with the Company's Articles of Association, Directors are entitled to be paid all reasonable travel, hotel or other expenses incurred in the performance of their duties, including expenses incurred in attending Board or shareholder meetings. Directors are also entitled to be paid additional remuneration for rendering or performing extra or special services of any kind, requiring them to commit significant extra time to the Company. The current and projected Directors' fees for 2019 and 2020 are shown in the table below:

	Expected fees for the year to 30 November 2020	Annualised fees to 30 November 2019	Fees for the period from 5 September 2018 to 30 November 2019
Chairman	£35,000	£35,000	£43,256
Audit Committee Chairman	£30,000	£30,000	£37,077
Management Engagement and Remuneration Committee Chairman	£25,000	£25,000	£30,897
Non-executive Director	£25,000	£25,000	£30,897
Total	£115,000	£115,000	£142,127

Fees for any new Director appointed will be on the above basis. Fees payable in respect of subsequent years will be determined following an annual review, with any increases to be in line with the peer group and the market. Any views expressed by shareholders with regards to fees paid to Directors will be taken into consideration by the Management Engagement and Remuneration Committee and the Board. No communications have been received from shareholders regarding Directors' remuneration.

In accordance with the regulations, an ordinary resolution to approve the Directors' Remuneration Policy will be put to shareholders at least once every three years.

Accordingly, it will be put to shareholders at the first AGM in 2020 and thereafter in 2023. Further details are provided in the notice of meeting beginning on page 68.

Annual Statement

On behalf of the Board, I confirm that the Remuneration Policy, set out above, and the Remuneration Report summarise, as applicable, for the period to 30 November 2019:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken.

Charlie Shi

Chairman of the Management Engagement and Remuneration Committee

6 February 2020

INDEPENDENT AUDITORS' REPORT

to the members of Mobius Investment Trust plc

Report on the audit of the financial statements

Opinion

In our opinion, Mobius Investment Trust plc's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2019 and of its loss for the period from 7 August 2018 to 30 November 2019 (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 30 November 2019; the Income Statement, the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

Other than those disclosed on pages 40 and 52 of the Annual Report, we have provided no non-audit services to the Company in the period from 7 August 2018 to 30 November 2019.

Our audit approach

Overview



- Overall materiality: £950,000, based on 1% of net assets.
- The Company is a standalone Investment Trust Company and engages Mobius Capital Partners LLP (the 'AIFM') to manage its assets.
- We conducted our audit of the Financial Statements using information from Frostrow Capital LLP and Northern Trust with whom the AIFM has engaged to provide certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- Income from investments.
- Valuation and existence of investments.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010 and the UK and European regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to overstate the value of investments and increase the net asset value of the Company. Audit procedures performed by the engagement team included:

- Discussions with the Directors, the AIFM and Company Secretary including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management;
- Reviewing relevant meeting minutes, including those of the Audit Committee;
- Identifying and testing journal entries, in particular any material or revenue impacting manual journal entries posted as part of the annual report preparation process;
- Assessment of the Company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<p><i>Income from investments</i></p> <p>Refer to page 39 (Audit Committee Report), page 54 (Accounting Policies) and page 56 (Notes to the Accounts).</p> <p>ISAs (UK) presume there is a risk of fraud in income recognition. We considered this risk to specifically relate to the risk of overstating investment gains and the misclassification of dividend income as capital rather than revenue due to the pressure management may feel to achieve capital growth in line with the objective of the Company.</p> <p>We focused on the valuation of investments with respect to gains on investments and the accuracy and completeness of dividend income recognition and its presentation in the Income Statement as set out in the requirements of The Association of Investment Companies' Statement of Recommended Practice (the "AIC SORP").</p>	<p>We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with this stated accounting policy.</p> <p>We understood and assessed the design and implementation of key controls surrounding income recognition.</p> <p>The gains/losses on investments held at fair value comprise realised and unrealised gains/losses. For unrealised gains and losses, we tested the valuation of the portfolio at the year-end (see below), together with testing of the reconciliation of opening and closing investments and agreeing the year end holdings to independent confirmation. For realised gains/losses, we tested a sample of disposal proceeds by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains/losses.</p> <p>In addition, we tested dividend receipts by agreeing the dividend rates from all investments to independent third party sources. We tested the allocation and presentation of dividend income, including special dividends between income and capital by agreeing treatments to third party sources.</p> <p>To test for completeness, we tested that the appropriate dividends had been received in the year by reference to independent data of dividends declared for all dividends during the year.</p> <p>No material misstatements were identified from this testing.</p>

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation and existence of investments</i></p> <p>Refer to pages 39 (Audit Committee Report), page 54 (Accounting Policies) and page 59 (Notes to the Accounts). The investment portfolio at 30 November 2019 comprised of listed equity investments of £80.1 million. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed in the Statement of Financial Position in the financial statements.</p>	<p>We tested the valuation of the investments by agreeing the prices used in the valuation to independent third party sources.</p> <p>We tested the existence of the investments by agreeing the holdings of all investments to an independent confirmation from the Depository, Northern Trust Global Services SE as at 30 November 2019.</p> <p>No material misstatements were identified from this testing.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£950,000.
How we determined it	1% of net assets.
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice for investment trust audits, in the absence of indicators that an alternative benchmark would be appropriate and because we believe this provides an appropriate and consistent year-on-year basis for our audit.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £47,500 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Going concern

In accordance with ISAs (UK) we report as follows:

Reporting obligation	Outcome
We are required to report if we have anything material to add or draw attention to in respect of the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the Directors' identification of any material uncertainties to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.	We have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms of the United Kingdom's withdrawal from the European Union are not clear, and it is difficult to evaluate all the potential implications on the Company's business and the wider economy.
We are required to report if the Directors' statement relating to Going Concern in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.	We have nothing to report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report, Report of the Directors and Corporate Governance Statement, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 (CA06), ISAs (UK) and the Listing Rules of the Financial Conduct Authority (FCA) require us also to report certain opinions and matters as described below (required by ISAs (UK) unless otherwise stated).

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the period ended 30 November 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. (CA06)

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors. (CA06)

Corporate Governance Statement

In our opinion, based on the work undertaken in the course of the audit, the information given in the Corporate Governance Statement (on page 30) about internal controls and risk management systems in relation to financial reporting processes and about share capital structures in compliance with rules 7.2.5 and 7.2.6 of the Disclosure Guidance and Transparency Rules sourcebook of the FCA ("DTR") is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. (CA06)

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in this information. (CA06)

In our opinion, based on the work undertaken in the course of the audit, the information given in the Corporate Governance Statement (on page 27) with respect to the Company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the DTR. (CA06)

We have nothing to report arising from our responsibility to report if a corporate governance statement has not been prepared by the Company. (CA06)

The Directors' assessment of the prospects of the Company and of the principal risks that would threaten the solvency or liquidity of the Company

We have nothing material to add or draw attention to regarding:

- The Directors' confirmation on page 33 of the Annual Report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.
- The disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.
- The Directors' explanation on page 33 of the Annual Report as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We have nothing to report having performed a review of the Directors' statement that they have carried out a robust assessment of the principal risks facing the Company and statement in relation to the longer-term viability of the Company. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the UK Corporate Governance Code (the "Code"); and considering whether the statements are consistent with the knowledge and understanding of the Company and its environment obtained in the course of the audit. (*Listing Rules*)

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Other Code Provisions

We have nothing to report in respect of our responsibility to report when:

- The statement given by the Directors, on page 37, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position and performance, business model and strategy is materially inconsistent with our knowledge of the Company obtained in the course of performing our audit.
- The section of the Annual Report on page 38 describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- The Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified, under the Listing Rules, for review by the auditors.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006. (CA06)

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 37, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is 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, the Directors are 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the audit committee, we were appointed by the Directors on 1 February 2019 to audit the financial statements for the year ended 30 November 2019 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Christopher Meyrick (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

6 February 2020

INCOME STATEMENT

for the period from incorporation on 7 August 2018 to 30 November 2019

	Notes	Revenue £'000	Capital £'000	Total £'000
Losses on investments held at fair value through profit or loss	9	-	(6,180)	(6,180)
Exchange differences		(3)	(65)	(68)
Income	2	1,458	-	1,458
Investment management and management service fees	3	(403)	(940)	(1,343)
Other expenses	4	(569)	-	(569)
Net return/(loss) on ordinary activities before finance costs and taxation		483	(7,185)	(6,702)
Finance costs	5	(12)	(28)	(40)
Return/(loss) after finance costs attributable to equity shareholders		471	(7,213)	(6,742)
Taxation on ordinary activities	6	(128)	-	(128)
Return/(loss) after finance costs and taxation attributable to equity shareholders		343	(7,213)	(6,870)
Return/(loss) per share basic and diluted	8	0.34p	(7.05)p	(6.71)p

The Total column of this statement represents the Company's Income Statement. The Revenue and Capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies (AIC).

All revenue and capital items in the Income Statement derive from continuing operations.

The Company had no other comprehensive income or expenses other than those shown above and therefore no separate Statement of Other Comprehensive Income has been presented.

STATEMENT OF CHANGES IN EQUITY

for the period from incorporation on 7 August 2018 to 30 November 2019

Company	Ordinary share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Issue of shares following placing and offer for subscription	1,000	99,000	-	-	-	100,000
Costs of placing and offer for subscription*	-	(2,004)	-	-	-	(2,004)
Issue of management shares	13	-	-	-	-	13
Issue of new shares on Secondary market	50	4,801	-	-	-	4,851
Transfer of share premium to special reserve	-	(96,932)	96,932	-	-	-
(Loss)/return for the period	-	-	-	(7,213)	343	(6,870)
At 30 November 2019	1,063	4,865	96,932	(7,213)	343	95,990

* See page 40 for details of non-audit services provided by PricewaterhouseCoopers LLP prior to incorporation, these expenses have been charged to the Share Premium account.

The accompanying notes are an integral part of these statements.

STATEMENT OF FINANCIAL POSITION

as at 30 November 2019

	Notes	2019 £'000
Fixed assets		
Investments held at fair value through profit or loss	9	80,055
Current assets		
Debtors	10	171
Cash and cash equivalents		15,963
Current liabilities		
Creditors (amounts falling due within one year)	11	16,134 (199)
Net current assets		15,935
Total assets less current liabilities		95,990
Net assets		95,990
Capital and reserves		
Called up share capital	12	1,063
Share premium account		4,865
Special reserve	13	96,932
Capital reserve		(7,213)
Revenue reserve		343
Equity shareholders' funds		95,990
Net asset value per Ordinary Share (p)	14	91.42

The financial statements on pages 52 to 62 were approved, and authorised for issue, by the Board of Directors on 6 February 2020 and signed on its behalf by:

Maria Luisa Cicognani

Chairman

The accompanying notes are an integral part of these statements.

Mobius Investment Trust Plc - Company Registration Number: 11504912 (Registered in England and Wales)

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The principal accounting policies, all of which have been applied consistently throughout the period in the preparation of these Financial Statements, are set out below:

(a) Basis of Accounting

The Financial Statements have been prepared under UK Company Law, FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' and under the historical cost convention, except for the measurement at fair value of investments, and the Statement of Recommended Practice (SORP) for "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by the Association of Investment Companies dated October 2019 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis. The disclosure on going concern on page 37 in the Statement of Directors' Responsibilities form part of these financial statements.

The Company has taken advantage of the exemption from preparing a Cash Flow Statement under FRS 102, as it is an investment company whose investments are substantially all highly liquid and carried at fair (market) value.

Significant Judgement

There is one significant judgement involved in the presentation of the Company's accounts being the judgement on the functional and presentational currency of the Company.

The Company's investments are made in foreign currencies, however the Board considers the Company's functional and presentational currency to be sterling. In arriving at this conclusion, the Board considered that the shares of the Company are listed on the London Stock Exchange, it is regulated in the United Kingdom and pays dividends and expenses in sterling. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

Presentation of the Income Statement

In order to reflect better the activities of an investment trust company and in accordance with the SORP, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The net revenue return is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010.

(b) Valuation of Investments

Investments are measured initially, and at subsequent reporting dates, at fair value, and are recognised and derecognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned. For quoted securities fair value is either bid price or last traded price, depending on the convention of the exchange on which the investment is listed. Changes in fair value and gains or losses on disposal are included in the Income Statement as a capital item.

In addition, for financial reporting purposes, fair value measurements are categorised into a fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 - Quoted prices in active markets;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data), either directly or indirectly; and
- Level 3 - Inputs are unobservable (ie for which market data is unavailable).

(c) Investment Income

Dividends receivable from equity shares are recognised on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital.

Foreign dividends are gross of withholding tax.

Special dividends are looked at individually to decide the reason behind the payment. In deciding whether a dividend should be regarded as a capital or revenue receipt, the Company reviews all relevant information as to the reasons for and sources of the dividend on a case by case basis. Special dividends of a revenue nature are recognised through the revenue column of the Income Statement. Special dividends of a capital nature are recognised through the capital column of the Income Statement.

Deposit interest receivable is taken to revenue on an accruals basis.

1. Accounting Policies (continued)

(d) Expenses and finance costs

All the expense and finance costs are accounted for on an accruals basis. Expenses are charged through the revenue column of the Income Statement except as follows:

- Expenses which are incidental to the acquisition or disposal of an investment are treated as part of the cost or proceeds of that investment;
- Expenses are taken to the capital reserve via the capital column of the Income Statement, where a connection with the maintenance or enhancement of the value of investments can be demonstrated. In line with the Board's expected long-term split of returns, in the form of capital gains and income from the Company's portfolio, 70% of the Investment Management fees, Administration and Management Services fees and finance costs are taken to the capital reserve.

(e) Taxation

In line with the recommendations of the SORP, the tax effect of different items of expenditure is allocated between capital and revenue using the marginal basis. Deferred taxation is provided on all timing differences that have originated but not been reversed by the Statement of Financial Position date other than those regarded as permanent. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the reversal of timing differences can be deducted. Any liability to deferred tax is provided for at the rate of tax enacted or substantially enacted.

Dividend income received by the Company may be subject to withholding tax imposed in the country of origin. The tax charges shown in the income Statement relates to overseas withholding tax on dividend income.

(f) Foreign currency

The currency of the primary economic environment in which the Company operates (the functional currency) is sterling, which is also the presentational currency of the Company. Transactions recorded in overseas currencies during the year are translated into sterling at the appropriate daily exchange rates. Assets and liabilities denominated in overseas currencies at the Statement of Financial Position date are translated into sterling at the exchange rate ruling at that date.

Exchange differences are included in the Income Statement and allocated as capital if they are of a capital nature, or as revenue if they are of a revenue nature.

(g) Functional and presentational currency

The financial information is shown in sterling, being the Company's presentational currency. In arriving at the functional currency, the Directors have considered the following:

- (i) the primary economic environment of the Company;
- (ii) the currency in which the original capital was raised;
- (iii) the currency in which distributions are made;
- (iv) the currency in which performance is evaluated; and
- (v) the currency in which the capital would be returned to shareholders on a break-up basis.

The Directors have also considered the currency to which underlying investments are exposed and liquidity is managed. The Directors are of the opinion that sterling best represents the functional currency.

(h) Cash and cash equivalents

Cash and cash equivalents are defined as cash and demand deposits readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(i) Nature and Purpose of Reserves

Ordinary share capital

represents the nominal value of the issued share capital.

Share premium account

The share premium arose on the issue of new shares.

Special reserve

This reserve is created upon the cancellation of the Share Premium Account. This reserve is distributable by way of a dividend.

Capital redemption reserve

A transfer will be made to this reserve on cancellation of the Company's own shares purchased, equal to the nominal value of the shares.

1. Accounting Policies (continued)

Capital reserve

This reserve reflects any:

- gains or losses on the disposal of investments
- exchange differences of a capital nature;
- the increases and decreases in the fair value of investments which have been recognised in the capital column of the Income Statement; and
- expenses which are capital in nature as disclosed on page 55.
- this reserve can also be used to distribute realised capital profits by way of a dividend.

Any gains in the fair value of investments that are not readily convertible to cash are treated as unrealised gains in the capital reserve.

Revenue reserve

This reserve reflects all income and expenditure which are recognised in the revenue column of the income Statement and is distributable by way of dividend.

(j) Equity dividends

Interim dividends are recognised in the period in which they are paid. Final dividends are not recognised until they have been approved by shareholders at the Annual General Meeting ('AGM').

Distributable reserves

The Special and Capital Reserves are distributable by way of dividend and can be used to fund any repurchases of the company's own shares. It is, however, the Board's current policy to only pay dividends out of the revenue reserve.

2. Income

	Period ended 30 November 2019 £'000
Income from investments	
Overseas Dividends	1,396
Income from fixed interest securities	62
	1,458

3. Investment Management and Management Service Fees

	Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000
Investment management fee			
- Mobius Capital Partners LLP	335	782	1,117
Management service fee - Frostrow Capital LLP	68	158	226
	403	940	1,343

Further information regarding Investment Management and Management Service fees can be found on pages 33 and 34.

4. Other Expenses

	Period ended 30 November 2019 £'000
Directors' fees	142
Auditor's remuneration - Statutory annual audit	24
Custody fees	62
Depository fees	29
Printing and postage	15
Registrar fees	11
Company broker fees	49
Stock listing and FCA fees	44
Legal and professional fees	38
Marketing and promotional costs	78
Tax advice	28
Other expenses	49
	569

5. Finance Costs

	Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000
Loan facility set up expenses	12	28	40
	12	28	40

A loan facility is intended to be set up during the financial year ending 30 November 2020.

6. Taxation

(a) Analysis of Charge in the Year

	Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000
Overseas taxation	149	-	149
Overseas tax recoverable	(21)	-	(21)
	128	-	128

Overseas tax arose as a result of irrecoverable withholding tax on overseas dividends.

(b) Reconciliation of Tax Charge

The revenue account tax charge for the period is higher than the standard rate of corporation tax in the UK of 19.0%.

The differences are explained overleaf:

6. Taxation (continued)

	Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000
Total return/(loss) on ordinary activities before tax	471	(7,213)	(6,742)
Corporation tax charged at 19.0%	89	(1,370)	(1,281)
Effects of:			
Non-taxable (losses) on investment	-	1,174	1,174
Non-taxable exchange differences	1	12	13
Unutilised management expenses	185	179	364
Loan relationship deficit not utilised	2	5	7
Income not subject to corporation tax	(277)	-	(277)
Overseas taxation	149	-	149
Overseas tax recovered	(21)	-	(21)
Tax charge for the period	128	-	128

(c) Provision for deferred taxation

As at 30 November 2019, the Company had unutilised management expenses for taxation purposes of £1,887,000. It is unlikely the Company will generate sufficient taxable income in excess of the available deductible expenses and therefore the Company has not recognised a deferred tax asset of £321,000 based on a prospective corporation tax rate of 17%. The UK corporation tax rate is *currently* enacted to fall to 17% effective 1 April 2020.

Due to the Company's status as an investment company and the intention to continue meeting the conditions required to maintain such a status in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

7. Dividends

Amounts recognised as distributable to shareholders for the period ended 30 November 2019, were as follows:

	Period ended 30 November 2019 £'000
Revenue available for distribution by way of dividend for the period	343
Proposed dividend of 0.30p per share (to be approved at the AGM)	(315)
Transfer to revenue reserves	28

In respect of the period ended 30 November 2019, a dividend of 0.30p has been proposed and will be reflected in the Annual Report for the year ended 30 November 2020.

Details of the ex-dividend and payment dates are shown in the Chairman's Statement on page 5.

8. Return/(loss) per share - basic and diluted

The return per share figures are based on the following figures:

	Period ended 30 November 2019 £'000
Net revenue return	343
Net capital loss	(7,213)
Net total loss	(6,870)
Weighted average number of Ordinary Shares in issue during the period from the incorporation of the Company on 7 August 2018 to 30 November 2019	90,640,853

8. Return/(loss) per share – basic and diluted (continued)

	Period ended 30 November 2019 Pence
Revenue earnings per share from IPO	0.34
Capital loss per share from IPO	(7.05)
Total loss per share from IPO	(6.71)

Weighted average number of Ordinary Shares in issue during the period from the IPO of the Company on 1 October 2018 to 30 November 2019	102,343,310
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The earnings per share from incorporation is the figure calculated in accordance with IAS 33 'Earnings per share'.

The weighted average number of Ordinary Shares since incorporation was 90,640,853 and the return per share figures calculated using this would be: revenue return per Ordinary Share 0.38p; capital loss per ordinary share (7.96)p; and, total loss per ordinary share (7.58)p.

The earnings per share from IPO figure has been disclosed as all earnings were earned subsequently to the IPO, and the issue of the 100,000,000 shares. The Directors have decided to disclose this as it better reflects the return generated for Shareholders.

During the period there were no dilutive instruments held, therefore the basic and diluted return per share are the same.

9. Investments held at fair value through profit or loss

	30 November 2019 £'000
Valuation at incorporation	-
Movements in the period	-
Purchases at cost	121,504
Sales proceeds	(35,269)
Losses on investments	(6,180)
Valuation at 30 November	80,055
Closing book cost	83,386
Investment holding losses at 30 November	(3,331)
Valuation at 30 November	80,055

The company received £35,269,000 from investments sold in the period. The book cost of the investments when they were purchased was £38,118,000. These investments have been revalued over-time until they were sold any unrealised gains/losses were included in the fair value of the investments.

During the period the Company incurred transaction costs on purchases of £170,000.

Sales transaction costs incurred during the period was £56,000 and comprise commission.

10. Debtors

	30 November 2019 £'000
Accrued income	14
Overseas tax recoverable	21
Non-redeemable preference shares recoverable	13
Other debtors	123
	171

11. Creditors: Amounts Falling Due Within One Year

	30 November 2019 £'000
Investment management fee - Mobius Capital Partners LLP	73
Management service fee - Frostrow Capital LLP	15
Other creditors	111
	199

12. Called up Share Capital

	30 November 2019 £'000
50,000 non-redeemable preference shares of £1 each	13
Allotted and fully paid:	
105,000,000 Ordinary shares of 1p each	1,050
	1,063

The capital of the Company is managed in accordance with its investment policy which is detailed in the Strategic Report on pages 7 and 8.

On incorporation, the issued share capital of the Company was comprised of 1 Ordinary share of 1p and 50,000 non-redeemable preference shares of nominal value of £1 each, which were subscribed for by the Investment Manager.

On 1 October 2018, 100,000,000 Ordinary Shares were allotted and issued to shareholders as part of the placing. The 1 Ordinary share of 1p issued on the incorporation date was cancelled on this date. The total consideration received was £100,000,000.

The share capital includes 50,000 non-redeemable preference shares of a nominal value of £1 each; of which a one quarter is paid-up. These are held by the Investment Manager.

In line with the Company's premium management strategy, the Company started issuing shares on 25 March 2019. Since then, and until 30 November 2019, 5,000,000 new Ordinary Shares were issued and the total number of shares in issue as at 30 November 2019 was 105,000,000. The total consideration received from the share issues subsequent to the placing was £4,851,000.

The Company does not have any externally imposed capital requirements.

13. Special reserve

On 18 December 2018 the cancellation of the share premium account (as at that date) was effected and the amount of £96,932,005 previously held in the share premium account was transferred to a special distributable reserve.

14. Net Asset Value Per Ordinary Share

	2019
Net Assets (£'000)	95,990
Number of shares in issue	105,000,000
Net asset value per share	91.42p

During the period there were no dilutive instruments held, therefore the basic and dilutive net asset value per share are the same.

15. Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances and debtors and creditors that arise directly from its operations. As an investment trust the Company holds an investment portfolio of financial assets in pursuit of its investment objective.

Fixed asset investments (see note 9 on page 59) are valued at fair value in accordance with the Company's accounting policies. The fair value of all other financial assets and liabilities is represented by their carrying value in the Statement of Financial Position shown on page 53.

All investments have been classified as Level 1.

15. Financial Instruments (continued)

The main risks that the Company faces arising from its financial instruments are:

- (i) market risk, including:
 - Other price risk, being the risk that the value of investments will fluctuate as a result of changes in market prices;
 - interest rate risk, being the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates;
 - foreign currency risk, being the risk that the value of financial assets and liabilities will fluctuate because of movements in currency rates;
- (ii) credit risk, being the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company; and
- (iii) liquidity risk, being the risk that the Company will not be able to meet its liabilities when they fall due. This may arise should the Company not be able to liquidate its investments. Under normal market trading volumes the investment portfolio could be substantially realised within a week.

Other price risk

The management of price risk is part of the investment management process and is typical of equity investment. The investment portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis with an objective of maximising overall returns to shareholders. Further information on how the investment portfolio is managed is set out on pages 12 to 18. Although it is the Company's current policy not to use derivatives they may be used from time to time, with prior Board approval, to hedge specific market risk or gain exposure to a specific market.

If the investment portfolio valuation rose or fell by 10% at 30 November 2019, the impact on the net asset value would have been £8.0 million. The calculations are based on the investment portfolio valuation as at the respective Statement of Financial Position dates and are not necessarily representative of the year as a whole.

Interest rate risk

The majority of the Company's financial assets are equity shares which neither pay interest nor have a maturity date.

When the Company retains cash balances the majority of the cash is held in account. The benchmark rate which determines the interest payments received on cash balances is the bank base rate for the relevant currency for each deposit.

Foreign currency risk

The Company invests in overseas securities and holds foreign currency cash balances which give rise to currency risks. Foreign currency risks are managed alongside other market risks as part of the management of the investment portfolio. It is currently not the Company's policy to hedge this risk on a continuing basis but it can do so from time to time.

Foreign currency exposure:

	Investments	2019 Cash	Debtors	Creditors
	£'000	£'000	£'000	£'000
Brazilian real	14,404	-	-	-
Indian rupee	16,295	-	-	-
New Taiwanese dollar	4,448	-	-	-
Hong Kong dollar	12,780	-	-	-
Polish zloty	4,492	-	21	-
Mexican peso	4,520	-	-	-
Turkish lira	3,469	-	-	-
US dollar	10,091	-	14	-
Korean won	8,586	-	-	-
Kenyan shilling	970	-	-	-
Total	80,055	-	35	-

At 30 November 2019 the Company had £15,963,000 of sterling cash balances.

15. Financial Instruments (continued)

During the period sterling weakened by an average of 2.6% against all of the currencies in the investment portfolio (weighted for exposure at 30 November), if the value of sterling had strengthened against each of the currencies in the portfolio by 10%, the impact on the net asset value would have been negative £8.0 million. If the value of sterling had weakened against each of the currencies in the investment portfolio by 10%, the impact on the net asset value would have been positive £8.0 million. The calculations are based on the investment portfolio valuation and cash balances as at the year end and are not necessarily representative of the year as a whole.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Investment Manager has in place a monitoring procedure in respect of counterparty risk which is reviewed on an ongoing basis. The carrying amounts of financial assets best represents the maximum credit risk exposure at the statement of financial position date, and the main exposure to credit risk is via the Company's Custodian who is responsible for the safeguarding of the Company's Investments and cash balances.

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	2019 £'000
Cash and cash equivalents	15,963
Debtors	171
	16,134

All the assets of the Company which are traded on a recognised exchange are held by Northern Trust, the Company's Custodian. Bankruptcy or insolvency of the Custodian may cause the Company's rights with respect to securities held by the Custodian to be delayed or limited. The Board monitors the Company's risk as described in the Strategic Report on pages 2 to 23.

The Company's liquidity risk is managed on an ongoing basis by the Investment Manager and the Administrator. The Company's overall liquidity risks are monitored on a quarterly basis by the Board.

The Company maintains sufficient investments in cash and readily realisable securities to pay accounts payable and accrued expenses.

Liquidity risk

Substantially all of the Company's portfolio would be realisable within one week, under normal market conditions, and as such liquidity risk is not considered a material risk.

16. Related Party Transactions

The following are considered to be related parties:

- Mobius Capital Partners LLP
- The Directors of the Company

The Company employs Mobius Capital Partners LLP as its Investment Manager. During the period ended 30 November 2019, Mobius Capital Partners LLP earned £1,117,000 in respect of Investment Management fees, of which £73,000 was outstanding at the year end. All material related party transactions have been disclosed in notes 3 and 4 on pages 56 and 57. Details of the remuneration and the shareholdings of all Directors can be found on pages 42 and 43.

17. Contingent Liabilities

There were no contingent liabilities at 30 November 2019.

AIFMD RELATED DISCLOSURE

Alternative Investments Fund Managers Directive (AIFMD) Disclosures (Unaudited)

Investment objective and leverage

Mobius Capital Partners LLP ("MCP") and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). The Company represents approximately 72% of Mobius Capital Partners total funds under management.

A description of the investment strategy and objectives of the Company, the types of assets in which the Company may invest, the techniques it may employ, any applicable investment restrictions, the circumstances in which it may use leverage, the types and sources of leverage permitted and the associated risks, any restrictions on the use of leverage and the maximum level of leverage which the AIFM and Portfolio Manager are entitled to employ on behalf of the Company and the procedures by which the Company may change its investment strategy and/or the investment policy can be found on pages 7 and 8.

The table below sets out the current maximum permitted limit and actual level of leverages for the Company (see Glossary on page 65 for further details):

	As a percentage of net assets	
	Gross Method	Commitment Method
Maximum level of leverage	150.0%	150.0%
Actual level at 30 November 2019	83.4%	100.0%

Remuneration Disclosure of AIFM staff

As per the firm's remuneration policy and procedures, MCP seeks to avoid creating any incentive for individuals to take inappropriate risk and, in general, all decisions are confirmed by the investment committee(s) which has members in common with the governing body. During the year ending 30 November 2019, MCP had 11 members of personnel in total, including employees and Partners, 7 of whom fall under Code Staff as per the firm's remuneration code policy. Following completion of an assessment of the application of the proportionality principle to the FCA's AIFM Remuneration Code, MCP has disappplied the pay-out processed rules with respect to all code staff members. This is because the AIFM considers that it carries out non-complex activities and is operating on a small scale.

The information above relates to Mobius Capital Partners LLP as a whole, and it has not been broken down by reference to the Company or the other funds that MCP manages. Nor has the proportion of remuneration which relates to the income MCP earns from their management of the company.

Further disclosures required under the AIFM Rules can be found within the Investor Disclosure Document on the Company's website www.mobiusinvestmenttrust.com

SHAREHOLDER INFORMATION

Financial Calendar

30 November	Financial Year End
February	Final Results Announced
April	Annual General Meeting
May	Final Dividend Payable
31 May	Half Year End
July	Half Year Results Announced

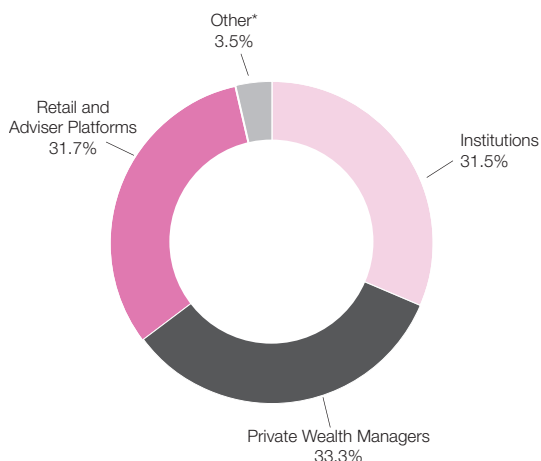
Annual General Meeting

The Annual General Meeting of Mobius Investment Trust plc will be held at the Company's registered office address at 25 Southampton Buildings, London WC2A 1AL on Thursday, 23 April 2020 at 12.00 noon.

Dividend

A dividend is normally paid annually following approval at the Annual General Meeting. Shareholders who wish to have dividends paid directly into a bank account, rather than by cheque to their registered address, can complete a mandate form for the purpose. Mandates may be obtained from the Company's Registrars, Computershare Investor Services, on request.

Profile of the Company's Ownership % of shares held at 30 November 2019



* Includes shares held by market makers and holdings too small to analyse.

Source: Richard Davies Investor Relations

Share Prices

The Company's shares are listed on the London Stock Exchange under 'Investment Companies'. The price is given daily in the Financial Times and other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's Registrars, Computershare Investor Services, under the signature of the registered holder.

Daily Net Asset Value

The daily net asset value of the Company's shares can be obtained on the Company's website at www.mobiusinvestmenttrust.com/ and is published daily via the London Stock Exchange.

How to Vote

If you hold your shares directly you will have received a paper proxy form. For this year's Annual General Meeting you should ensure that this is returned to the Company's registrars, Computershare, before 12 noon on Tuesday, 21 April 2020. Shareholders who hold their shares in uncertificated form in CREST, should use the CREST electronic proxy appointment service as described in the Notice of Annual General Meeting, note 4 on page 70.

If you hold your shares via an investment platform or a nominee, you should contact them to inquire about arrangements to vote.

If you would like to attend the meeting in person, shareholders should bring their voting card or proof of identity. If you have a disability or impairment, please let us know, so that we may try to make suitable arrangements at the meeting.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES (APMs)

AIFMD

The Alternative Investment Fund Managers Directive (the 'Directive') is a European Union Directive that entered into force on 22 July 2013. The Directive regulates EU fund managers that manage alternative investment funds (this includes investment trusts).

Brexit

The advisory public referendum which was held on 23 June 2016 in the United Kingdom to indicate whether voters wanted to remain or withdraw from membership of the European Union (EU). The referendum vote was cast in favour of leaving the EU. The process of actually leaving is termed Brexit.

Discount or Premium[^]

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Gearing[^]

The term used to describe the process of borrowing money for investment purposes. The expectation is that the returns on the investments purchased will exceed the finance costs associated with those borrowings.

There are several methods of calculating gearing and the following has been selected:

Total assets, less current liabilities (before deducting any prior charges) minus cash/cash equivalents divided by shareholders' funds, expressed as a percentage.

Leverage

Leverage is defined in the AIFMD as any method by which the AIFM increases the exposure of an AIF. In addition to the gearing limit the Company also has to comply with the AIFMD leverage requirements. For these purposes the Board has set a maximum leverage limit of 150% for both methods. This limit is expressed as a percentage with 100% representing no leverage or gearing in the Company. There are two methods of calculating leverage as follows:

Under the Gross Method, exposure represents the Company's position after the deduction of sterling cash balances and without taking into account any hedging or netting arrangements.

Under the Commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset (see page 63 for further details).

Net Asset Value (NAV)

The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV is also described as 'shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

Net Asset Value Total Return[^]

The theoretical total return on an investment over a specified period assuming dividends paid to shareholders were reinvested at net asset value per share at the time the shares were quoted ex-dividend. This is a way of measuring investment management performance of investment trusts which is not affected by movements in discounts or premiums.

		Period ended 30 November 2019
NAV Total Return	Page	
Opening NAV (p)	2	98.0
Decrease in NAV (p)	2	(6.6)
Closing NAV (p)	2	91.4
% decrease in NAV	2	(6.7)
Impact of reinvested dividends	2	-
NAV Total Return	2	(6.7)%

[^] Alternative Performance Measure

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES (APMS) (continued)

Ongoing Charges[^]

Ongoing charges are calculated by taking the Company's annualised operating expenses as a proportion of the average daily net asset value of the Company over the year. The costs of buying and selling investments are excluded, as are interest costs, taxation, cost of buying back or issuing ordinary shares and other non-recurring costs.

	Page	Period ended 30 November 2019 £'000
Investment management fees and management service fees	56	1,343
Operating expenses	57	569
Pro-rata adjustment*	–	(273)
Annualised expenses	–	1,639
Average net assets during the period	–	97,887
Ongoing charges	2	1.7%

* Pro-rata adjustment is to reflect that the accounting period is longer than 12 months.

Peer Group

Mobius Investment Trust plc is part of the AIC's Global Emerging Markets sector. The Company has selected the following companies to form the Peer Group:

BlackRock Frontiers Investment Trust, Fundsmith Emerging Equities Trust, Genesis Emerging Markets Fund, JPMorgan Emerging Markets Investment Trust, JPMorgan Global Emerging Markets Income Trust, Jupiter Emerging & Frontier Income Trust, Templeton Emerging Markets Investment Trust and Utilico Emerging Markets Trust.

Revenue Return per Share

The revenue return per share is calculated by taking the return on ordinary activities after taxation and dividing it by the weighted average number of shares in issue during the year (see note 8 on pages 58 and 59 for further information).

Share Price Total Return[^]

The theoretical total return on an investment over a specified period assuming dividends paid to shareholders were reinvested in shares at the share price at the time the shares were quoted ex-dividend.

Share price Total Return	Page	30 November 2019 p
Opening share price (p)	2	100.0
Decrease in share price (p)	2	(17.0)
Closing share price (p)	2	83.0
% decrease in share price	2	(17.0)
Impact of reinvested dividends	2	–
Share price Total Return	2	(17.0)%

HOW TO INVEST

Retail Investors advised by IFAs

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers (IFAs) in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relation to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Computershare – Share Dealing Service

A share dealing service is available to existing shareholders through the Company's Registrar, Computershare Investor Services, to either buy or sell shares. Shareholders wishing to use this service will need their Shareholder Reference Number ("SRN"), which can be found on the share certificate. If shareholders are unable to locate their SRN, they should contact Computershare.

Computershare's Internet and Telephone Share Dealing Service provides shareholders with a simple way to sell or purchase shares (subject to availability) on the London Stock Exchange. Real time trading is available during market hours (08.00 to 16.30 Monday to Friday excluding bank holidays).

Shareholders who would like to use Computershare's Share Dealing Service should either do so online at www.computershare.trade or call +44 (0) 370 703 0084.

The fee for the internet share dealing service is 1% of the value of each sale or purchase of shares (subject to a minimum of £30). Stamp duty of 0.5% may also be payable on purchases.

The fee for the telephone share dealing service is 1% of the value of the transaction plus £50. Stamp duty may also be payable on purchases.

Investment Platforms

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found below:

AJ Bell Youinvest	http://www.youinvest.co.uk/
Alliance Trust Savings	http://www.alliancetrustsavings.co.uk/
Barclays Stockbrokers	www.smartinvestor.barclays.co.uk/
Bestinvest	http://www.bestinvest.co.uk/
Charles Stanley Direct	https://www.charles-stanley-direct.co.uk/
Club Finance	http://www.clubfinance.co.uk/
Halifax Share Dealing	http://www.halifax.co.uk/Sharedealing/
Hargreaves Lansdown	http://www.hl.co.uk/
HSBC	https://investments.hsbc.co.uk/
iDealing	http://www.idealing.com/
Interactive Investor	http://www.iii.co.uk/
IWEB	http://www.iweb-sharedealing.co.uk/ share-dealing-home.asp
Saga Share Direct	https://www.sagasharedirect.co.uk/
Selftrade	http://www.selftrade.co.uk/
The Share Centre	https://www.share.com/
Saxo Capital Markets	http://uk.saxomarkets.com/

Risk warnings

Past performance is no guarantee of future performance. The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company's shares. As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with the supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons investors may not get back the original amount invested. Although the Company's shares are denominated in sterling, it may invest in stocks and shares which are denominated in currencies other than sterling and to the extent they do so, they may be affected by movements in exchange rates. As a result the value of your investment may rise or fall with movements in exchange rates. Investors should note that tax rates and reliefs may change at any time in the future. The value of ISA tax advantages will depend on personal circumstances. The favourable tax treatments of ISAs may not be maintained.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the first Annual General Meeting of Mobius Investment Trust plc will be held at the Company's registered office address at 25 Southampton Buildings, London WC2A 1AL on Thursday, 23 April 2020 at 12.00 noon for the following purposes:

Ordinary Business

To consider and, if thought fit, pass the following as Ordinary Resolutions:

1. That the Report of the Directors and Accounts for the period ended 30 November 2019 together with the Report of the Auditors thereon be received.
2. To receive and approve the Directors' Remuneration Report for the period ended 30 November 2019.
3. That the Directors' Remuneration Policy be approved.
4. That a final dividend for the period ended 30 November 2019 of 0.30p per share be declared.
5. That Ms M L Cicognani be elected as a Director.
6. That Mr C Casey be elected as a Director.
7. That Dr S Robé be elected as a Director.
8. That Mr C Y Shi be elected as a Director.
9. That PricewaterhouseCoopers LLP be appointed as Auditors to hold office from the conclusion of the meeting to the conclusion of the next Annual General Meeting at which accounts are laid.
10. That the Audit Committee be authorised to determine the Auditors' remuneration.

Special Business

To consider and, if thought fit, pass the following resolutions, of which resolutions 12, 13 and 14 will be proposed as Special Resolutions.

Authority to Allot Shares

11. That, the Board of Directors of the Company (the 'Board') be and it is hereby generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £105,000 (or if changed, the number representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution) provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or 15 months from the

date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Disapplication of Pre-emption Rights

12. That, subject to the passing of resolution 11, the Board of Directors of the Company (the 'Board') be and it is hereby generally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the 'Act') to allot equity securities (within the meaning of section 560 of the Act) (including the grant of rights to subscribe for, or to convert any securities into, ordinary shares of 1p each in the capital of the Company ('Ordinary Shares')) for cash pursuant to the authority conferred on them by such Resolution 11 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

the allotment of equity securities up to an aggregate nominal amount of £105,000, (or if changed, the number representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution) and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2021 or 15 months from the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Authority to Repurchase Shares

13. That, the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the 'Act') to make one or more market purchases (as defined in section 693(4) of the Act) of ordinary shares of 1p each in the capital of the Company ('Ordinary Shares') for

NOTICE OF THE ANNUAL GENERAL MEETING continued

cancellation or for holding in Treasury on such terms and in such manner as the board of directors may determine provided that:

- (i) the maximum aggregate number of Ordinary Shares which may be purchased is 15,739,500 or, if changed, the number representing 14.99% of the issued share capital of the Company immediately prior to the passing of this resolution;
- (ii) the minimum price which may be paid for an Ordinary Share is 1p (exclusive of associated expenses);
- (iii) the maximum price which may be paid for an Ordinary Share (exclusive of associated expenses) shall not be more than the higher of: (a) an amount equal to 105% of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five dealing days immediately preceding the day on which the Ordinary Share is purchased; and (b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange for an Ordinary Share; and

- (iv) unless previously renewed, varied or revoked, this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or 15 months from the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company may before such expiry enter into a contract to purchase Ordinary Shares which will or may be completed wholly or partly after such expiry and a purchase of Ordinary Shares may be made pursuant to any such contract.

General Meetings

14. That any General Meeting of the Company (other than the Annual General Meeting of the Company) shall be called by notice of at least 14 clear days in accordance with the provisions of the Articles of Association of the Company provided that the authority shall expire on the conclusion of the next Annual General Meeting of the Company, or, if earlier, on the expiry 15 months from the date of the passing of this resolution.

By order of the Board

Frostrow Capital LLP

Company Secretary
6 February 2020

Registered office

25 Southampton Buildings
London
WC2A 1AL

Location of the Annual General Meeting

25 Southampton Buildings, London WC2A 1AL on Thursday, 23 April 2020 at 12 noon.



NOTICE OF THE ANNUAL GENERAL MEETING continued

Notes

1. If you wish to attend the Annual General Meeting in person, you should arrive at the venue for the Annual General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity to the Company's registrar, Computershare Investor Services plc (the 'Registrar'), prior to being admitted to the Annual General Meeting.

2. Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying proxy form.

If members wish their proxy to speak on their behalf at the meeting, members will need to appoint their own choice of proxy (not the chairman of the Annual General Meeting) and give their instructions directly to them.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should contact the Registrar on 0370 703 6304. Lines are open between 8.30 am and 5.30 pm, Monday to Friday, the Registrars' overseas helpline number is +44 370 703 6304.

A member may instruct their proxy to abstain from voting on any resolution to be considered at the meeting by marking the abstain option when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" the resolution.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person if he or she wishes.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 8 overleaf.

3. A proxy form for use in connection with the Annual General Meeting is enclosed. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

If you do not have a proxy form and believe that you should have one, or you require additional proxy forms, please contact the Registrar on 0370 703 6304. Lines are open between 8.30 am and 5.30 pm, Monday to Friday, The Registrars' overseas helpline number is +44 370 703 6304.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and by

logging on to the following website: www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by the Registrar (ID 3RA50) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
6. Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).
7. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast),

NOTICE OF THE ANNUAL GENERAL MEETING continued

members must be registered in the Company's register of members at 6.30 p.m. on 21 April 2020 (or, if the Annual General Meeting is adjourned, at 6.30 p.m. on the day two working days prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

8. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the "2006 Act") to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.
 9. Information regarding the Annual General Meeting, including information required by section 311A of the 2006 Act, and a copy of this notice of Annual General Meeting is available from www.mobiusinvestmenttrust.com.
 10. Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the 2006 Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the 2006 Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the 2006 Act. Where the Company is required to place a statement on a website under section 527 of the 2006 Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the 2006 Act to publish on a website.
 11. As at 3 February 2020 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 105,000,000 ordinary shares carrying one vote each. Accordingly, the total voting rights in the Company at 3 February 2020 were 105,000,000 votes.
 12. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the chairman of the Annual General Meeting as his proxy will need to ensure that both he, and his proxy, comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.
 13. Under section 319A of the 2006 Act, the Company must cause to be answered any question relating to the business being dealt with at the Annual General Meeting put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
- Members who have any queries about the Annual General Meeting should contact Frostrow Capital LLP, the Company Secretary, at 25 Southampton Buildings, London WC2A 1AL.
- Members may not use any electronic address provided in this notice or in any related documents (including the accompanying proxy form) to communicate with the Company for any purpose other than those expressly stated.
14. The following documents will be available for inspection at the offices of Frostrow Capital LLP, the Company's Company Secretary, 25 Southampton Buildings, London WC2A 1AL during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice and at the venue of the Annual General Meeting from 9.45 a.m. on the day of the Annual General Meeting until the conclusion of the Annual General Meeting:
 - 14.1 copies of the Directors' letters of appointment; and
 - 14.2 copies of the Directors' deeds of indemnity.
 15. Under section 338 and section 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (b) it is defamatory of any person, or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 10 March 2020, being the date six clear weeks before the meeting, and (in the case of a matter to be included on the business only) must be accompanied by a statement setting out the grounds for the request.

EXPLANATORY NOTES TO THE RESOLUTIONS

Resolution 1 – To receive the Report of the Directors and Accounts

The Report of the Directors and Accounts for the period ended 30 November 2019 will be presented to the AGM. These accounts accompany this Notice of Meeting and shareholders will be given an opportunity at the meeting to ask questions.

Resolution 2 – Remuneration Report

The Directors' Remuneration Report is set out in full in the Annual Report on pages 41 to 43.

Resolution 3 – Remuneration Policy

Resolution 3 seeks shareholders' approval of the Directors' Remuneration Policy as set out on page 43. In accordance with applicable regulations, this policy will be put to shareholders at least once every three years and, after this year's AGM, will next be put to shareholders in 2023.

Resolution 4 – The Declaration of a Final Dividend for the period ended 30 November 2019

Resolution 4 seeks shareholder approval for the paying of a final dividend of 0.30p per share for the period ended 30 November 2019.

Resolutions 5 to 8 – Election of Directors

Resolutions 5 to 8 deal with the election of each Director. Biographies of each of the Directors can be found on pages 24 and 25.

The Board has confirmed, following a performance review, that the Directors standing for election continue to perform effectively.

Resolutions 9 and 10 – Appointment of Auditors and the determination of their remuneration

Resolutions 9 and 10 relate to the appointment of PricewaterhouseCoopers LLP as the Company's independent Auditors to hold office until the next AGM of the Company and also authorise the Audit Committee to set the Auditors' remuneration.

Resolutions 11 and 12 – Authority to Allot Shares and Disapplication of Pre-emption Rights

Ordinary Resolution 11 in the Notice of Annual General Meeting will renew the authority to allot the unissued share capital up to an aggregate nominal amount of £105,000 (equivalent to 10,500,000 shares, or 10% of the Company's existing issued share capital on 3 February 2020, being the nearest practicable date prior to the signing of this Report or, if changed, the number

representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution). Such authority will expire on the date of the next AGM or after a period of 15 months from the date of the passing of the resolution, whichever is earlier. This means that the authority will have to be renewed at the next AGM.

When shares are to be allotted for cash, Section 551 of the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special Resolution 12 will, if passed, give the Directors power to allot for cash equity securities up to 10% of the Company's existing share capital on 3 February 2020, or, if changed, the number representing 10% of the issued share capital of the Company immediately prior to the passing of this resolution as if Section 551 of the Act does not apply. This is the same nominal amount of share capital which the Directors are seeking the authority to allot pursuant to Resolution 11. This authority will also expire on the date of the next AGM or after a period of 15 months, whichever is earlier. This authority will not be used in connection with a rights issue by the Company.

The Directors intend to use the authority given by Resolutions 11 and 12 to allot shares and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for investment in line with the Company's investment policy. No issue of shares will be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Shares will only be issued at a premium to the Company's cum income net asset value per share at the time of issue.

Resolution 13 – Authority to Repurchase Shares

The Directors wish to renew the authority to buy back shares for cancellation or for holding in Treasury. The principal aim of a share buy-back facility is to enhance shareholder value by acquiring shares at a discount to net asset value, as and when the Directors consider this to be appropriate. The purchase of shares, when they are trading at a discount to net asset value per share, should result in an increase in the net asset value per share for the remaining shareholders. This authority, if conferred, will only be exercised if to do so would result in an increase in the net asset value per share for the remaining

EXPLANATORY NOTES TO THE RESOLUTIONS *continued*

shareholders and if it is in the best interests of shareholders generally. Any purchase of shares will be made within guidelines established from time to time by the Board. It is proposed to seek shareholder authority to renew this facility for another year at the AGM.

Under the current Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of (i) 105% of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. The minimum price which may be paid is 1p per share. Shares which are purchased under this authority may be cancelled or held in Treasury.

Special Resolution 13 in the Notice of AGM will renew the authority to purchase in the market a maximum of 14.99% of shares in issue on 3 February 2020, being the nearest practicable date prior to the signing of this Report, (amounting to 15,739,500 shares or, if changed, the number representing 14.99% of the issued share capital of the Company immediately prior to the passing of this resolution). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of passing of the resolution, whichever is earlier. This means in effect that the authority will have to be renewed at the next AGM or earlier if the authority has been exhausted.

Resolution 14 - General Meetings

Special Resolution 14 seeks shareholder approval for the Company to hold General Meetings (other than the AGM) on at least 14 clear days' notice.

Recommendation

The Board considers that the resolutions detailed above are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to the shareholders that they vote in favour of the above resolutions to be proposed at the forthcoming AGM as the Directors intend to do in respect of their own beneficial holdings totalling 81,740 shares.

DIRECTORS AND OTHER INFORMATION

Directors

Maria Luisa Cicognani (Chairman)
 Christopher M. Casey
 (Audit Committee Chairman)
 Dr Sophie Robé
 Charlie Y. Shi
 (Chairman of the Management Engagement and
 Remuneration Committee)

Registered Office

Mobius Investment Trust plc
 25 Southampton Buildings
 London WC2A 1AL
 United Kingdom

*Incorporated in England and Wales on 7 August 2018 with
 company number 11504912 and registered as an
 investment company under Section 833 of the Companies
 Act 2006. Launched on 1 October 2018.*

Investment Manager and AIFM

Mobius Capital Partners LLP
 42 Upper Grosvenor Street
 London W1K 2NH
 United Kingdom

Company Secretary, Administrator and Management Services

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 United Kingdom
 Tel.: 0203 008 4910
 Email: info@frostrow.com

Corporate Broker

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Depository

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 London E14 5NT
 United Kingdom

Legal Adviser to the Company

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 London EC2M 7SH
 United Kingdom

Independent Auditors

PricewaterhouseCoopers LLP
 Atria One
 144 Morrison Street
 Edinburgh EH3 8EX
 United Kingdom

Registrar

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 The Pavilions
 Bridgwater Road
 Bristol BS99 6ZZ
 United Kingdom
 Telephone: 0370 703 6304*

* Calls cost no more than calls to geographic numbers (01 or 02) and must be included in inclusive minutes and discount schemes in the same way. Calls from landlines are typically charged up to 9p per minute; calls from mobile phones typically cost between 3p and 55p per minute. Calls from landlines and mobiles are included in free call packages.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrars quoting you shareholder reference number. Registered shareholders can obtain further details of their holdings on the internet by visiting www.computershare.com/uk.

Identification Codes

SEDOL: BFZ7R98
 ISIN: GB00BFZ7R980
 Ticker: MMIT

Legal Entity Identifier (LEI):

21380033EKFQS15X1W22

Global Intermediary Identification Number (GIIN):

J9AYNU.99999.SL.826



Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers/report-scam-unauthorised-firm. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!



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