

**Mobius Investment Trust plc (“MMIT”)** is a new UK investment trust to be premium listed on London Stock Exchange’s Main Market with a target size in excess of £200 million

Overview

- MMIT will be managed by Mobius Capital Partners LLP (“MCP”), a new investment manager launched in May 2018 by Mark Mobius, Carlos Hardenberg and Greg Konieczny
- The three Founding Partners have strong track records in emerging and frontier market equities, including managing two of the largest London listed investment companies, Templeton Emerging Markets Investment Trust plc (“TEMIT”) and Fondul Proprietea S.A. (“Fondul”)
- MMIT will focus on companies with resilient business models trading at a discount to intrinsic value
- MMIT aims to unlock value through the active ownership of portfolio companies to improve corporate governance standards. This acts as a catalyst to deliver wider ESG, operational and financial improvements
- MMIT will invest in a high conviction portfolio of 20-30 small to mid-cap companies, across emerging and frontier markets
- MMIT will target a total return of 12-15%\* p.a. over the long term of which dividends are expected to become a meaningful component as the strategy develops
- Active discount management policy with a redemption facility at NAV following the 4th anniversary of admission and every 3 years after and an active buyback programme devised to prevent a discount of more than 5% developing

Proposed Listing – Key Dates

**Close of offer for subscription and intermediaries offer**  
11am on 25 September 2018

**Admission and dealing in new shares**  
8am on 1 October 2018

**ADVERTISEMENT:** This is an advertisement and not a prospectus. Potential investors should not apply or buy any shares in Mobius Investment Trust except on the basis of information contained in the prospectus published in connection with the offer of shares in Mobius Investment Trust, which is available at:  
[www.mobiusinvestmenttrust.com](http://www.mobiusinvestmenttrust.com)

Innovative Approach

	Target Investment	MMIT	Listed EM/FM Peers <sup>(1)</sup>
• Active ownership			
• Specialised single strategy			
• High conviction portfolio			
• Absolute return mindset			
• Executed by first class investment team			
• Independent partnership			
	Average Weighted Market Cap.	<b>\$2bn</b>	\$35bn
	Portfolio Concentration	<b>20-30</b>	72

Key Features

- Active Ownership**
- Improve corporate governance delivering a clear ESG pathway
  - Strong relationship between integrating ESG criteria and improving performance with the greatest opportunity in emerging and frontier markets
- Target Portfolio**
- Core sector exposures: consumer and technology & innovation
  - Companies with potential for operational and ESG improvements
- Maximising Value**
- Strategy seeks to maximise valuation multiples
  - Dividend yield of portfolio companies expected to increase as a direct result of corporate governance engagement
- Aligned Interests**
- Trust structure compliments strategy and long term investment horizon
  - Partners and employees to invest approximately £5.7m in MMIT

First Class Investment Team



**Mark Mobius – Partner**  
*30 years EM Investing*

- Previously Executive Chairman at FTI EM Group
- During 30 year tenure, group expanded AUM from US\$100m to over US\$40bn
- Received Ph.D. at MIT



**Carlos Hardenberg – Partner**  
*19 years EM Investing*

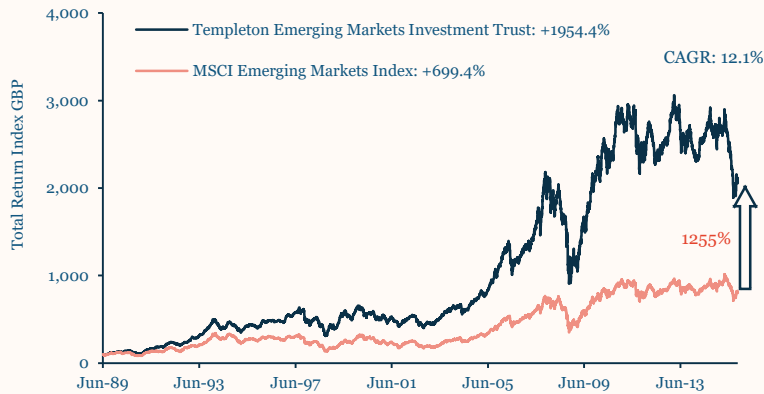
- Previously lead manager of TEMIT generating significant outperformance
- Established one of the largest global frontier market funds
- CASS, MSc in Investment Management



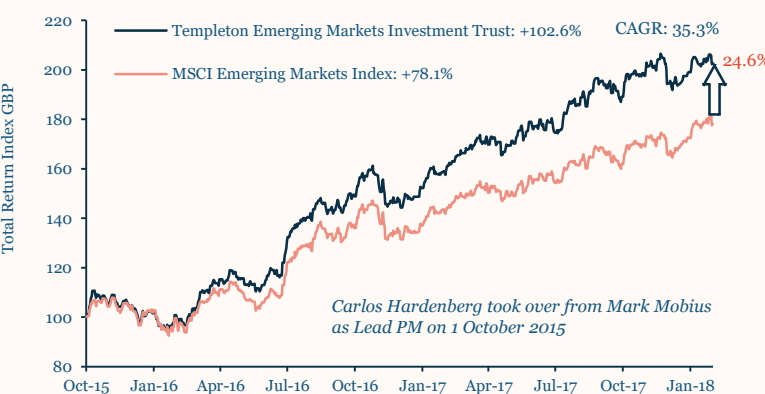
**Grzegorz Konieczny – Partner**  
*25 years EM Investing*

- Previously fund manager of Fondul, a \$2.7bn London and Bucharest listed fund
- Also led Franklin Templeton’s EM Active Ownership Group
- University of Gdansk; MA in Economics

Mark Mobius: TEMIT NAV Total Return



Carlos Hardenberg: TEMIT NAV Total Return

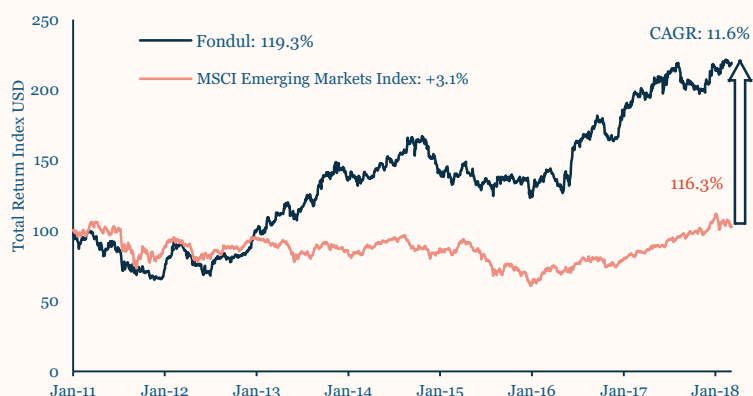


The figures refer to the past and past performance is not a reliable indicator of future results

\*Based on the IPO price on a fully invested and geared basis. This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on the target in deciding whether or not to invest in the Company and should not assume that the Company will make any distributions at all and should decide for themselves whether or not the target is reasonable or achievable.

**Greg Konieczny: Fondul Total Shareholder Return**

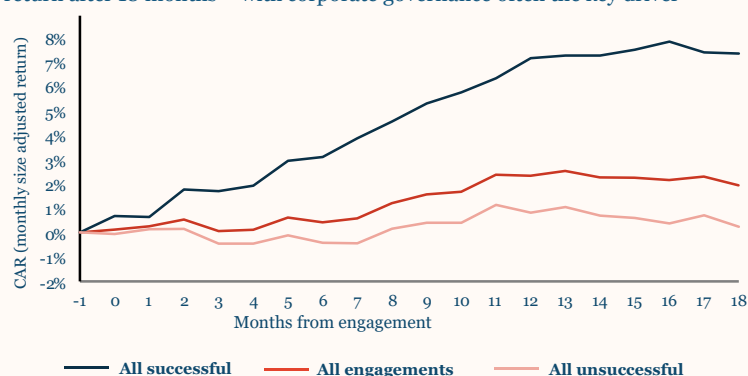
Source - Bloomberg



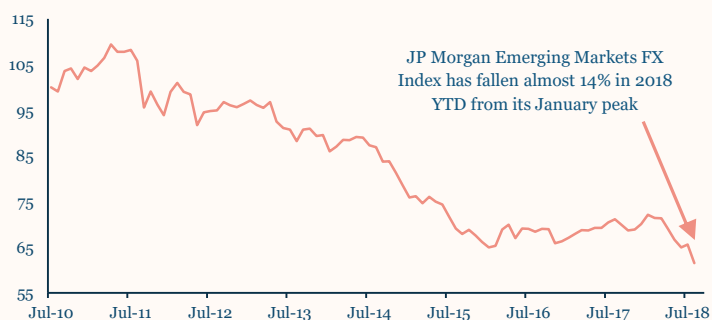
The figures refer to the past and past performance is not a reliable indicator of future results  
The return may increase or decrease as a result of currency fluctuations

**Key Investment Features****1. Active Engagement Drives Outperformance**

Companies implementing ESG changes generated more than 7% of excess return after 18 months<sup>(3)</sup> with corporate governance often the key driver

**3. Value in Emerging Markets<sup>(6)</sup>**

Emerging market currencies are close to an all time low and company valuations are increasingly attractive

**Portfolio Company Profile**

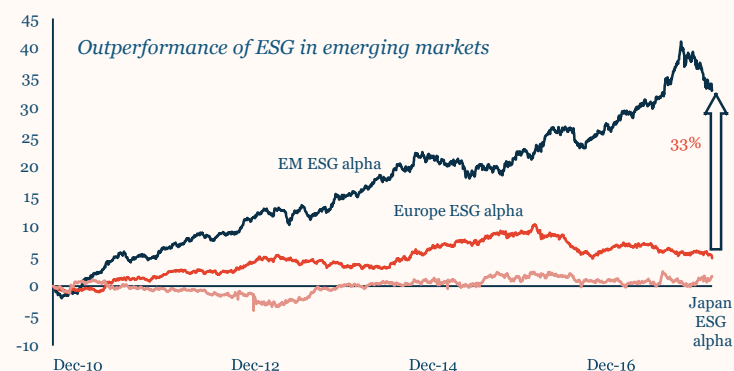
<b>Investment Universe</b>	c. 4,000 companies
<b>Target Companies</b>	100-150 identified
<b>Market Cap Target</b>	Average \$2bn
<b>Yield Profile</b>	Post engagement increase in dividend distributions
<b>Target Portfolio Weight</b>	Min 3%
<b>Investment Horizon</b>	3-5 years

**Qualitative Characteristics**

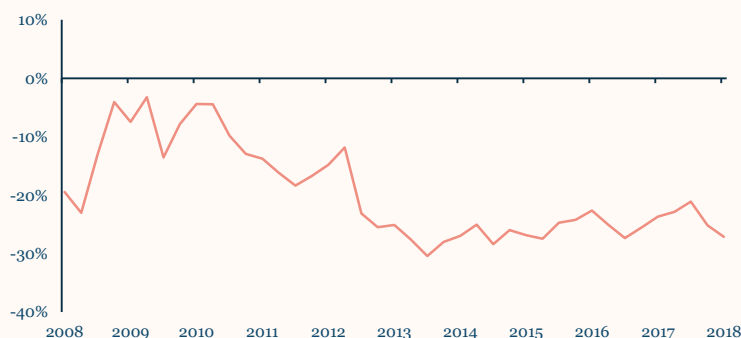
- Resilient business model and management
- Possibility for operational and ESG improvements
- Potential to improve its competitive advantages and cash flow generation
- Stakeholders that are open and have interest in positive change

**2. ESG is most relevant in Emerging and Frontier Markets<sup>(4)</sup>**

ESG alpha<sup>(5)</sup> is higher in emerging markets than in developed markets



Emerging vs. Developed Market P/E<sup>(7)</sup> – Attractive entry point with P/E discount at c.27% in EM

**Key Terms**

<b>Structure</b>	– UK Investment Trust
<b>Listing</b>	– Premium Listing on Main Market of London Stock Exchange
<b>Target Issue Size</b>	– In excess of £200m
<b>Investment Strategy</b>	– High conviction portfolio of 20-30 companies, across emerging and frontier markets – Focus on small to mid-caps; no index tracking – Unlocking value in target companies through an active, governance-orientated approach – Acting as a 'catalyst' for broader ESG improvements
<b>Target Total Return<sup>(8)</sup></b>	– 12-15% total return p.a. over the long term – Dividends are expected to become meaningful component as strategy develops
<b>Maximum Leverage</b>	– Up to 20% of NAV for investment purposes and working capital
<b>Investment Manager / AIFM</b>	– Mobius Capital Partners LLP
<b>Management Fee</b>	– 1.0% p.a. on lower of NAV or market capitalisation up to £500m, reducing to 0.85% p.a. above £500m and 0.75% p.a. above £1bn
<b>Issue Costs</b>	– 2.0% of gross proceeds
<b>NAV Reporting</b>	– Daily NAVs prepared by independent administrator (Frostrow Capital)
<b>Discount Management</b>	– Redemption facility at NAV (less costs) following 4 <sup>th</sup> anniversary of Admission and every 3 years after – 14.99% share repurchase authority activated where average one-month discount exceeds 5%
<b>Board</b>	– Fully independent non-executive Board of Directors
<b>Sponsor and Bookrunner</b>	– Jefferies International Limited

**Key risks****Detailed disclosure of such risks are contained in the prospectus, in the “Risk Factors” section, which you should consider carefully.**

Investment Risk	The value of the Shares and the income derived from those shares (if any) can fluctuate and may go down as well as up. The market price of the Shares may fluctuate independently of their underlying net asset value and may trade at a discount or premium at different times.
	Investor returns will be dependent upon the performance of the portfolio and MMIT may experience fluctuations in its operating results.
	The departure of some or all of the Investment Manager's investment professionals could prevent MMIT from achieving its investment objective. The past performance of the Investment Manager's investment professionals cannot be relied upon as an indication of the future performance of MMIT.
Liquidity Risk	It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares.
	The operation of the Company's Discount Control Mechanism and Redemption Facility may lead to a more concentrated and less liquid portfolio which may adversely affect the Company's performance and value. Further, Share buybacks and redemptions may also adversely affect the secondary market liquidity of the Shares.
Emerging Markets Risk	MMIT will invest primarily in companies that are exposed directly or indirectly to emerging or frontier markets. Where MMIT holds or acquires securities of issuers based in certain emerging or frontier markets, this may carry a greater degree of risk than an acquisition of securities of issuers based in more developed countries.
	MMIT's exposure to emerging and frontier markets may subject it to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations.
	There can be no assurance that difficulties in protecting and enforcing rights will not have a material adverse effect on MMIT and its operations.
Financial Risk	MMIT's investment policy envisages that MMIT may utilise derivative instruments for leverage and investment purposes and MMIT may also use such instruments for efficient portfolio management. Such financial instruments inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. As a result, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of MMIT.
Corporate Risk	MMIT may not achieve its investment objective or total return target. The existence of such an objective or target should not be considered as an assurance or guarantee that they can or will be met
	MMIT has no employees and is reliant on the performance of third party service providers. Failure by the Investment Manager or any other third party service provider to perform in accordance with the terms of its appointment could have a material detrimental impact on the operation of MMIT.
Taxation Risk	Any change in MMIT's tax status or in taxation legislation or practice generally could affect the value of the investments held by MMIT, affect MMIT's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.

**FIND OUT MORE: download the prospectus at [www.mobiusinvestmenttrust.com](http://www.mobiusinvestmenttrust.com)****Notes**

1. Source: Peer group as of 4 September 2018 (LSE listed investment trusts: Aberdeen Frontier Markets, BlackRock Frontiers, Fundsmith Emerging Equities, Genesis Emerging Markets, JPMorgan Emerging Markets, JPMorgan Global Emerging Markets and Templeton Emerging Markets )
2. Source for Track Record graphs: Bloomberg, all indices rebased
3. Source: Dimson, Karakas and Li (2015) >600 developed market companies surveyed
4. Source: Friede, Busch and Bassen, “ESG & Corporate Financial Performance: Mapping the global landscape”, Deutsche Asset & Wealth Management & University of Hamburg, December 2015 and Bloomberg
5. ESG alpha is the difference between the performance of MSCI ESG Leaders Net Total Return Index vs. MSCI Index Total Return Index
6. Source for currency graph: Bloomberg
7. Source for graph: Bloomberg, MSCI
8. Based on the IPO price on a fully invested and geared basis. This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indication of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on the target in deciding whether or not to invest in the Company and should not assume that the Company will make any distributions at all and should decide for themselves whether or not the target is reasonable or achievable.

**This is an advertisement and not a prospectus for the purposes of EU Directive 2003/71/EC or Part VI of the Financial Services and Markets Act (“FSMA”)**

The contents of this advertisement, which have been prepared by and are the sole responsibility of Mobius Investment Trust plc, has been approved as at [10] September 2018 solely for the purposes of section 21 of FSMA by Jefferies International Limited (“Jefferies”), whose registered address is 68 Upper Thames Street, London EC4V 3BJ. Jefferies is authorized and regulated by the Financial Conduct Authority. Jefferies is acting exclusively for Mobius Investment Trust plc and no one else in relation to or in connection with the potential offer of the shares in Mobius Investment Trust plc and will not be responsible to anyone other than Mobius Investment Trust plc and is not providing, and will not provide, advice in relation to the offer or any matter referred to in this advertisement and will not be responsible for providing the regulatory protection afforded to clients of Jefferies.

The investments referred to in this advertisement may not be suitable for all investors. Any person who is in any doubt as to the suitability of the shares should seek independent financial advice.

An investment decision must be made solely on the basis of the prospectus to be issued by Mobius Investment Trust plc in connection with the proposed offer and admission to listing on the Official List of the UK Listing Authority and the main market of the London Stock Exchange. No reliance may be placed, for any purposes whatsoever, on the information contained in this document or its completeness and this document should not be considered a recommendation by Mobius Investment Trust plc, Mobius Capital Partners LLP or Jefferies or any of their respective affiliates in relation to any subscription for securities.

The shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act). In addition, Mobius Investment Trust plc has not been and will not be registered under the US Investment Company Act of 1940, as amended, and the recipient of this presentation will not be entitled to the benefits of that Act. This document should not be distributed into the United States or to US Persons.

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Mobius Investment Trust plc, Mobius Capital Partners LLP or Jefferies. The offer and sale of shares has not been and will not be registered under the applicable securities laws of Australia, Canada or Japan. Subject to certain exemptions, the shares may not be offered to or sold within Australia, Canada or Japan or to any national, resident or citizen of Australia, Canada or Japan.

This advertisement is not for distribution or publication in any jurisdiction outside the UK, Isle of Man, Jersey and Guernsey. Certain investors will be able to apply for shares through intermediaries. Intermediaries may charge commissions to apply for shares and there may also be fees to continue to hold or to sell any shares that investors buy. Ask intermediaries for full details

This advertisement has not been and is not required to be, filed or lodged with any regulatory or other authority in the Isle of Man. Mobius Investment Trust plc is not subject to any regulatory or other approval in the Isle of Man and purchasers of shares are not protected by any statutory compensation arrangements in the event of Mobius Investment Trust plc's failure. The Isle of Man Financial Services Authority does not vouch for the financial soundness of Mobius Investment Trust plc or for the correctness of any statements made or opinions expressed with regard to it.

Neither Mobius Investment Trust plc nor Jefferies is approved, supervised or regulated by the Guernsey Financial Services Commission or the States of Guernsey Policy Council. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of Mobius Investment Trust plc or for the correctness of any of the statements made or opinions expressed with regard to it.

Neither the Mobius Investment Trust plc nor Jefferies is approved, supervised or regulated by the Jersey Financial Services Commission. The Jersey Financial Services Commission does not take any responsibility for the financial soundness of Mobius Investment Trust plc or for the correctness of any of the statements made or opinions expressed with regard to it.

Please note that this is not Mobius Investment Trust plc's Key Information Document (KID). The KID can be found at [www.mobiusinvestmenttrust.com](http://www.mobiusinvestmenttrust.com)