

Mobius

— INVESTMENT TRUST —

ANNUAL REPORT OF MOBIUS INVESTMENT TRUST PLC
FOR THE YEAR ENDED 30 NOVEMBER 2020

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The Association of
Investment Companies

A member of the Association of Investment Companies

FINANCIAL HIGHLIGHTS

	As at 30 November 2020	As at 30 November 2019	% change
Net Asset Value per Ordinary share†	105.9p	91.4p	15.9
Share price	103.0p	83.0p	24.1
Discount to net asset value*	2.7%	9.2%	–

† UK GAAP measure

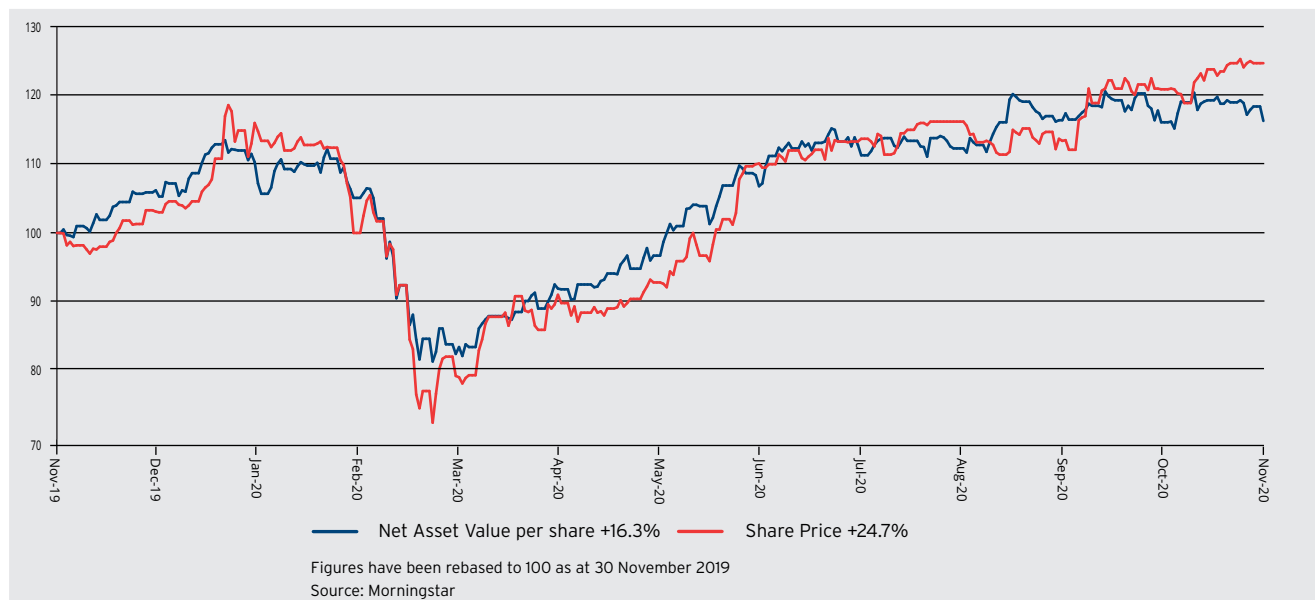
* Alternative performance measure, see Glossary beginning on page 74.

	Year ended 30 November 2020	Period ended 30 November 2019
Net Asset Value per share total return*^	+16.3%	-6.7%
Share price total return*^	+24.7%	-17.0%
Ongoing charges*	1.5%	1.7%
Dividend per share - final	–	0.30p

* Alternative performance measure, see Glossary beginning on page 74.

^ Source: Morningstar.

Total Return Performance for the Year to 30 November 2020*



*Alternative performance measure, see Glossary beginning on page 74.

KEY INFORMATION

The Company

Mobius Investment Trust plc (the "Company", "MMIT") 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 2020, 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 ("MCP") has 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 invests in a high conviction portfolio of approximately 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 76.

Website

www.mobiusinvestmenttrust.com

CHAIRMAN'S STATEMENT



Introduction

Dear Shareholder,

As we close our second year of operations, on behalf of the Board I would like to express my gratitude to all our shareholders for the continued support we received during the last 12 challenging and extraordinary months. 2020 has been a year of uncertainties and extremes. Market volatility was experienced as drastic lockdown measures and unprecedented policy moves were effected across the globe. Healthcare systems were put under unparalleled pressure and the world was faced with an unexpectedly high and tragic death toll linked to Covid-19.

Emerging markets ("EM") were particularly hard hit by the risk-averse sentiment in the wake of the pandemic which drove investors to withdraw more than \$50 billion from EM equities in March alone. However, we saw a slow reversal of this trend in Q3, picking up strongly in November 2020 following the positive vaccine news-flow and the Biden victory, which was coupled with the expectation of further stimulus action in the U.S.

Overall, governments and central banks in the EM sector reacted well and swiftly to the pandemic by taking decisive action aimed at supporting the most vulnerable people and businesses. Markets have seen a strong recovery with the MSCI EM Index, rallying 70% at the end of 2020 from the lows in March.

However, there were geographic differences within EM to contain the virus. Similarly, some sectors were particularly hard hit while others benefited from the transformative shifts in the wake of the pandemic. The pace of recovery will therefore vary by region and by sector.

Crises are a stress test: I am glad to say that the Company's concentrated, active strategy has passed this test. During the reporting period, the NAV and share price of MMIT rose 16.3% and 24.7% respectively on a total return basis. A further recognition of the resilience and appeal of MMIT's strategy was its addition to Interactive Investor's "Super 60" list in October, replacing the Templeton Emerging Markets Smaller Companies Fund.

The Manager Commentary will provide more detail on portfolio positioning, attribution as well as individual investment decisions, engagement and strategy. Nonetheless, I would like to highlight three points which demonstrate the benefits of the many years of experience the investment team brings to the strategy as well as what the concentrated and active ownership approach offers to investors.

Stock Picking

When markets crashed back in March, the investment team at Mobius Capital Partners LLP ("MCP") acted swiftly and utilised MMIT's 14.3% cash position to add to a range of existing holdings during the downturn as well as building new positions which had reached compelling entry level valuations. A number of these new holdings have already significantly contributed to the strong performance of the Mobius Investment Trust in 2020. As of 30 November 2020, MMIT was almost fully invested with a cash position of 1.3% of Net Asset Value.

Engagement

A core part of MMIT's strategy is the engagement with companies to improve operational and ESG factors with the aim of driving the stock valuations. This requires an intense and regular dialogue with companies as well as an in-depth knowledge of the companies' management teams and the challenges and opportunities they are facing. Throughout the year, the MCP investment team has been in close dialogue with all investee companies and was able to consult and encourage the swift and robust actions taken by their management teams. These decisive actions helped mitigate any potential repercussions on the respective businesses in the wake of the lockdowns. The close and beneficial exchange was made possible by the concentrated nature of the portfolio and the existing, strong relationships with the investee companies' executives, which is at the core of MCP's engagement strategy.

ESG

Finally, the focus on improving Environmental, Social and particularly Governance factors ("ESG") as well as Culture ("ESG+C") served as a risk management tool for the portfolio during the pandemic. The primary goal of corporate governance is to ensure that management and directors make good business decisions to maintain and support sustainable growth. Robust, transparent, and exemplary governance from all senior leaders is even more important in times of crisis. We have found the majority of companies in MMIT's portfolio have risen to the challenge

CHAIRMAN'S STATEMENT continued

and taken robust action. Boards have performed their supervisory function diligently and management teams have taken the necessary measures to secure the survival of the company while setting solid ground for recovery. Ultimately, strong governance is a prerequisite for emerging as a leader in the post-pandemic world. The Investment Manager's customised engagement is an on-going process and is a pivotal part of the team's approach throughout the holding period. It involves extensive contact with portfolio companies and includes face-to-face meetings, video calls and email correspondence. The investment team individually tailors engagement on ESG+C issues to each company and its respective sector. It also assists companies in disclosing ESG+C information by introducing them to the most relevant reporting standards (Global Reporting Initiative and Task Force on Climate - Related Financial Disclosure) and helping them prioritise which ESG+C factors are material to their business.

Performance

The Net Asset Value (NAV) per share of MMIT increased by 16.3%, on a total return basis over the 12-month period to 30 November 2020, reaching a high of 109.6p on 13 October 2020 and closing at 105.9p. Since the end of the reporting period, performance has continued to be strong, and at the time of writing the NAV per share stood at 120.5p (as at 23 February 2021, this being the latest practicable date before publication).

The share price performed even stronger over the reporting period increasing by 24.7%, on a total return basis and closing at 103.0p on 30 November 2020. In line with the NAV, the share price continued to perform strongly since the end of the reporting period. At the time of writing, the price per share stood at 112.0p. While MMIT traded at an average discount to NAV of 9.8% during the year under review, the discount continuously narrowed reaching a low of 2.7% on 30 November 2020. At the time of writing, the discount stands at 7.1%. However, in accordance with the discount management policy, MMIT's Board continues to closely monitor the monthly average discount and will take action to reduce the discount if it concludes it is in shareholders' interests.

Dividend

The Board has not recommended a dividend this year and does not expect to do so in the near future as the portfolio continues to generate a modest yield. The Investment Manager's style is one that focuses on uncovering long-term value, much of which will be realised through capital gains or distributions and as such the Company will pay a

dividend only if the need arises in order to comply with investment trust status.

The Board and Management Teams

I would like to thank my Board colleagues as well as all our service providers for their help and support during an unprecedented time.

The Board has kept in close contact with the Investment Managers during the year as some organisational changes were implemented to reflect the new working environment and the rotation of some personnel. Also, it has kept an open line of communication with the marketing and administration teams, receiving regular performance and compliance updates and ensuring that the day-to-day business of the Company was running smoothly despite restrictions on daily life imposed by the pandemic.

Exceptionally, the Company's 2020 Annual General Meeting ("AGM") had to be held without shareholders attending due to safety regulations during the initial phase of Covid-19. However, many shareholders made use of their voting rights to let us know their agreement with the AGM resolutions. The Board hopes that very soon it will be possible to meet again in person with shareholders.

As announced earlier this year, Greg Konieczny retired from the Investment Managers' Team in November for personal reasons. The Board would like to thank him for his valuable contribution in launching the Company.

Service Providers

I would also like to thank our Investment Managers, Mobius Capital Partners LLP, as well as our Company Secretary, Managers and Administrators, Frostrow Capital LLP, for keeping their employees as safe as possible in these troubling times. Whilst offices have been kept open for those who needed access to them, working remotely from home has been encouraged and made possible for everyone thanks to the incredible progress that technology has given us. In fact, all our service providers have invoked business continuity procedures which would have been unthinkable only a few years ago, but which now ensure everyone can work safely and with the necessary physical distance. The Board warmly supports all these measures and monitors IT and cyber security regularly.

Board Governance

There were no changes to the membership of the Board during the year, but following the year-end, Dr Robé was appointed as Senior Independent Director and I look forward to working with her in that capacity. In line with good corporate governance practice, an annual review of the effectiveness of the Board and its Committees was

CHAIRMAN'S STATEMENT continued

performed. This is described in more detail on page 41. The Board also pays close attention to the capacity of individual directors to carry out their work on behalf of the Company. To this end, all proposed external appointments are submitted to the Board for scrutiny and approval. In accordance with the Company's policy of all Directors standing for re-election annually, shareholders will find the appropriate resolutions in the Notice of the AGM on page 77. In recommending individual Directors to shareholders for re-election, we considered their other board positions and their time commitments. The Board is satisfied that each Director has the capacity to be fully engaged with the Company's business.

Annual General Meeting in 2021

The second AGM of the Company will take place at 12.00 noon on Wednesday, 28 April 2021. At the time of writing, it is still hoped that it will be possible to hold the AGM at 25 Southampton Buildings, London WC2A 1AL although this seems more unlikely following the latest announcement by the Government. The Notice convening the AGM together with explanations of the proposed resolutions can be found on pages 77 to 82.

The Board will keep the impact of the Covid-19 pandemic under review and will make necessary changes to the arrangements for the AGM should infection levels or continuing government restrictions dictate. In that case, the Board may decide to hold a truncated meeting or postpone the meeting to a later date. The situation will be kept under constant review and any changes to the AGM arrangements will be communicated on the Company's website. Shareholders are encouraged to consult the website at www.mobiusinvestmenttrust.com for any final arrangements.

In case no physical AGM will be possible, the Board intends to host a webinar in addition to the AGM to enable the Investment Managers to give a presentation online about the Company and expectations for the future. Shareholders should send any questions they may have to the Company Secretary at info@frostrow.com. Further details will be made available nearer the time.

The Board strongly encourages all shareholders to exercise their votes in respect of the AGM in advance. Voting by proxy will ensure that your votes are registered in the event that attendance at the AGM is not possible or restricted, or if the meeting is postponed (your votes will be valid when the meeting is eventually held). The Board will continue to monitor the Government's advice and urges all shareholders to comply with any restrictions in place at the time of the AGM.

Outlook

We are entering the new year full of hopes and expectation, eager to see the end of the Covid-19 pandemic. There are a number of factors that are boding well for emerging markets. First of all, the roll-out of an effective vaccine against Covid-19 should lead to the normalisation of the emerging markets consumer and export themes. Capital markets in our countries have seen a strong rebound since the lows in March and we believe the economic recovery will follow. The IMF has forecast emerging markets to grow by 6% in 2021: growth that will benefit companies and investors. Whilst the pace of the recovery will vary by region, China and Asia will lead, but other markets will follow. Furthermore, certain sectors will continue to outperform. Technology and healthcare are the prime beneficiaries of the changed consumer behaviour in the wake of the pandemic.

We believe that investors will continue to view emerging markets positively: companies which have learned lessons during the pandemic and have been able to embed efficiency gains by turning to technology improvements are expected to out-perform. The signed second stimulus package in the US and further expected stimulus action under the Biden administration is likely to keep the Dollar relatively weak. This will benefit emerging markets as investors look for yield elsewhere. Experience has shown that emerging markets equities generally tend to outperform developed markets during periods of US dollar weakness. Furthermore, valuations in emerging markets continue to be low compared to their developed markets peers, offering access to innovative companies at attractive prices and in markets which will experience high and faster rates of real GDP growth.

Mobius Investment Trust plc with its bias towards Asian equities and the health care and technology sectors is well positioned to profit from these developments. This is why the Board and the MCP team look with confidence to the next year and are cautiously optimistic that emerging markets are entering a phase of outperformance.

Maria Luisa Cicognani
Chairman

25 February 2021

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 seeks to meet its investment objective by investing in a diversified portfolio of companies exposed directly or indirectly to emerging or frontier markets. The Company invests 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 focuses 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 does not track or mirror any index or benchmark and, accordingly, the Company is frequently overweight or underweight in certain investments, or concentrated in a more limited number of sectors, geographical areas or countries, when compared with a particular index or benchmark.

The Company focuses 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, through its Investment Manager, seeks to unlock value in investee companies by actively partnering with them 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 seeks 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. The Company's portfolio typically comprises approximately 20 to 30 investments. The Company at all times invests and manages its assets in a manner which is consistent with the objective of spreading and mitigating investment risk.

Investment restrictions

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

- no more than 10 per cent of Gross Assets are invested in a single company;
- no more than 35 per cent of Gross Assets are 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 are 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

There was no borrowing during the year under review or after the year end.

Hedging

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

The Company does not intend to hedge currency risk in respect of the capital value of its portfolio or in respect of its Sterling distributions. However, the Company reviews its hedging strategy on a regular basis. The Company does 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 2020

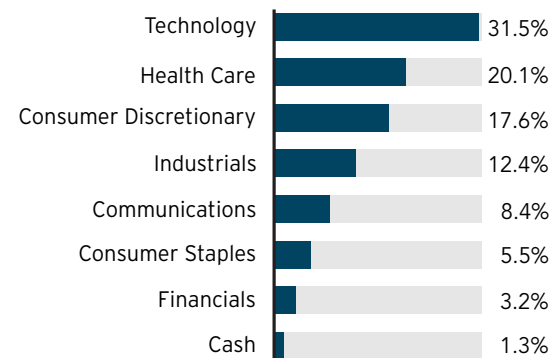
Company	Country	Fair value £'000	% of net assets
eMemory Technology	Taiwan	9,652	8.7
Persistent Systems	India	8,866	8.0
APL Apollo Tubes	India	8,582	7.7
Yum China	China	7,010	6.3
Fleury	Brazil	6,071	5.5
Hugel	South Korea	5,551	5.0
Polycab India	India	5,244	4.7
Safaricom	Kenya	4,900	4.4
LEENO Industrial	South Korea	4,879	4.4
Mail.Ru	Russia	4,389	3.9
TOTVS	Brazil	4,132	3.7
Clicks Group	South Africa	3,794	3.4
Mavi Giyim Sanayi Ve Ticaret	Turkey	3,695	3.3
NICE Holdings	South Korea	3,543	3.2
Pentamaster	Malaysia	2,870	2.6
Logo	Turkey	2,809	2.5
B2W Cia Digital	Brazil	2,777	2.5
Metropolis Healthcare	India	2,614	2.3
Vietnam Dairy Products	Vietnam	2,332	2.1
AK Medical Holdings	China	2,317	2.1
Union Medical Healthcare	China	2,195	2.0
Kangji Medical Holdings	China	2,075	1.9
Lojas Americanas	Brazil	1,750	1.6
Rayence	South Korea	1,595	1.4
Goodbaby International Holdings	China	1,303	1.2
WIN Semiconductors	Taiwan	1,269	1.1
YDUQS Participacoes	Brazil	933	0.8
China Kepei Education	China	809	0.7
Cogna Educacao	Brazil	736	0.7
Sinbon Electronics	Taiwan	563	0.5
Cairo Investments & Real Estate Development	Egypt	553	0.5
Total Investments		109,808	98.7
Net Current Assets		1,429	1.3
Net Assets		111,237	100.0

INVESTMENT PORTFOLIO continued

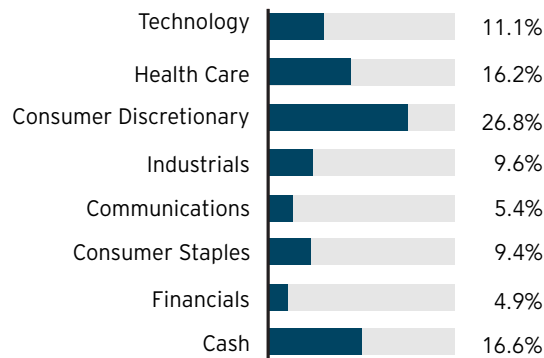
Portfolio Distribution

Sector Breakdown

30 November 2020

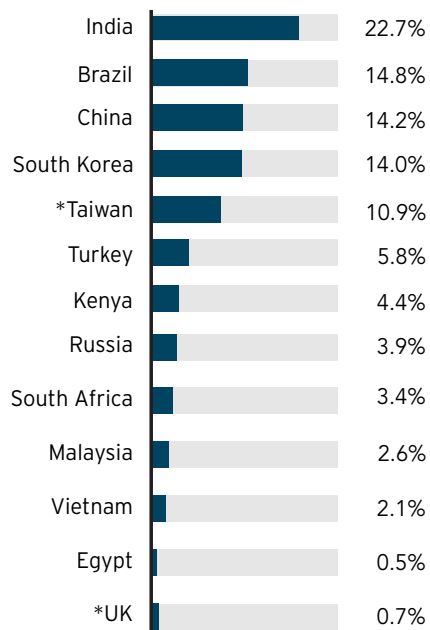


30 November 2019



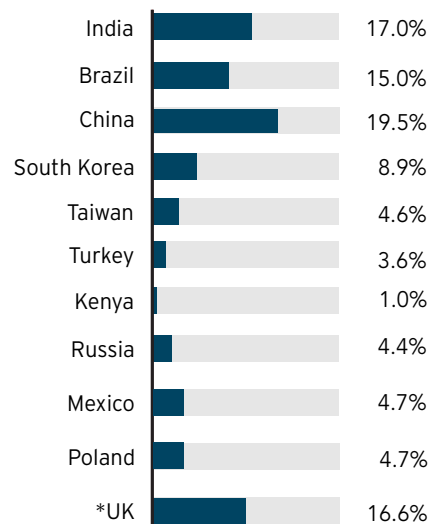
Geographical Breakdown

30 November 2020



* includes uninvested cash

30 November 2019



* includes uninvested cash

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 more than 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 Templeton Emerging Markets Investment Trust (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.

Greg retired from Mobius Capital Partners LLP on 3 November 2020.

INVESTMENT MANAGERS' REVIEW continued

Introduction

We are ending a year of uncertainties which have caused hefty market reactions across all asset classes including Emerging Markets which we addressed in the interim report. While it will not be the last year of volatility, it will certainly be remembered as one of the most unusual. It is now time to look ahead and prepare for a gradual recovery, driven by a normalisation of global trade, consumption, and investment. Emerging and Frontier markets look well positioned to benefit from a normalisation, further supported by loose monetary conditions and a wide range of fiscal support and reforms. Emerging markets are to a large extent particularly dependent on global trade, on exports but also on tourism. As global conditions improve, so will sentiment in Emerging Markets.

A Rough Year with a Strong Rebound



After a record low in March, Emerging Markets Indices climbed to pre-crisis levels in Q4 2020

© Mobius Capital Partners LLP 2021

Source: Bloomberg, MSCI

*From the January peak (20 Jan) to the March low (23 Mar)

**From the January peak (17 Jan) to the March low (23 Mar)

We have taken advantage of the volatility in 2020 and ensured that the strategy is fully invested and geared towards a recovery. We have disposed of several investments which we believe to be negatively impacted by the crisis for a much longer time and simultaneously added new positions at attractive valuations; investments which we had followed for a while and believe to be strong addition to the strategy. Furthermore, we increased exposure to existing positions in which we have the highest conviction.

The strategy remains concentrated with the largest regional exposure to India, which we believe is on a path to global leadership in manufacturing and innovation, fuelled by exports and domestic consumption as well as a wide-reaching reform agenda by the government. Above cost related advantages, the market offers a deep pool of skilled labour and a very dynamic entrepreneurial environment, for example. One new investment is a leading domestic healthcare business offering diagnostic services.

Korea and Taiwan present us with the widest and to some degree most exciting opportunities in the fields of technology and innovation. We believe both of these countries are a true cradle for active investors.

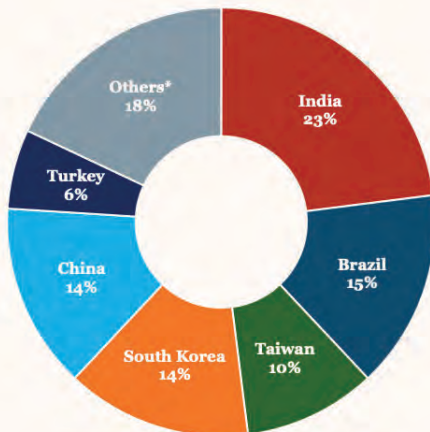
While Asia clearly dominates the strategy, we also have built significant exposure to Brazil and Turkey, two markets that offer plenty of opportunities among medium sized enterprises of a unique nature. We have investments in the technology sector (Software and Consulting and E-commerce) the consumer sector and the healthcare sector in these two markets. Both markets have a large and very young domestic consumer market and are open economies with export opportunities.

Our engagement with portfolio companies continues to mature and gain effectiveness. We have begun a unique reporting series alongside the factsheets in Q1 2021 covering a wide measure of ESG and in particular, corporate culture factors. The year 2020 has shown how technology can help to build bridges. Despite the restrictions on travel and in-person meetings with portfolio companies, we had the chance to e-meet our investment holdings just as frequently via video calls.

INVESTMENT MANAGERS' REVIEW continued

Portfolio Overview: Country Analysis

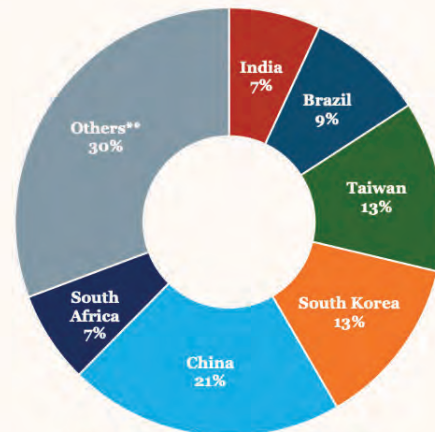
Mobius Investment Trust plc



*Others: Kenya (4.5%), Russia (3.9%), South Africa (3.4%), Malaysia (2.6%), Vietnam (2.1%), Egypt (0.5%), Cash (1.4%)

© Mobius Capital Partners LLP 2020

MSCI EM Mid Cap Index



**Others: Mexico (4.1%), Saudi Arabia (3.5%), Malaysia (3.5%), Thailand (3.3%), Hong Kong (3.2%), Russia (2.6%), Poland (2.3%), Turkey (1.5%), et al

Source: Bloomberg, Mobius Capital Partners LLP
Data as of 30 November 2020

Performance

Mobius Investment Trust has had a strong year. The Net Asset Value (NAV) per share and share price increased by 16.3% and 24.7% respectively on a total return basis, over the 12-month period to 30 November 2020, with the NAV per share reaching a high of 109.6p on 13 October 2020 and closing at 105.9p. Since the end of the reporting period, the strong performance of the Mobius Investment Trust has continued and at the time of writing, the NAV per share stood at 120.5p.

MMIT traded at an average discount to NAV per share of 9.8% during the year under review, which driven by investor interest, had narrowed to 2.7% at close on 30 November 2020.

In October, Mobius Investment Trust plc was added to Interactive Investor's "Super 60" list replacing the Templeton Emerging Markets Smaller Companies fund. Interactive Investor is one of the largest retail investment platforms in the UK.

Stock selection was an important driver of performance across geographies. Over the year, the top three largest contributors to performance were AK Medical (+5.3%), a market leader in orthopaedic implants in China, which has very successfully expanded the business towards new categories (spine and 3D printed implants) and profits from the growing demand for orthopaedic implants in China; eMemory Technology (+5.0%), a Taiwan-based technology company, which has seen a surge in demand for its services with the work from home drive and reaped the benefits of the on-going roll-out of 5G; and APL Apollo Tubes (+5.0%), the leading branded steel products manufacturer in India, whose strategic actions taken during the pandemic resulted in significant market share gains.

Brazilian education company Cogna Educacao (-3.2%), Indian finance company Magma Fincorp (-1.8%) and Chinese durable juvenile products company Goodbaby International (-1.4%) were the main detractors as they suffered from the repercussions of the pandemic.

Portfolio Overview

As of 30 November 2020, the MMIT had invested 98.7% of capital, with 31 holdings across 12 countries. The largest geographic exposure was India (23%), followed by Brazil (15%), China (14%) and South Korea (14%). The largest sector exposure was Technology (32%), followed by Health Care (20%), Consumer Discretionary (18%) and Industrials (12%).

INVESTMENT MANAGERS' REVIEW continued

MMIT – Portfolio Overview As of 30 November 2020

Top 10 Holdings (%):	Country	Industry	(%) of MMIT Portfolio	Market Cap (USD m)	MSCI EM Index	MSCI EM Mid Cap Index
1 eMemory Technology	Taiwan	Technology	8.6	1,526	X	X
2 Persistent Systems	India	Technology	7.9	1,231	X	X
3 APL Apollo Tubes	India	Industrials	7.7	1,138	X	X
4 Yum China Holdings Inc	China	Consumer Discretionary	6.3	23,642	Yes	X
5 Fleury SA	Brazil	Health Care	5.5	1,568	X	X
6 Hugel Inc	South Korea	Health Care	5.0	2,263	X	X
7 Polycab India	India	Industrials	4.7	1,929	X	X
8 Safaricom Ltd	Kenya	Communications	4.5	11,902	X	X
9 LEENO Industrial	South Korea	Technology	4.4	1,684	X	X
10 Mail.Ru Group	Russia	Communications	3.9	6,349	X	Yes
Total			58.5%			

© Mobius Capital Partners LLP 2021 Source: Bloomberg, Mobius Capital Partners LLP
Data as of 30 November 2020

During the year under review, we acquired 14 new holdings, some of which were already mentioned in the half-yearly report:

Leeno Industrial is a leading semiconductor testing business based in South Korea. Revenues are focused around two central products (accounting for ~90% revenues): pins and logic test sockets. Leeno has been operating for 40 years, developing a widely diversified client base and products supplied to around 2,800 companies including Qualcomm, Apple, TSMC and Samsung. It is a cash generative business with a strong balance sheet.

Logo Yazilim is a Turkish business that develops and markets enterprise resource planning systems (ERP). With a 24% market share, Logo is the second biggest player in Turkey (after SAP), and the fastest growing IT company with more than 800 dealers and a broad distribution network. Logo has two business primary areas (software and services) and a number of recent acquisitions have increased exposure to Romania, which like Turkey is an underpenetrated market.

Clicks Group owns and manages a chain of retail stores and pharmacies across South Africa. It operates in a large and structurally growing end market, and we are excited about opportunities to further expand into Namibia, Swaziland & Botswana. Clicks' established brand, differentiated offering and supply chain efficiency all act as natural moats against competitors.

TOTVS is a Brazilian technology company that specialises in software and consulting, with a focus on integrating the core processes of a firm (e.g. finance, procurement, sales etc) into a single platform. The company is one of the leading providers for small and medium businesses in Brazil and also has operations in the rest of Latin America and the US. We started building our position with the share price down 45% from its peak in February, which we felt was an attractive entry point given the structural growth profile of the business.

YDUQS operates in the Brazilian educational sector with a focus on higher education. The company is in the process of consolidating the fastest growing and the most profitable segment of the market - medical schools.

In addition, the following companies have now reached target weight:

Metropolis Healthcare Limited provides pathology and related healthcare services in India. The company offers clinical laboratory tests, and profiles and support services to patients, smaller labs, nursing homes, and hospitals. It offers diagnostic services for oncology, neurology, gynaecology, and nephrology, as well as various health check-up packages. The diagnostics industry in India is a high growth industry which is expected to grow at above 10% per annum. Engagement focuses on ESG reporting improvements and strategic communication on digitalization projects.

Kangji Medical is the largest domestic supplier of minimally invasive surgical instruments and accessories in the rapidly growing medical market in China. The company listed on the Hong Kong Stock Exchange in June 2020. In 2020, the company added a new product line to their offering with the manufacturing of ultrasonic scalpels, thus providing a further opportunity for growth. We are focusing on setting clear ESG targets in our regular engagement.

Vinamilk, also known as **Vietnam Dairy Products** Joint Stock Company sells dairy products in Vietnam and internationally, and has dominated the domestic market for over 40 years. The company is currently building an international presence in 45 countries through mergers and exports. We invested with valuations at an attractive entry point and the international expansion plan provides strong growth potential.

INVESTMENT MANAGERS' REVIEW continued

MMIT also built a position in CIRA (**Cairo Investment and Real Estate**), Egypt's largest fully integrated education provider, operating in K-12 and higher education segments. The company is aggressively expanding capacity through a scalable and repeatable business model. They benefit from the relatively low cost of land and a favourable regulatory environment, while maintaining an excellent relationship with the regulators. A seasoned management team with first-class execution and operational expertise, as well as an openness to our engagement were further reasons for this addition to the portfolio.

During the reporting period, we exited Mexico based Grupo Lala due to significant under-delivery of the business turnaround plan and the departure of the CEO who was an instrumental element of our engagement strategy as well as the corporate governance improvements in the company.

We also sold our stake in IMAX China due to concerns around the outlook for structural growth in the entertainment (cinema) sector, as well as a profit warning issued under Covid-19-related pressures. The team also decided to sell our investment in Magma Fincorp, an Indian asset finance company, as the microfinancing sector had been heavily hit by deteriorating macroeconomic conditions in India.

Engagement

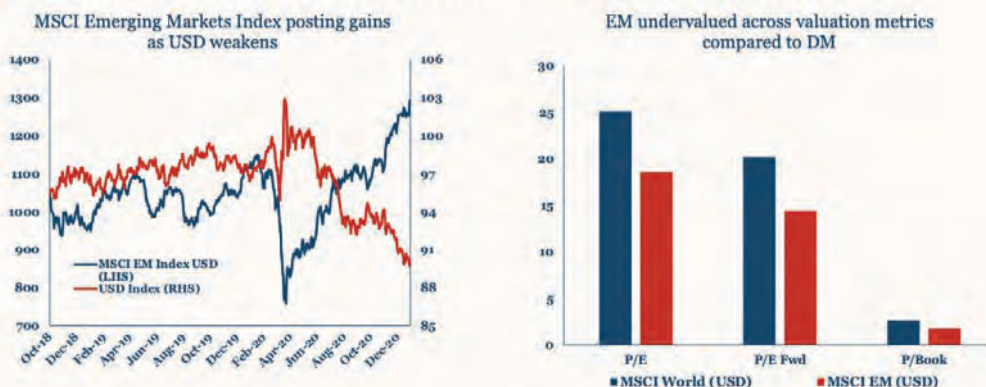
With international travel heavily restricted due to the Covid-19 pandemic, physical meetings with management teams have not been possible. However, we were very pleased by the effectiveness of virtual meetings. During the year, we had regular calls with management teams to monitor how they were dealing with the crisis and to follow-up on engagement. Faced with the extraordinary situation, the companies in our portfolio rose to the challenge and took robust actions. Furthermore, they reported good progress on a number of action points particularly with regards to ESG improvements. This was acknowledged by the wider market with the inclusion of Brazilian medical company Fleury, Taiwanese technology company Win Semiconductors and Chinese food company Yum China in the Dow Jones Sustainability Index EM, recognising both companies' achievements in the area of sustainability.

Outlook

Emerging Markets have gone through a very volatile period over the past several years. Generally, there have been concerns with regards to currencies and political risks. The COVID-19 related impact and associated fear exacerbated the scepticism towards the asset class. However, we see that due to the spreads in valuations between Developed Markets and Emerging Markets (see chart below) as well as the continued out-performance in growth, coupled with earning improvements, the heavy underweight position of investors in emerging markets will not last much longer. We expect a sharp improvement of sentiment towards emerging markets over the coming quarters, in particular due to the introduction of vaccinations and a return to a more regular business environment. Ongoing monetary and fiscal stimulus globally should support a recovery in trade and growth - this should especially benefit Emerging Markets.

Under a Biden administration's likely larger deficit, we expect a weaker dollar to support the performance of EM Equities (see chart below).

A Weak USD And Low Valuations Create Opportunities



With a USD 900bn Stimulus Package approved by the US Congress and further stimulus action expected, we believe that the USD will continue relatively weak benefitting Emerging Markets

INVESTMENT MANAGERS' REVIEW continued

Furthermore, as mentioned in the interim report, central banks in many emerging markets acted swiftly and pragmatically with sometimes significant interest rate cuts (see chart below). This will aid the recovery. After an estimated contraction of -3.3% this year, we expect positive economic growth of +6.0% for EM in 2021, led by China (+8.2%) and India (+8.8%).

GDP Growth and Interest Rates are driving EM Flows

	GDP Forecast (%)	
	2020f	2021f
DM	-5.8	3.9
EM	-3.3	6.0
China	1.9	8.2
India	-10.3	8.8

	Central Bank Policy Rate (%)	
	Jan 2020	Jan 2021
 Brazil	4.50	2.00
 Russia	6.25	4.25
 India	5.15	4.00
 China	4.15	3.85
 S Africa	6.50	3.50



No doubt, there remain some risks as the discovery of more aggressive variants of the virus and the renewed lockdowns in a number of countries have shown. A swift and well-organised vaccine roll-out will be essential, as will the actual efficacy of the respective vaccines.

However, in summary, we look with confidence to the next year. Mobius Investment Trust plc is well positioned to benefit from an increase in technology, healthcare and education spending, as well as a recovery in domestic consumption in general. The swift and decisive action taken by the management teams of our holdings has left them in a strong position for the recovery phase.

Carlos Hardenberg
Mark Mobius
Mobius Capital Partners LLP
 Investment Managers

25 February 2021

BUSINESS REVIEW

Business Review

The Strategic Report, set out on pages 2 to 29, contains a review of the Company's business model and strategy, an analysis of its performance during the financial year ended 30 November 2020 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.

Further information on how the Directors have discharged their duty under Section 172 of the Companies Act 2006 can be found on pages 25 to 28.

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 secretarial and administrative services are provided by Frostrow Capital LLP. In addition, Frostrow provides the AIFM Directive risk management function on behalf of the AIFM (see page 24 for further details).

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 24 and 25.

Strategy for the Year ended 30 November 2020 and Strategic Review

Throughout the year ended 30 November 2020, the Company continued to operate as an approved investment trust, following its investment objective and policy.

During the year, the Board made all strategic decisions for the Company. Mobius Capital Partners LLP and Frostrow Capital LLP undertook all strategic and administrative activities on behalf of the Board, which retained overall responsibility.

Investment Objective and Policy

The Company's investment objective and policy are set out on pages 7 and 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, which require investment trusts to retain no more than 15% of their income each year. The Company will only pay the minimum dividend required to maintain investment trust status. The Directors have not recommended a final dividend in respect of the year ended 30 November 2020.

The Board

The Board of the Company comprises Maria Luisa Cicognani (Chairman), Christopher Casey, Dr Sophie Robé and Charlie Shi, all of whom are independent non-executive directors. All Directors served during the year under review and up to the date of signing this report and they will stand for re-election at the forthcoming Annual General Meeting. Further information on the Directors can be found on pages 30 and 31.

BUSINESS REVIEW continued

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.

The Corporate Governance report, on pages 37 to 44, 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.

Information on the Company's social, community, employee or environmental responsibilities can be found in the Report of the Directors on page 35 and the Corporate Governance Statement on page 44.

Key Performance Indicators "KPIs"

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 74)

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 as set out in the Glossary with a

similar investment objective out of the AIC's Global Emerging Markets Sector.

Over the year ended 30 November 2020, the Company ranked fourth in its peer group with a net asset value per share total return performance of 16.3% against a peer group average of 13.8%. Subsequent to the year-end, from 1 December 2020 to 31 January 2021, the Company ranked number 4 against its peer group with a net asset value total return of 7.6%; the average for the peer group was 9.6%. The Board continues to monitor this closely (see Glossary beginning on page 74 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 year ended 30 November 2020, no new shares were issued by the Company nor were any shares bought back. 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. During the whole year ended 30 November 2020, the Company traded at an average discount of 9.8%, although this narrowed to 2.7% as at 30 November 2020. 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 continued to indicate a preference for narrowing the discount through generating natural demand and, at the time of writing, the discount stands at 7.1%.

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

30 November 2020 (9.8%)	30 November 2019 (0.9%)
Peer group average discount (8.4%)	Peer group average discount (3.8%)

* Source: Morningstar

[^] Alternative Performance Measure (see Glossary beginning on page 74)

BUSINESS REVIEW continued

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.

Over the year ended 30 November 2020 the ongoing charges ratio was 1.5%. This ongoing charges ratio compares to the average of the Company's peer group of 1.3%.

Ongoing charges ratio [^]	
Year ended	Period ended
30 November 2020	30 November 2019
1.5%	1.7%
Peer group average 1.3%	Peer group average 1.3%

[^] Alternative Performance Measure (see Glossary beginning on page 74)

Further details as well as a summary of the Company's approach to risk and how principal risks and uncertainties were dealt with during the year under review, are set out overleaf on pages 20 to 23.

Principal Risks, Emerging Risks and Risk Management

The Board considers that the risks detailed within this report are the principal risks currently facing the Company to deliver its strategy.

The Board is responsible for the ongoing identification, evaluation and management of the of the principal risks faced by the Company and the Audit Committee, on behalf of the Board, has established a process for the regular review of these risks and their mitigation. This process accords with the UK Governance Code and the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting. The impact of the global Covid-19 pandemic on the operations of the Company and its service providers was also considered as part of this process.

During the year ended 30 November 2020, the Audit Committee has carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity. The Committee also considered the controls in place to mitigate the inherent risks and whether additional controls or actions were required to bring the residual risk down to an acceptable level. The Committee was satisfied with the controls that are in place. In respect of the ongoing impact of Covid-19 on business everywhere, the Committee was reassured that all service providers of the Company had adequate business continuity measures in place to ensure that no operational issues would arise out of new working-from-home practices and that cyber and IT risks were properly addressed.

BUSINESS REVIEW continued

Principal Risks and Uncertainties

Mitigation

Investment Risks (including financial risks)

Market, Foreign Exchange, Fiscal and Legal 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.

Furthermore, by nature of its emerging markets portfolio, the Company is exposed to fiscal and legal risk in the various countries where investments are held.

The emergence of the Covid-19 pandemic also had an impact on markets, especially in March 2020 when most suffered big falls, although the impact of the Coronavirus was not just restricted to emerging markets but was a global phenomenon.

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.

The Company also employs specialist tax advisers in some jurisdictions to ensure that all laws, rules and regulations are adhered to.

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 investee 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 with the management of each investee 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 investee 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 Depositary 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; and
- monitoring of the Depositary and Custodian, including reviews of internal control reports and sub-custodial arrangements, as appropriate.

Further information on other financial risks, can be found in note 14 beginning on page 69.

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. There is healthy dialogue between the Board and the investment managers as well as challenge from the Board when felt necessary.

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.

During the year, and as already announced in the Company's half-yearly report, Greg Konieczny retired from Mobius Capital Partners LLP. The investment committee now consists of Dr Mobius and Mr Hardenberg.

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 physical and virtual 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.

The retirement of Mr Konieczny and his departure from MCP was well managed with a handover of responsibilities to other members of the team, and the Board is satisfied that the Company's investment management continued to positively address any challenges.

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 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 or the Covid-19 pandemic and covers dealing, trade processing, administrative services, financial and other operational functions.

To manage these risks the Board:

- ensures that all major service agreements are in line with best practice and reviews performance against these terms annually, taking action as needed;
- 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;
- has considered the increased risk of cyber-attacks and has received reports and assurance from its service providers regarding the controls in place; and
- has considered the major service providers' business continuity procedures and resilience in the face of the Covid-19 pandemic and is satisfied that all service providers are able to provide good service levels while staff are working remotely and safely.

Geopolitical Risk

The geopolitical risk to the Company is closely monitored by the Board.

Macroanalysis is a vital part of the investment process, and the investment team takes a very cautious approach when it comes to investing in countries with volatile economic and political conditions. In addition, the Board consults regularly with the team on political risk factors. Having one Board member based in Asia provides valuable insights into local risks and challenges.

Other Global Risk

Other global events, such as the Covid-19 pandemic or terrorist attacks, might affect the performance of portfolio companies or result in the Company's service providers being unable to meet their contractual duties.

During the year under review, the Board has:

- held extra review meetings by video conference with the Investment Managers; and
- reviewed new working practices adopted by key service providers as a consequence of the Covid-19 pandemic to ensure that service levels were not disrupted or eroded. Further details are given on page 23.

BUSINESS REVIEW continued

Emerging Risks

The Company has carried out a detailed assessment of its emerging and principal risks. The International Risk Governance Council's definition of an "emerging" risk is one that is new, or is a familiar risk in a new or unfamiliar context or under new context conditions (re-emerging). Failure to identify emerging risks may cause reactive actions rather than being proactive and, in a worst case scenario, could cause the Company to become unviable or otherwise fail or force the Company to change its structure, objective or strategy.

The Audit Committee reviews a risk register at its half-yearly meetings. Emerging risks are discussed in detail as part of this process to try to ensure that emerging as well as well-known risks are identified and mitigated as far as possible. The emerging risks identified during the year were the Covid-19 pandemic, the impact of which is dealt with below, as well as risks related to the environment, social issues and governance (ESG) such as the impact of climate change or bad governance of portfolio companies. All ESG-related risks are constantly being assessed by the Investment Managers and reported to the Board.

The experience and knowledge of the Directors is useful in these discussions, as are update papers and advice received from the Board's key service providers such as the AIFM and Investment Manager and the Company's brokers. In addition, the Company is a member of the AIC, which provides regular technical updates, draws members' attention to forthcoming industry and regulatory issues and advises on compliance obligations.

Brexit

The Board has considered whether the United Kingdom's exit from the European Union ("Brexit") poses a discrete risk to the Company. At the date of this report, the UK has left the EU and has come out of the "transition period" with a trade and security deal finalised with the EU on 24 December 2020, the exact impact of which remains to be seen.

As the Company is priced in sterling and its portfolio companies are priced in foreign currencies sharp movements in exchange rates can affect the net asset value. This is obviously not a reflection of the underlying value of the investee companies in their own currencies, but may lead to an increase or decrease in the Company's Net Asset Value simply because of movements in sterling.

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.

Impact of Covid-19

The Board recognises that the emergence and spread of the new coronavirus (Covid-19) represents a new area of risk, both to the Company's investment performance and to its operations. In recent months the investment managers successfully continued their dialogue with investee companies and the Board has stayed in close contact with the investment managers and has been continuously monitoring portfolio and share price developments. The Board has also received assurances from all of the Company's service providers in respect of:

- their business continuity plans and the steps being taken to guarantee the ongoing efficiency of their operations while ensuring the safety and well-being of their employees;
- their cyber security measures including improved user-access controls, safe remote working and evading malicious attacks; and
- any increased risks of fraud as a result of decreased operations and possible employee terminations and weakness in user-access controls resulting in the potential for management overrides.

With the emergence of several vaccines, the outlook is cautiously positive, but the Board will continue to monitor developments as they occur.

Long Term Viability Statement

In accordance with the UK Corporate Governance Code, the Directors have carefully assessed the Company's position and prospects as well as the principal risks stated on pages 19 to 22 and have formed 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 financial years. The Board has chosen a five-year horizon in view of the long-term nature and outlook adopted by the Investment Manager when making investment decisions.

To make this assessment and in reaching this conclusion, the Audit Committee has considered the Company's financial position and its ability to liquidate its portfolio and meet its liabilities as they fall due:

- the portfolio is principally comprised of investments traded on major international stock exchanges. Based on historic analysis 100% of the current portfolio could be liquidated within 30 trading days with 97.4% in seven days under normal market conditions and there

BUSINESS REVIEW continued

is no expectation that the nature of the investments held within the portfolio will be materially different in future;

- the expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position; and
- the Company has no employees, only its non-executive Directors. Consequently, it does not have redundancy or other employment related liabilities or responsibilities.

The Audit Committee, as well as considering the potential impact of the Company's principal risks on pages 19 to 22 and various severe but plausible downside scenarios, has also considered the following assumptions in considering the Company's longer-term viability:

- there will continue to be demand for investment trusts;
- the Board and the Investment Manager will continue to adopt a long-term view when making investments;
- the Company invests principally in the securities of listed companies in emerging markets to which investors will wish to continue to have exposure;
- regulation will not increase to a level that makes running the Company uneconomical; and
- the performance of the Company will continue to be satisfactory.

Covid-19 was also factored into the key assumptions made by assessing its impact on the Company's key risks and whether the key risks had increased in their potential to affect the normal, favourable and stressed market conditions. As part of this review the Board considered the impact of a significant and prolonged decline in the Company's performance and prospects. This included a range of plausible downside scenarios such as reviewing the effects of substantial falls in investment values and the impact of the Company's ongoing charges ratio, which were the subject of stress testing.

Furthermore, the Audit Committee considered the operational resilience of the Company's service providers, and thereby the operational viability of the Company. During the year under review, the majority of meetings were held online, and all key service providers have been contacted with regard to their business continuity systems in place due to the pandemic as well as their IT and cyber security systems to prevent fraudulent activity of any kind. There have been no issues raised and the Audit Committee was reassured that all key service providers were operating well and to their normal high service standards while ensuring the safety of their employees by enabling them to work remotely.

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.

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, Company Secretary and Administrator

Frostrow Capital LLP ("Frostrow") 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 14 other investment trust and investment company clients whose assets totalled approximately £10 billion as at the date of this report.

Company secretarial, marketing, and administrative services are provided by Frostrow 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. 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 65.

BUSINESS REVIEW continued

Depository and Custodian

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

Under the Depository 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 Depository Agreement may be terminated upon six months' written notice from the Company or the Investment Manager to the Depository or the Depository 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 as Manager, Company Secretary and Administrator 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 allocates to the Company.

Company Promotion

The Company has appointed Frostrow to promote the Company's shares to professional investors in the UK and Ireland. As Investment Company Specialists, the Frostrow team provides a continuous, pro-active marketing, distribution and investor relations service that aims to promote the Company by encouraging demand for the shares.

Frostrow actively engages with professional investors, typically discretionary wealth managers, some institutions and a range of execution-only platforms. Regular

engagement helps to attract new investors and retain existing shareholders, and over time results in a stable share register made up of diverse, long-term holders.

Frostrow arranges and manages a continuous programme of one-to-one meetings with professional investors around the UK. These include regular meetings with "gate keepers", the senior points of contact responsible for their respective organisations' research output and recommended lists. The programme of regular meetings also includes autonomous decision makers within large multi-office groups, as well as small independent organisations. Some of these meetings involve Mobius Capital Partners, but most of the meetings do not, which means the Company is being actively promoted while the Investment Manager concentrates on the portfolio. Over the course of the Covid-19 pandemic, many of these meetings have been held via video conference.

The Company also benefits from involvement in the regular professional investor seminars run by Frostrow in major centres, notably London and Edinburgh, or webinars which are focused on buyers of investment companies.

Frostrow produces many key corporate documents, monthly factsheets, annual and half-yearly reports. All Company information and invitations to investor events, including updates from the Investment Manager on portfolio and market developments, are regularly emailed to a growing database, overseen by Frostrow, consisting of professional investors across the UK and Ireland.

Frostrow maintains close contact with all the relevant investment trust broker analysts, particularly those from Jefferies International Limited, the Company's corporate broker, but also others who publish and distribute research on the Company to their respective professional investor clients.

The Company continues to benefit from regular press coverage, with articles appearing in respected publications that are widely read by both professional and self-directed private investors. The latter typically buy their shares via retail platforms, which account for a significant proportion of the Company's share register.

Stakeholder Interests and Board Decision-Making (Section 172 Statement)

Under new reporting regulations and the new AIC Code, the Directors must now explain more fully how they have discharged their duties under Section 172 of the Companies Act 2006 in promoting the success of the Company for the benefit of the members as a whole. This includes the likely consequences of the Directors' decisions in the long term

BUSINESS REVIEW continued

and how they have taken wider stakeholders' needs into account.

The Directors aim to act fairly as between the Company's shareholders. The Board's approach to shareholder relations is summarised in the Corporate Governance Report beginning on page 37. The Chairman's Statement beginning on page 4 provides an explanation of actions taken by the Directors during the year to achieve the Board's long-term aim of ensuring capital growth and income returns predominantly through investment in a diversified portfolio of companies operating in emerging or frontier markets.

As an externally managed investment trust, the Company has no employees, customers, operations, or premises. Therefore, the Company's key stakeholders (other than its shareholders) are considered to be its service providers.

The need to foster business relationships with the service providers and maintain a reputation for high standards of business conduct are central to the Directors' decision-making as the Board of an externally managed investment trust. The Directors believe that fostering constructive and collaborative relationships with the Company's service providers will assist in their promotion of the success of the Company for the benefit of all shareholders.

The Board engages with representatives from its service providers throughout the year. Representatives from Mobius Capital Partners and Frostrow are in attendance at each Board meeting. As the Investment Manager and the Company Secretary and Administrator respectively, the services they provide are essential to the long-term success of the Company.

Further details are set out below:

Who?

STAKEHOLDER GROUP

Why?

THE BENEFITS OF ENGAGING WITH THE COMPANY'S STAKEHOLDERS

How?

HOW THE BOARD, THE PORTFOLIO MANAGER AND ADMINISTRATOR HAVE ENGAGED WITH THE COMPANY'S STAKEHOLDERS

Investors

Clear communication of the Company's strategy and the performance against the Company's objective can help the share price trade at a narrower discount or a wider premium to its net asset value per share which benefits shareholders.

New shares can be issued to meet demand without net asset value per share dilution to existing shareholders. Increasing the size of the Company can benefit liquidity as well as spread costs.

In an effort to control the discount at which shares trade to their net asset value per share, the Company can buy back shares if the Board considers this to be in the best interest of the Company and shareholders as a whole. Shares can either be held in "treasury" or cancelled. Any shares held in treasury can later be sold back to the market if conditions permit. The Company does not currently hold any shares in treasury.

The Investment Manager, Frostrow and the Company's broker, on behalf of the Board, complete a programme of investor relations throughout the year.

An analysis of the Company's shareholder register is provided to the Directors at each Board meeting along with marketing reports from Frostrow. The Board reviews and considers the marketing plans on a regular basis. Reports from the Company's broker are submitted to the Board on investor sentiment and industry issues.

Key mechanisms of engagement include:

- the Annual General Meeting;
- the Company's website which hosts reports, video interviews with the portfolio manager and monthly factsheets;
- one-on-one investor meetings and online webinars;
- should any significant votes be cast against a resolution, proposed at the Annual General Meeting, the Board will engage with Shareholders in order to understand the reasons behind the votes against; and
- following the consultation, an update will be published no later than six months after the AGM and the Annual Report will detail the impact the Shareholder feedback has had on any decisions the Board has taken and any actions or resolutions proposed.

BUSINESS REVIEW continued

Who?

STAKEHOLDER GROUP

Why?

THE BENEFITS OF ENGAGING WITH THE COMPANY'S STAKEHOLDERS

How?

HOW THE BOARD, THE PORTFOLIO MANAGER AND ADMINISTRATOR HAVE ENGAGED WITH THE COMPANY'S STAKEHOLDERS

Investment Manager

Engagement with the Company's Investment Manager is necessary to evaluate their performance against the Company's stated strategy and to understand any risks or opportunities this may present. The Board ensures that the Investment Manager's environmental, social and governance ("ESG") approach is in line with standards elsewhere and is in line with the Board's expectations.

Engagement also helps ensure that Investment Management costs are closely monitored and remain competitive.

The Board meets regularly with the Company's Investment Manager throughout the year both formally at the scheduled Board meetings and informally as needed. For example, at the start of the Covid-19 pandemic, fortnightly meetings were held when markets were particularly volatile, reducing in frequency as markets became more stable. The Board also receives monthly performance and compliance reporting.

The Investment Manager's attendance at each Board meeting provides the opportunity for the Investment Manager and Board to further reinforce their mutual understanding of what is expected from both parties.

Service Providers

The Company contracts with third parties for other services including: depositary, investment accounting & administration as well as company secretarial and registrars. The Company ensures that the third parties to whom the services have been outsourced complete their roles in line with their service level agreements, thereby supporting the Company in its success and ensuring compliance with its obligations.

The Covid-19 pandemic has meant that it was vital to make certain there were adequate procedures in place at the Company's key service providers to ensure the safety and wellbeing of their employees and the continued high quality of service to the Company.

The Board and Frostrow engage regularly with other service providers both in one-to-one meetings and via regular written reporting. Representatives from service providers are asked to attend Board and Audit Committee meetings when deemed appropriate. This regular interaction provides an environment where topics, issues and business development needs can be dealt with efficiently and collegiately.

The Board together with Frostrow have maintained regular contact with the Company's key service providers during the pandemic, as well as carrying out a review of the service providers' business continuity plans and additional cyber security provisions.

Portfolio Companies

Gaining a deeper understanding of the portfolio companies and their strategies as well as incorporating consideration of ESG factors into the investment process assists in understanding and mitigating risks of an investment as well as identifying future potential opportunities.

Active engagement on ESG+Culture issues with the aim of improving operations, ESG-standards and performance, and thereby catalysing a re-rating of the investee's stock price, lies at the heart of the Investment Manager's strategy. The Investment Manager individually tailors engagement on ESG+C issues to the company and its respective sector. In addition to ESG factors, MCP places a high emphasis on understanding a company's corporate culture. The Board strongly supports the team in this undertaking and has been keeping in close and regular contact with the Investment Manager to understand the progress portfolio holdings are making along their individual action plans.

BUSINESS REVIEW continued

What?

WHAT WERE THE KEY TOPICS OF ENGAGEMENT?

Key topics of engagement with investors

- Ongoing dialogue with shareholders concerning the strategy of the Company, performance, the portfolio and ESG issues.
- At a time of wide discount during the year, investors' opinion was sought as to whether buybacks should be undertaken to control the discount.

Key topics of engagement with the Investment Manager on an ongoing basis

- Portfolio composition, performance, outlook and business updates as well as ESG engagement with portfolio companies.
- The impact of Brexit on their business and the portfolio.
- The impact of Covid-19 on their business and the portfolio.
- Team composition.

Other Service Providers

- The Directors have frequent engagement with the Company's other service providers through the annual cycle of reporting and due diligence meetings or site visits by Frostrow. This engagement is completed with the aim of maintaining an effective working relationship and oversight of the services provided.

Outcomes and actions

WHAT ACTIONS WERE TAKEN, INCLUDING PRINCIPAL DECISIONS?

- The Investment Manager, Frostrow and the broker meet regularly with shareholders and potential investors to discuss the Company's strategy, performance, the portfolio and any ESG issues which might be raised.
- Shareholders made it clear that they preferred for the Company's share price and NAV to recover naturally, through good performance, rather than for the Company to undertake buybacks to control the discount. At the year-end, the Company's discount had narrowed to 2.7% due to good performance.

- Updates are received by the Board at every Board meeting.
- No specific action on Brexit is required.
- Regular updates were received by the Board throughout the year in respect of the impact of the pandemic on investment decision making and working practices.
- The unique network of external experts and consultants in Emerging Markets built over decades of investing in this space enables the Investment Manager to buy in project-specific, high-quality know-how while allowing the core team to remain lean, agile and highly motivated.

- No specific action required as the reviews of the Company's service providers have been positive and the Directors believe their continued appointment is in the best interests of the Company.

BUSINESS REVIEW continued

Responsible and Sustainable Investing

It is the Board's view that, in order to achieve long-term success, companies need to maintain high standards of corporate governance and corporate responsibility. More information is given in the Investment Manager's Report on pages 11 to 16.

The Investment Manager's customised engagement acts as one of the key features in the investment process and includes an Action Plan targeted at ESG and operational issues identified in the individual holdings. The Investment Manager believes this customised engagement will lead to an enhancement in ESG+C positioning, operational improvements, and attractive returns to investors following a stock rerating. Throughout the year, the Board followed the progress on engagement closely and was delighted to see a number of very encouraging results in the sustainability arena, including the addition of three investee company holdings to the Dow Jones Sustainability Index 2020 in recognition of their achievements in the ESG-sphere.

Integrity and Business Ethics

The Company is committed to carrying out business in an honest and fair manner with a zero-tolerance approach to bribery, tax evasion and corruption. As such, policies and procedures are in place to prevent the above. In carrying out its activities, the Company aims to conduct itself responsibly, ethically and fairly, including in relation to social and human rights issues.

As an investment trust with limited internal resources, the Company has little impact on the environment. The Company believes that high standards of ESG make good business sense and have the potential to protect and enhance investment returns. Consequently, the Investment Manager's investment criteria ensure that ESG and ethical issues are taken into account and best practice is encouraged. The Board's expectations are that its principal service providers have appropriate governance policies in place.

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 year ended 30 November 2020, 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 16.

The Company's overall strategy remains unchanged.

Maria Luisa Cicognani
Chairman

25 February 2021

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. Between 1993 and 2005, she worked at the European Bank for Reconstruction and Development, ultimately as Head of the Bank Equity group, before holding senior positions with Merrill Lynch and Renaissance Capital, Mediobanca, Azimut Global Counselling in Italy and Azimut International Holding in Luxembourg. Since 2016 she has been senior adviser to a number of financial institutions and investors as well as non-executive director in listed companies including MONETA Money Bank listed in Prague where she was elected chairperson in 2017 until 2018, and Arafa Holding listed in Cairo.

Maria Luisa holds a *magna cum laude* 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, UBI Banca in Italy and Global Frontier Markets Inc, New York.

Standing for re-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 of public companies, in particular investment trusts.

Previously he was chairman, independent non-executive director and audit committee chairman of China Polymetallic Mining Limited until 2016, independent non-executive director and audit committee chairman of Latchways plc until 2015 and independent non-executive director and audit committee chairman of Eddie Stobart Logistics plc, until August 2020.

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 and chairman of TR European Growth Trust plc, non-executive director and audit committee chairman of BlackRock North American Income Trust plc and Life Settlements Assets plc as well as non-executive director of CQS Natural Resources Growth and Income plc.

Standing for re-election

Yes

BOARD OF DIRECTORS continued



Dr Sophie Robé

Independent Non-Executive Director and Senior Independent Director

Appointed to the Board on 5 September 2018

Remuneration per annum: £25,000

Shareholding in the Company: none

Skills and Experience:

Sophie has over 20 years' experience in asset management as well as responsible and impact investing. She is the founder of FIIND Impact, an advisory firm specialised on sustainable and impact investing. Before that, she founded Phenix Capital in 2012 and was co-CEO until March 2020. Sophie was a director at Jupiter Asset Management London, heading business development in the Netherlands from 2010 to 2012, and acting as Global Head of hedge fund sales from 2002 to 2010. She also held senior positions at Commerzbank Asset Management, incl. head of quantitative analysis from 1997 until 2002.

Sophie is currently a member of the ESG committee and a former board member of the CFA Society of the Netherlands. Sophie is a CFA Charterholder and holds a PhD in Finance and Econometrics from the University of Kassel in Germany.

Other Appointments:

Sophie is also a director of FIIND Impact BV and FIIND Impact Foundation in the Netherlands.

Standing for re-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 as an external expert member of 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.

Other Appointments:

Charlie is also a director of Apex Class Limited (a pure investment holding company) as well as an independent, non-executive director of Franklin Templeton Sealand Fund Management Co Ltd and Pico Far East Holdings Limited (listed on the Hong Kong Stock Exchange).

Standing for re-election

Yes

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 year ended 30 November 2020.

In accordance with the requirement for the Directors to prepare a Strategic Report and an enhanced Directors' Remuneration Report for the year ended 30 November 2020, the following information is set out in the Strategic Report: a review of the business of the Company including details of its objective, strategy and business model, future developments, details of the principal risks and uncertainties associated with the Company's activities (including the Company's financial risk management objectives and policies), information regarding community, social, employee and human rights, environmental issues and the Company's policy regarding Board diversity.

Information about Directors' interests in the Company's ordinary shares is included within the Annual Report in the Remuneration section of the Directors' Remuneration Report.

The Corporate Governance Statement on pages 37 to 44 forms part of this Directors' Report.

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 principal activity of the Company is to carry on business as an investment trust. The Company has been granted approval from HM Revenue & Customs as an investment trust under sections 1158 and 1159 of the Corporation Taxes Act 2010. The Company will be treated as an investment trust company subject to the Company's continued compliance with applicable laws and regulations. The Directors do not envisage any change in this activity in the future.

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

Alternative Performance Measures

The Financial Statements (on pages 60 to 71) 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 pages 18 and 19.

The Directors believe that these measures enhance the comparability of information between reporting periods and aid investors in understanding the Company's performance. The measures used for the year under review have remained consistent with the prior period.

Definitions of the terms used and the basis of calculation adopted are set out in the Glossary beginning on page 74.

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 9 Authority to allot shares

Resolution 10 Authority to disapply pre-emption rights

Resolution 11 Authority to buy back shares

Resolution 12 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 77 to 80. Explanatory notes regarding the resolutions can be found on pages 81 and 82. Ordinary resolutions require that more than 50% of the votes cast at the relevant meeting must be in favour of the resolutions. Special resolutions require that at least 75% of the votes cast must be in favour of the resolution to be passed.

Recommendation

The Directors consider that all the resolutions to be proposed at the AGM are in the best interests of the Company and its members as a whole. The Directors unanimously recommend that shareholders vote in favour of all the resolutions, as they intend to do in respect of

REPORT OF THE DIRECTORS continued

their own beneficial holdings, details of which are set out on page 50.

AGM Arrangements

The Board hopes that it will be possible to hold the AGM in person on 28 April 2021, although recent Government announcements make this look unlikely. Shareholders should note that at the time of writing this annual report, it is not yet completely clear whether it will be possible to hold a physical AGM or whether further social distancing rules will necessitate a much pared-down AGM in order to guarantee everyone's safety and well-being in view of Covid-19. In case the decision has to be made that it will not be possible for shareholders to meet with the Board in person and that the Board can only conduct the minimal statutory business at the AGM, then arrangements will be made for shareholders to attend via a webinar, view the Managers' presentation and ask questions in advance. Shareholders are encouraged to view the Company's website, www.mobiusinvestmenttrust.com for further information nearer the time. Questions can be submitted to the Company Secretary at info@frostron.com.

As also noted in the Chairman's Statement on page 6, shareholders are strongly encouraged to exercise their votes in respect of the meeting in advance by returning their forms of proxy. This will ensure that all shareholders' votes are registered in the event that attendance is not possible or restricted or if the meeting is postponed. Further details about the voting process can be found in the Notice of Meeting on page 79.

Results and Dividend

The results attributable to shareholders for the year are shown on page 60 in the Income Statement.

The Directors are not recommending that a final dividend be paid for the year ended 30 November 2020 (2019: 0.30p per share) in line with the Company's dividend policy set out on page 17.

Directors

The current Directors of the Company are listed on pages 30 and 31. They all served as Directors throughout the year to 30 November 2020. No other person was a Director during any part of the year or up to the approval of this Report.

Directors' Conflicts of Interest

Directors report on actual or potential conflicts of interest at each Board meeting. Any Director with a potential conflict would be excluded from any related discussion.

Directors' and Officers' Liability Insurance Cover

Directors' and Officers' liability insurance cover was maintained by the Board during the year ended 30 November 2020. It is intended that this policy will continue for the year ending 30 November 2021 and subsequent years.

Directors' Indemnities

Subject to the provisions of applicable UK legislation, the Company provides an indemnity for Directors in respect of costs incurred in the defence of any proceedings brought against them and also liabilities owed to third parties, in either case arising out of their positions as Directors of the Company. This was in place throughout the financial year under review and up to the date of the approval of this report. The indemnities are qualifying third party provisions for the purposes of the Companies Act 2006.

A copy of each deed of indemnity is available for inspection at the Registered Office of the Company during normal business hours and will be available for inspection at the Annual General Meeting. Should the AGM have to be held as a virtual meeting, copies of the indemnities can be requested from the Company Secretary.

Directors' Fees

Reports on Directors' Remuneration and also the Directors' Remuneration Policy are set out on pages 49 to 51.

Appointment and Replacement of Directors

Unless otherwise determined by the Company by ordinary resolution, the number of Directors shall not be less than two.

Directors' Interests

The beneficial interests in the Company of the Directors, and of the persons closely associated with them, are set out on page 50 of this Annual Report.

Capital Structure

As at 30 November 2020, 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 34.

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

REPORT OF THE DIRECTORS continued

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 management shares. The management shares are not redeemable.

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.

Details of the voting rights in the Company's shares at the date of this Annual Report are given in Note 2 to the Notice of the Annual General Meeting on page 79.

Details of the substantial shareholders in the Company are listed below.

Share Issues and Buybacks

The Directors have the authority to issue shares up to an aggregate nominal amount equal to 10% of the issued share capital of the Company. They also have the authority to issue shares, or sell Treasury shares, up to an aggregate nominal amount equal to 10% of the issued share capital for cash, without pre-emption rights applying.

Furthermore, at the last Annual General Meeting held on 23 April 2020, the Directors were granted authority to repurchase up to 15,739,500 Ordinary shares, being 14.99% of the Company's issued share capital. Those authorities will expire at the Annual General Meeting to be held on 28 April 2021, when resolutions to renew them will be proposed.

At 30 November 2020, the number of Ordinary shares in issue was 105,000,000. No shares were issued during the year and no shares were bought back.

Treasury Shares

The Company may make market purchases of its own shares for cancellation or for holding in Treasury where it is considered by the Board to be cost effective and positive for the management of the Company's capital base to do so. During the year, and since the year end, no shares were purchased for, or held in, Treasury.

Shares would only be re-issued from Treasury at a price representing a premium to net asset value per share.

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.

Substantial Interests in Share Capital

As at 30 November 2020 and 31 January 2021, 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 2020	
	Number of ordinary shares held	% of issued share capital
Allan & Gill Gray Foundation	20,000,000	19.05
Mark Mobius	15,617,092	14.87
Hargreaves Lansdown, stockbrokers (EO)	6,534,380	6.22
BMO Global Asset Management (UK)	5,425,000	5.17
1607 Capital Partners	5,351,825	5.10
Premier Miton Investors	4,015,000	3.82
Connor Broadley	3,953,521	3.77
Church House Investments	3,621,610	3.45
JM Finn, stockbrokers	3,532,770	3.36
Interactive Investor (EO)	3,203,843	3.05

Shareholder	31 January 2021	
	Number of ordinary shares held	% of issued share capital
Allan & Gill Gray Foundation	20,000,000	19.05
Mark Mobius	15,617,092	14.87
Hargreaves Lansdown, stockbrokers (EO)	7,703,854	7.34
BMO Global Asset Management (UK)	5,425,000	5.16
Interactive Investor (EO)	4,099,533	3.91
JM Finn, stockbrokers	3,660,470	3.49
Church House Investments	3,637,160	3.46
Connor Broadley	3,543,248	3.37

Interests of key management personnel in the shares of the Company as at 30 November 2020:

Mark Mobius (see also above)	15,617,092	14.87%
Carlos Hardenberg	940,000	0.90%

REPORT OF THE DIRECTORS continued

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.

The Company's suppliers are typically professional advisers and the Company's supply chains are considered to be low risk in this regard.

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

In response to the implementation of the Criminal Finances Act 2017, the Board has 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.

Political Donations

The Company has not made any political donations in the past, nor does it intend to do so in the future.

Corporate Governance

The Corporate Governance report, which includes the Company's Corporate Governance policies is set out on pages 37 to 44.

Global Greenhouse Gas Emissions for the Year ended 30 November 2020

The Company is an investment trust, with neither employees nor premises, nor has it any financial or operational control of the assets which it owns. It 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' Report) Regulations 2013, including those within the Company's underlying investment portfolio. Consequently, the Company consumed less than 40,000 kWh of energy during the year in respect of which the Directors' Report is prepared and therefore is exempt from the disclosures required under the Streamlined Energy and Carbon Reporting criteria.

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.

Requirements of the Listing Rules

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.

Going Concern

The content of the Company's portfolio, trading activity, the Company's cash balances and revenue forecasts, and the trends and factors likely to affect the Company's

REPORT OF THE DIRECTORS continued

performance are reviewed and discussed at each Board meeting. For the year ended 30 November 2020, the emergence of Covid-19 has added the factor of a global pandemic and its effect on the investment management and the general operations of the Company and its service providers to the deliberations of the Board, which will also remain an influencing factor for the year ending 30 November 2021.

The Board has considered a detailed assessment of the Company's ability to meet its liabilities as they fall due, including tests which modelled the effects of further substantial falls in markets and significant reductions in market liquidity to that experienced to date in connection with the coronavirus pandemic, on the Company's NAV, its cash flows and its expenses. Further information is provided in the Audit Committee report beginning on page 46.

Based on the information available to the Directors at the date of this report, including the results of these stress tests, the conclusions drawn in the Viability Statement on pages 23 and 24, the Company's cash balances, and the liquidity of the Company's listed investments, the Directors are satisfied that the Company has adequate financial resources to continue in operation for at least the next 12 months and that, accordingly, it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Statement of Disclosure of Information to the Auditors

The Directors who held office at the date of this report confirm that, so far as they are 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. This information should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Other Statutory Information

The following information is disclosed in accordance with the Companies Act 2006:

- The rules on the appointment and replacement of directors are set out in the Company's articles of association (the "Articles"). A change to the Articles would be governed by the Companies Act 2006.
- Subject to the provisions of the Companies Act 2006, to the Articles, and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. The powers shall not be limited by any special powers given to the Directors by the Articles and a meeting of the Directors at which a quorum is present may exercise all the powers exercisable by the Directors. The Directors' powers to buy back and issue shares, in force at the end of the year, are recorded in the Directors' Report.

There are no agreements:

- to which the Company is a party that might affect its control following a takeover bid; and/or
- between the Company and its Directors concerning compensation for loss of office.

By order of the Board

Frostrow Capital LLP

Company Secretary

25 February 2021

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 Board

Chairman - Maria Luisa Cicognani

Three additional non-executive Directors, all considered independent.

The Board has appointed Dr Sophie Robé as Senior Independent Director.

Key responsibilities:

- to provide leadership and set strategy, values and standards within a framework of prudent effective controls which enable risk to be assessed and managed;
- to ensure that a robust corporate governance framework is implemented; and
- to challenge constructively and scrutinise the performance of all outsourced activities.

Management Engagement and Remuneration Committee

Chairman
Charlie Shi

All Independent Directors

Key responsibilities:

- to review regularly the contracts, the performance and remuneration of the Company's principal service providers;
- to set the remuneration policy of the Company; and
- to determine and agree with the Board the remuneration of the Directors. Where appropriate, the Committee will consider both the need to judge the position of the Company relative to other companies regarding the remuneration of Directors and the need to appoint external remuneration consultants.

Audit Committee

Chairman
Christopher Casey*

All Independent Directors

(The Chairman of the Board is also a member of the Committee)

Key responsibilities:

- to monitor the integrity of the Company's annual report and financial statements and of the half-yearly report;
- to oversee the risk and control environment and financial reporting; and
- to review the performance of the Company's external Auditors and to set their remuneration.

* 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 Report

The Company is committed to the highest standards of corporate governance and the Board is accountable to shareholders for the governance of the Company's affairs.

The Board of Mobius Investment Trust plc has considered the principles and recommendations of the AIC Code of Corporate Governance published in February 2019 (the "AIC Code"). The AIC Code addresses all the principles set out in the UK Corporate Governance Code (the "UK Code"), as well as setting out additional provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and provisions of the AIC Code (which has been endorsed by the Financial Reporting Council) will provide better information to shareholders. By reporting against the AIC Code, the Company meets its obligations under the UK Code (and associated disclosure requirements under paragraph 9.8.6 of the Listing Rules) and as such does not need to report further on issues contained in the UK Code which are irrelevant to the Company as an externally-managed investment company, including the provisions relating to the role of the chief executive, executive directors' remuneration and the internal audit function.

The AIC Code is available on the AIC's website www.theaic.co.uk and the UK Code can be viewed on the Financial Reporting Council's website www.frc.org.uk. The AIC Code includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Company has complied with the principles and provisions of the AIC Code.

The Corporate Governance Statement on pages 37 to 44 forms part of the Report of the Directors on pages 32 to 36.

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. The Board is responsible for all matters of direction and control of the

Company, including its investment policy, and no one individual has unfettered powers of decision.

The role of the Board is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.

Board Leadership and Purpose

Purpose and Strategy

The Board assesses the basis on which the Company generates and preserves value over the long term. The Strategic Report describes how opportunities and risks to the future success of the business have been considered and addressed, the sustainability of the Company's business model and how its governance contributes to the delivery of its strategy.

The Company's Objective and Investment Policy are set out on pages 7 to 8.

The purpose and strategy of the Company are described in the Strategic Report on page 17.

Strategy issues and all material operational matters are considered at Board meetings.

Board Culture

The Board aims to fully enlist differences of opinion, unique vantage points and areas of expertise. The Chairman encourages open debate to foster a supportive and co-operative approach for all participants. Strategic decisions are discussed openly and constructively.

The Board aims to be open and transparent with shareholders and other stakeholders and for the Company to conduct itself responsibly, ethically and fairly in its relationships with service providers.

Board Diversity

The Board supports the principle of boardroom diversity, of which gender is one important aspect, and the recommendations of the Lord Davies review. The Board currently comprises two female and two male Directors.

The Board's aim is to have a broad range of approaches, backgrounds, skills, knowledge and experience represented and to make appointments on merit against objective criteria, including diversity in its broadest sense. The Board believes that this will promote the long-term sustainable success of the Company and generate value for all shareholders by ensuring there is a breadth of perspectives among the Directors and the challenge needed to support good decision making. Having one Board member based in Continental Europe and another in Asia, provides valuable

CORPORATE GOVERNANCE continued

insights into, and different perspectives of, local events, risks and challenges.

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 the year under review. All Directors will retire at the Company's Annual General Meeting (AGM) and seek to be re-elected by shareholders. Further details regarding the Directors can be found on pages 30 and 31.

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 from the Company Secretary and at the AGM.

Directors' Other Commitments

During the year, none of the Directors took on an increase in total commitments. Brief biographical details of the Directors, including details of their significant commitments, can be found on pages 30 and 31. All of the Directors consider that they have sufficient time to discharge their duties.

Directors' Interests

The beneficial interests of the Directors in the Company are set out on page 50 of this annual report.

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 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 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 scheduled Board and Committee meetings held during the year ended 30 November 2020 and the number of meetings attended by each Director.

Number of meetings	Management Engagement & Audit Remuneration Committee		
	Board (5)	Committee (2)	Committee (1)
Maria Luisa Cicognani	5	2	1
Christopher Casey	5	2	1
Sophie Robé	5	2	1
Charlie Shi	5	2	1

In addition to the scheduled Board and Committee meetings, Directors attended a number of ad hoc Board and Committee meetings to consider matters such as the approval of regulatory announcements, portfolio updates and new procedures for the Company's AGMs during the Covid-19 pandemic.

Especially during the start of the pandemic with its increased market volatility, Directors attended fortnightly portfolio update briefings with representatives of the Investment Manager. These update briefings reduced in frequency and ceased later in the year as the volatility of the markets decreased.

CORPORATE GOVERNANCE continued

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 is reviewed annually and at such other times as circumstances may require.

To this end, the Board collectively reviews all appointments to the Board and its Committees and, if necessary 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 directors appointments to deliver fair and effective selection outcomes. Independent advisors will be appointed to aid directors 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.

Chairman and Senior Independent Director ("SID")

The current Chairman, Mrs Cicognani, is deemed by her fellow independent Board members to be independent and to have no conflicting relationships. Her biography and other appointments are detailed on page 30 and the Board considers that she has sufficient time to commit to the Company's affairs as necessary.

Subsequent to the year end, the Board appointed Dr Robé as the Senior Independent Director. Her biography and other appointments are detailed on page 31 and the Board considers that she has sufficient time to commit to the Company's affairs as necessary.

Responsibilities of the Chairman and the SID

The Chairman's primary role is to provide leadership to the Board, assuming responsibility for its overall effectiveness in directing the Company. The Chairman is responsible for:

- taking the chair at general meetings and Board meetings, conducting meetings effectively and ensuring that all Directors are involved in discussions and decision making;
- setting the agenda for Board meetings and ensuring the Directors receive accurate, timely and clear information for decision-making;
- taking a leading role in determining the Board's composition and structure;
- overseeing the induction of new directors and the development of the Board as a whole;
- leading the annual board evaluation process and assessing the contribution of individual directors;
- supporting and also challenging the Investment Manager (and other suppliers where necessary);
- ensuring effective communications with shareholders and, where appropriate, stakeholders; and
- engaging with shareholders to ensure that the Board has a clear understanding of shareholders' views.

The Senior Independent Director ("SID") serves as a sounding board for the Chairman and acts as an intermediary for other Directors and shareholders. The SID is responsible for:

- working closely with the Chairman and providing support;
- leading the annual assessment of the performance of the Chairman;
- holding meetings with the other non-executive Directors without the Chairman being present, on such occasions as necessary;
- carrying out succession planning for the Chairman's role;
- working with the Chairman, other Directors and shareholders to resolve major issues; and
- being available to shareholders and other Directors to address any concerns or issues they feel have not been adequately dealt with through the usual channels of communication (i.e. through the Chairman or the Investment Manager).

CORPORATE GOVERNANCE continued

Policy on Director Tenure

The Board subscribes to the view 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 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, regardless of their length of tenure.

Board Evaluation

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

The Chairman acts 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 year ended 30 November 2020, the performance of the Board, its committees and individual Directors (including each Director's independence) was again 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 30, Mr Casey is a non-executive director of four other investment trusts. 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 31. Apex Class Limited 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 including the Chairman as part of the evaluation process and believes that it would be in the Company's best interests to propose them for re-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

CORPORATE GOVERNANCE continued

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 AIC holds regular Director Roundtable events throughout the year, which are designed to cover the latest issues and regulatory developments affecting the investment company sector. The Director Roundtables are open to all member investment company directors.

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. 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.

Matters Reserved for Decision by the Board

The Board has adopted a schedule of matters reserved for its decision. This includes, *inter alia*, the following:

- Decisions relating to the strategic objectives and overall management of the Company, including the appointment or removal of the Investment Manager and other service providers, establishing the investment objectives, strategy and performance comparators, the permitted types or categories of investments and the proportion of assets that may be invested in them.

- Requirements under the Companies Act 2006, including the approval of the half-year and annual financial statements, the recommendation of the final dividend (if any), the appointment or removal of the Company Secretary and determining the policy on share issuance and buybacks.
- Matters relating to certain Stock Exchange requirements and announcements, the Company's internal controls, and the Company's corporate governance structure, policies and procedures.
- Matters relating to the Board and its Committees, including the terms of reference and membership of the committees, and the appointment of directors (including the Chairman and the SID).

Day-to-day investment management is delegated to Mobius Capital Partners LLP and operational management is delegated to Frostrow Capital LLP.

The Board takes responsibility for the content of communications regarding major corporate issues even if Mobius Capital Partners and Frostrow act as spokesman. The Board is kept informed of relevant promotional material that is issued by Mobius Capital Partners.

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.

CORPORATE GOVERNANCE continued

Information on the Company's financial, strategic and operational risk management can be found in the Strategic Report on pages 19 to 22.

Relationship with the Investment Manager

At each Board meeting, representatives from the Investment Manager are in attendance to present verbal and written reports covering their activity, portfolio and investment performance over the preceding period, and compliance with the applicable rules and guidance of the FCA and the UK Stewardship Code. The Investment Managers also seek approval for specific transactions which they are required to refer to the Board.

Ongoing communication with the Board is maintained between formal meetings. The Board and the Investment Manager operate in a supportive, co-operative and open environment.

The Management Engagement and Remuneration Committee evaluates the Investment Manager's performance and reviews the terms of the Investment Management Agreement at least annually. The outcome of this year's review is described on page 25.

Relationship with Other Service Providers

Representatives from Frostrow are in attendance at each Board meeting to address questions on the Company's operations, administration and governance requirements.

The Management Engagement and Remuneration Committee monitors and evaluates all of the Company's other service providers, including Frostrow, and also the Custodian, the Registrars and the Brokers. At the most recent review, in September 2020, the Committee concluded that all the service providers were performing well and should be retained on their existing terms and conditions.

Company Secretary

The Board has direct access to the advice and services of the Company Secretary, Frostrow, which is responsible for ensuring that the Board and Committee procedures are followed and that the Company complies with applicable regulations. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that statutory obligations of the Company are met.

Independent Professional Advice

The Board has formalised arrangements under which the Directors, in the furtherance of their duties, may seek independent professional advice at the Company's expense.

Legal advice was sought during the year in respect of the 2020 Annual General Meeting which had to be held under lockdown conditions, with no shareholders being allowed to attend. Due to these highly unusual conditions brought about by the Covid-19 pandemic, the Board wished to ensure that everything was done to ensure that shareholders were enabled to have a say in Company matters.

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, industry issues and trends.

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. The Company also held two webinars for investors.

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. Subject to any Covid restrictions, 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. The Directors welcome the views of all shareholders and place considerable importance on communications with them.

CORPORATE GOVERNANCE continued

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 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's customised engagement acts as one of the key features in the investment process and includes an Action Plan targeted at ESG and operational issues identified in the individual holdings. The Investment Manager believes this customised engagement will lead to an enhancement in ESG+C positioning, operational improvements, and attractive returns to investors following a stock re-rating.

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.

Nominee Share Code

Where the Company's shares are held via a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance; and

- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend, speak and vote at the Company's general meetings.

Significant Holdings and Voting Rights

Details of the shareholders with substantial interests in the Company's shares, the Directors' authorities to issue and repurchase the Company's shares, and the voting rights of the shares are set out in the Report of the Directors on pages 33 to 34.

Audit, Risk and Internal Control

The Statement of Directors' Responsibilities on page 45 describes the Directors' responsibility for preparing this annual report.

The Audit Committee Report, beginning on page 46, explains the work undertaken to allow the Directors to make this statement and to apply the going concern basis of accounting. It also sets out the main roles and responsibilities and the work of the Audit Committee throughout the year, and describes the Directors' review of the Company's risk management and internal control systems.

A description of the principal risks facing the Company and an explanation of how they are being managed is provided in the Strategic Report on pages 19 to 22.

The Board's assessment of the Company's longer-term viability is set out in the Business Review on pages 23 and 24.

Remuneration

The Directors' Remuneration Report beginning on page 49 sets out the levels of remuneration for each Director and explains how Directors' remuneration is determined.

Frostrow Capital LLP

Company Secretary
25 February 2021

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 period. Under that law the Directors have prepared the Company financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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 return or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards have been followed for the financial statements, subject to any material departures disclosed and explained in the financial statements;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom 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.

Responsibility Statement

The Directors consider that the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the 'Board of Directors' on pages 30 to 31 confirm that, to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (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 (United Kingdom Generally Accepted Accounting Practice), give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Approved by the Board of Directors and signed on its behalf by

Maria Luisa Cicognani
Chairman

25 February 2021

AUDIT COMMITTEE REPORT

for the year ended 30 November 2020

Introduction from the Chairman

I am pleased to present my second formal report to shareholders as Chairman of the Audit Committee, for the year ended 30 November 2020.

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 30 and 31.

Role and Responsibilities of the Audit Committee

- 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.
- 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.
- 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.
- 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 48 for further information).

- 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 twice during the year under review and once more since the year-end. Attendance by each Director during the year is shown in the table on page 39.

Significant Issues Considered by the Audit Committee during the Year

Covid-19

The Covid-19 pandemic commenced around the time when the 2019 Annual Report was mailed out to shareholders and the Committee gave in-depth consideration to its potential effects on the Company. Despite initial volatility in line with markets world-wide, the Company's performance has remained robust. The long-term effect of the pandemic on the global economy and, in particular, emerging markets will become clearer in time and the Committee will continue to monitor the impact of Covid-19, which is also captured in the Company's risk register.

In order to mitigate the business risks caused by the pandemic, the Committee continues to review the operational resilience of its various service providers, who have continued to demonstrate their ability to provide services to the expected level, whilst doing so remotely.

Internal Controls and Risk Management

The Directors have identified main areas of risk as described in the Strategic Report on pages 19 to 23. They have set out the actions taken to evaluate and manage these risks. The Committee reviews the various actions taken and satisfies itself that they are sufficient: in particular the Committee reviews the Company's schedule of key risks at each meeting and requires amendments to both risks and mitigating actions if necessary.

The Board has overall responsibility for the Company's risk management and systems of internal controls and for reviewing their effectiveness. In common with the majority of investment trusts, investment management, accounting, company secretarial and custodial services have been delegated to third parties. The effectiveness of the internal controls is assessed on a continuing basis by the Company Secretary, the Investment Manager and the Depositary. Each maintains its own systems and the Committee receives regular reports from them. The Committee is satisfied that, notwithstanding the changes in personnel at the Investment Manager, appropriate systems have been in place for the year under review.

AUDIT COMMITTEE REPORT continued

Meetings and Business

Representatives of Frostrow and the Investment Manager attended each of the Committee's meetings and reported as to the proper conduct of business in accordance with the regulatory environment in which the Company and the Investment Manager operate. The Committee also met the Auditors twice during the year.

In addition to the formal Audit Committee meetings as Audit Committee Chairman, I maintain ongoing, less formal communications with the Investment Manager, Frostrow and the Company's auditors as need dictates.

The following matters were dealt with at the meetings:

January 2020

- Consideration and review of the annual results and the Auditors' report to the Committee;
- Approval of the Annual Report and Financial Statements;
- Review of the Depositary's Report for the period ended 30 November 2019;
- Review of the Investment Manager's internal controls;
- Review of the relevant internal controls reports of Frostrow and the Depositary;
- Review of the procedures for the detection of fraud and cyber security and the measures for these put in place by the key service providers;
- Review of the Company's risk matrix;
- Review of the Company's policies in respect of anti-bribery and corruption as well as anti-tax evasion;
- Evaluation of the Committee's effectiveness.

July 2020

- Consideration and review of the half-yearly report and financial statements;
- Approval of the half-yearly report;
- Review of the Committee's terms of reference;
- Review of the Depositary's Report for the six months ended 31 May 2020;
- Review of the internal controls report of the Company's Registrars;
- Review of the key service providers' Covid-19 resilience;
- Review of the Company's risk matrix;
- Approval of the Auditors' engagement letter and review of their plan for the 2020 audit;
- Review of the Company's policies.

Annual Report and Financial Statements

The Annual Report and the Financial Statements as a whole, are the responsibility of the Board. The Directors' Responsibility Statement is contained on page 45. The Board looks to the Committee for advice in relation to the Financial Statements both as to their form and content, and on any specific areas requiring judgement.

Although the Committee did not identify any significant issues as part of its review of the Annual Report and Financial Statements, it paid particular attention to:

Accounting Policies

The Accounting policies, as set out on pages 63 to 65, have been applied throughout the year. In light of there being no unusual transactions during the year or other possible reasons, the Committee found no reason to change any of the policies.

Existence of Investments

Reassurance was sought from the Depositary concerning the safekeeping of the Company's investments.

Valuation of Investments

The Committee reviewed the robustness of the Investment Manager's processes in place for recording investment transactions as well as ensuring the valuation of investments is in accordance with adopted accounting policies.

Recognition of Revenue from Investments

The Committee received assurance that all dividends receivable, including special dividends, had been accounted for appropriately.

Going Concern

Having considered the Company's financial position, the Committee satisfied itself that it is appropriate for the Board to present the Financial Statements on the going concern basis.

Long-term Viability

The Committee satisfied itself that it is appropriate for the Board to make the statement on pages 23 and 24, that they have a reasonable expectation that the Company will be able to continue its operations over the next five years.

Taxation

The Committee confirmed the position of the Company in respect of compliance with investment trust status and satisfied itself 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 payment 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.

AUDIT COMMITTEE REPORT continued

Internal Audit

Since the Company delegates its day-to-day operations to third parties and has no employees, the Committee again determined that there is no requirement for such a function.

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.

External Auditor

The Audit

The nature and scope of the audit for the year, together with PricewaterhouseCoopers LLP's audit plan, were considered by the Committee on 20 July 2020. The Committee then met PricewaterhouseCoopers LLP on 11 February 2021 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 year ended 30 November 2020 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 28 April 2021.

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.

During the year under review, PricewaterhouseCoopers LLP have carried out no 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

25 February 2021

DIRECTORS' REMUNERATION REPORT

for the year ended 30 November 2020

Statement from the Chairman of the Management Engagement and Remuneration Committee

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 52 to 59.

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 year and decided to increase Directors' fees by 2% with effect from 1 December 2020. As already noted in the last annual report, 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

A resolution to approve the Remuneration Report will be put to shareholders at the AGM of the Company to be held on 28 April 2021. The Remuneration Policy as set out on page 51 will apply until it is next put to shareholders for renewed 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. The Remuneration policy will therefore be put to shareholders again at the AGM in 2023.

	Date of Appointment to the Board	Fixed Fees 2020 £	Taxable Expenses 2020 £	Total Remuneration 2020 £
Maria Luisa Cigognani	5 September 2018	35,000	–	35,000
Christopher Casey	5 September 2018	30,000	573	30,573
Dr Sophie Robé	5 September 2018	25,000	–	25,000
Charlie Shi	5 September 2018	25,000	–	25,000
		115,000	573	115,573

DIRECTORS' REMUNERATION REPORT continued

Directors Remuneration history

The table below contains the annual percentage change in remuneration over the two years to 30 November 2020 in respect of each Director:

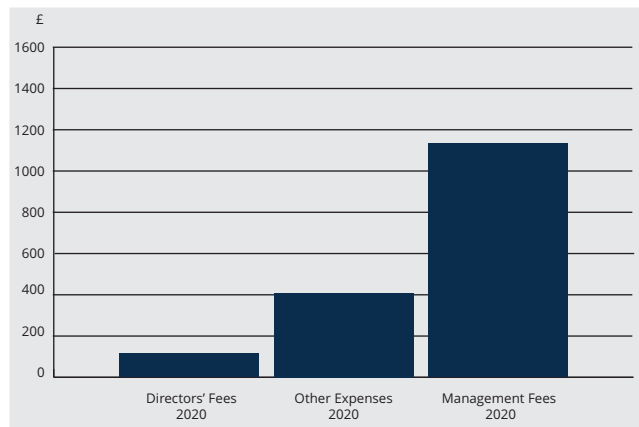
Fee Rates	Period to 30 November 2019	Annualised 2019	Year to 30 November 2020
Chairman	£43,256	£35,000 0%	£35,000 0%
Chair of Audit Committee	£37,077	£30,000 0%	£30,000 0%
Management Engagement and Remuneration Committee Chairman	£30,897	£25,000 0%	£25,000 0%
Non-executive Director	£30,897	£25,000 0%	£25,000 0%
Total	£142,128	£115,000	£115,000

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.

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 year ended 30 November 2020.



Directors' Interests in Shares

(audited information)

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

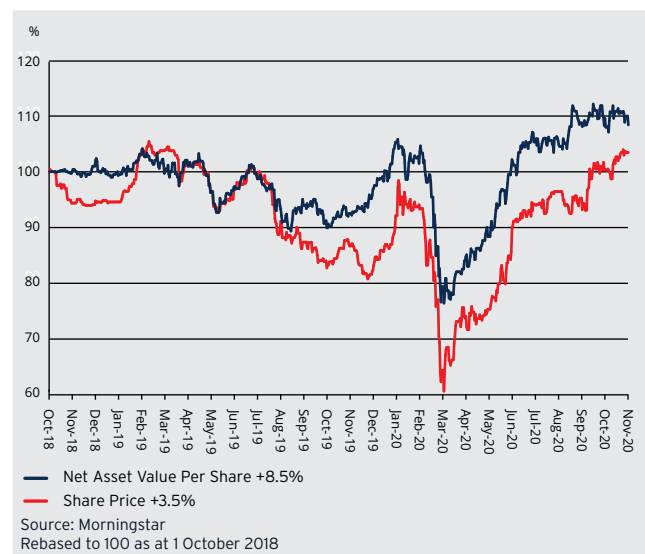
		Number of shares held 30 November 2020
Maria Luisa Cicognani	Beneficial	71,740
Christopher Casey	Beneficial	10,000
Dr Sophie Robé	-	-
Charlie Shi	-	-

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

Share Price Total Return

The chart below illustrates the shareholder return for a holding in the Company's shares as compared to the Net Asset Value per share from launch to 30 November 2020.

Total Shareholder Return for the Period from launch to 30 November 2020



DIRECTORS' REMUNERATION REPORT continued

Statement of Voting at Annual General Meeting

The Directors' Remuneration Report for the period ended 30 November 2019 was approved by shareholders at the Annual General Meeting held on 23 April 2020.

26,207,627 votes (99.82%) were in favour, with 46,027 votes (0.18%) against and 15,700 votes withheld. Any proxy votes which were at the discretion of the Chairman were included in the "for" total.

	Projected fees for the year to 30 November 2021	Fees for the year to 30 November 2020
Chairman	£35,700	£35,000
Audit Committee Chairman	£30,600	£30,000
Management Engagement and Remuneration Committee Chairman	£25,500	£25,000
Non-executive Director	£25,500	£25,000
Total	£117,300	£115,000

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 2020 and 2021 are shown in the table above.

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 was put to shareholders at the first AGM in 2020 and will next be on the AGM agenda in 2023.

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 year ended 30 November 2020:

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

Charlie Shi

Chairman of the Management Engagement and Remuneration Committee

25 February 2021

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 2020 and of its return for the year 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 2020; the Income Statement, and the Statement of Changes in Equity for the year 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.

We have provided no non-audit services to the Company in the period from 1 December 2019 to 30 November 2020.

Our audit approach

Overview



- Overall materiality: £1.1 million (2019: £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 the AIFM, Frostrow Capital LLP and Northern Trust with whom Frostrow Capital LLP 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.
- Consideration of impacts of COVID-19.

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 noncompliance with laws and regulations, or fraud;
- 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 47 (Audit Committee Report), page 63 (Accounting Policies) and page 65 (Notes to the Financial Statements).</p> <p>ISAs (UK) presume there is a risk of fraud in income recognition because of the pressure management may feel to achieve a certain objective.</p> <p>For the Company we consider that 'income' refers to both revenue and capital (including gains and losses on investments).</p> <p>We focussed this risk on the existence/occurrence of gains/losses on investments as well as the completeness and accuracy 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 found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income has been accounted for in accordance with the 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 confirmations. 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.</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 listed investments during the year. Our testing did not identify any unrecorded dividends.</p> <p>We tested accuracy and occurrence by testing that all dividends recorded in the year had been declared in the market by investment holdings, and we traced a sample of dividends received to bank statements. No material misstatements were identified from this testing.</p> <p>We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. 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 47 to 48 (Audit Committee Report), page 63 (Accounting Policies) and page 68 (Notes to the Financial Statements).</p> <p>The investment portfolio at 30 November 2020 comprised listed equity investments of £109.8 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 2020.</p> <p>No material misstatements were identified from this testing.</p>
<p><i>Consideration of impacts of COVID-19</i></p> <p>Refer to the Chairman's Statement (page 4), Principal Risks, Emerging Risks and Risk Management (page 19), the Long Term Viability Statement (page 23) and the Going Concern Statement (page 36), which disclose the impact of the COVID-19 pandemic.</p> <p>The COVID-19 outbreak has been declared a pandemic by the World Health Organisation. Since the first quarter of 2020, it has caused significant economic uncertainty globally and disruption to supply chains and travel, slowed global growth and caused volatility in global markets and in exchange rates.</p> <p>The Directors have prepared the financial statements of the Company on a going concern basis, and believe this assumption remains appropriate. This conclusion is based on the assessment that, notwithstanding the significant market uncertainties, they are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and that the Company and its key third party service providers have in place appropriate business continuity plans and will be able to maintain service levels throughout the COVID-19 pandemic.</p>	<p>We evaluated the Directors' assessment of the impact of the COVID-19 pandemic on the Company by:</p> <ul style="list-style-type: none"> evaluating the Company's updated risk assessment and considering whether it addresses the relevant threats presented by COVID-19; and evaluating management's assessment of operational impacts, considering their consistency with other available information and our understanding of the business and assessing the potential impact on the financial statements. <p>We obtained and evaluated the Directors' going concern assessment which reflects conditions up to the point of approval of the Annual Report by obtaining evidence to support the key assumptions and forecasts driving the Directors' assessment. This included reviewing the Directors' assessment of the Company's financial position and forecasts, their assessment of liquidity and their review of the operational resilience of the Company and oversight of key third party service providers.</p> <p>We assessed the disclosures presented in the Annual Report in relation to COVID-19 by reading the other information, including the Principal Risks and Viability Statement set out in the Strategic Report, and assessing its consistency with the financial statements and the evidence we obtained in our audit.</p> <p>Our conclusions relating to other information are set out in the 'Reporting on other information' section of our report. Our conclusions relating to going concern are set out in the 'Going Concern' section below.</p>

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

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	£1.1 million (2019: £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 £55,000 (2019: £47,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

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.
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.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

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).

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 year ended 30 November 2020 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 42) 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 38) 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)

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

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 42 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 23 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*)

Other Code Provisions

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

- The statement given by the Directors, on page 45, 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 47 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 45, 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.

INDEPENDENT AUDITORS' REPORT continued

to the members of Mobius Investment Trust plc

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.

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 7 November 2018 to audit the financial statements for the period ended 30 November 2019 and subsequent financial periods. The period of total uninterrupted engagement is 2 years, covering the period ended 30 November 2019 and the year ended 30 November 2020.

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

25 February 2021

INCOME STATEMENT

for the year ended 30 November 2020 (2019: from the period of incorporation on 7 August 2018 to 30 November 2019)

	Notes	Year ended 30 November 2020			Period ended 30 November 2019		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	9	–	16,260	16,260	–	(6,180)	(6,180)
Exchange losses on foreign currencies		(3)	(16)	(19)	(3)	(65)	(68)
Income	2	966	–	966	1,458	–	1,458
Investment management and management service fees	3	(340)	(794)	(1,134)	(403)	(940)	(1,343)
Other expenses	4	(414)	–	(414)	(569)	–	(569)
Return/(loss) on ordinary activities before finance costs and taxation		209	15,450	15,659	483	(7,185)	(6,702)
Finance costs	5	–	–	–	(12)	(28)	(40)
Return/(loss) after finance costs attributable to equity shareholders		209	15,450	15,659	471	(7,213)	(6,742)
Taxation on ordinary activities	6	(94)	(3)	(97)	(128)	–	(128)
Return/(loss) after finance costs and taxation attributable to equity shareholders		115	15,447	15,562	343	(7,213)	(6,870)
Return/(loss) per share basic and diluted	8	0.11p	14.71p	14.82p	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.

The accompanying notes are an integral part of these statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 November 2020 (2019: from the period of incorporation on 7 August 2018 to 30 November 2019)

	Share capital £'000	Share premium £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 1 December 2019	1,063	4,865	96,932	(7,213)	343	95,990
Dividends paid	–	–	–	–	(315)	(315)
Profit for the year	–	–	–	15,447	115	15,562
Balance at 30 November 2020	1,063	4,865	96,932	8,234	143	111,237

	Share capital £'000	Share premium £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Period ended 30 November 2019						
At 7 August 2018	–	–	–	–	–	–
Issue of Ordinary Shares following placing and offer for subscription	1,000	99,000	–	–	–	100,000
Cost of placing and offer for subscription	–	(2,004)	–	–	–	(2,004)
Issue of Management shares	13	–	–	–	–	13
Issue of new shares in the 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)
Balance at 30 November 2019	1,063	4,865	96,932	(7,213)	343	95,990

The accompanying notes are an integral part of these statements.

STATEMENT OF FINANCIAL POSITION

as at 30 November 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Investments held at fair value through profit or loss	9	109,808	80,055
Current assets			
Debtors	10	156	171
Cash and cash equivalents		1,547	15,963
		1,703	16,134
Current liabilities			
Creditors (amounts falling due within one year)	11	(274)	(199)
Net current assets		1,429	15,935
Total assets less current liabilities		111,237	95,990
Net assets		111,237	95,990
Capital and reserves			
Called up share capital	12	1,063	1,063
Share premium		4,865	4,865
Special reserve		96,932	96,932
Retained Earnings:			
Capital reserves		8,234	(7,213)
Revenue reserve		143	343
Total Shareholders' funds		111,237	95,990
Net asset value per Ordinary Share (p)	13	105.94	91.42

The financial statements on pages 60 to 71 were approved, and authorised for issue, by the Board of Directors on 25 February 2021 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 year 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 45 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 (i.e. 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 mainly 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 ordinary share capital.

Share premium account

- represents the surplus of net proceeds received from the issue of new shares over the nominal value of such shares. The share premium account is non-distributable.

Special reserve

- this reserve is created upon the cancellation of the Share Premium Account. This reserve is distributable by way of a dividend and can also be used to fund any repurchases of the Company's own shares.

1. Accounting Policies (continued)

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. This reserve is non-distributable.

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 64.

This reserve can also be used to distribute realised capital profits by way of a dividend and to fund any repurchases of the Company's own shares.

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

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

It is the Board's current policy to only pay dividends out of the revenue reserve.

(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').

2. Income

	Year ended 30 November 2020 £'000	Period ended 30 November 2019 £'000
Income from investments		
Overseas Dividends	966	1,396
Income from fixed interest securities	–	62
	966	1,458

3. Investment Management and Management Service Fees

	Year ended 30 November 2020			Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee - Mobius Capital Partners LLP	278	648	926	335	782	1,117
Management service fee - Frostrow Capital LLP	62	146	208	68	158	226
	340	794	1,134	403	940	1,343

Further information regarding investment Management and Management Service fees can be found on page 24.

4. Other Expenses

	Year ended 30 November 2020 £'000	Period ended 30 November 2019 £'000
Directors' fees	115	142
Auditor's remuneration - Statutory annual audit	32	24
Custody fees	74	62
Depositary fees	25	29
Printing and postage	14	15
Registrar fees	13	11
Company broker fees	40	49
Stock listing and FCA fees	8	44
Legal and professional fees	6	38
Marketing and promotional costs	50	78
Tax advice	15	28
Other expenses	22	49
	414	569

5. Finance Costs

	Year ended 30 November 2020			Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Loan facility set up expenses	–	–	–	12	28	40
	–	–	–	12	28	40

6. Taxation

(a) Analysis of Charge in the Year/Period

	Year ended 30 November 2020			Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas taxation	94	–	94	149	–	149
Overseas tax recoverable	–	–	–	(21)	–	(21)
Overseas capital gains tax	–	3	3	–	–	–
	94	3	97	128	–	128

Overseas tax arose as a result of irrecoverable withholding tax on overseas dividends and Indian capital gains tax (CGT).

Indian capital gains tax arises on capital gains on the sale of Indian securities at a rate of 15% on short term capital gains (defined as those where the security was held for less than a year) and 10% on long term capital gains. There is no provision for Indian capital gains tax as at 30 November 2020, due to brought forward capital losses.

6. Taxation (continued)

(b) Reconciliation of Tax Charge

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

	Year ended 30 November 2020			Period ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Total return/(loss) on ordinary activities before tax	209	15,450	15,659	471	(7,213)	(6,742)
Corporation tax charged at 19.0%	40	2,936	2,976	89	(1,370)	(1,281)
Effects of:						
Non-taxable (gains)/losses on investment	–	(3,089)	(3,089)	–	1,174	1,174
Non-taxable foreign exchange losses	2	3	5	1	12	13
Unutilised management expenses	142	150	292	185	179	364
Loan relationship deficit not utilised	–	–	–	2	5	7
Income not subject to corporation tax	(184)	–	(184)	(277)	–	(277)
Overseas taxation	94	–	94	149	–	149
Overseas capital gains tax	–	3	3	–	–	–
Overseas tax recoverable	–	–	–	(21)	–	(21)
Tax charge for the year/period	94	3	97	128	–	128

(c) Provision for Deferred Taxation

For the year ended 30 November 2020, the Company had cumulative unutilised management expenses for UK taxation purposes of £3,442,000 (2019: £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 £654,000 (2019: £321,000) based on a prospective corporation tax rate of 19% (2019: 17%). The UK corporation tax rate is currently enacted to remain at 19% 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 year ended 30 November 2020.

	Year ended 30 November 2020 £'000	Period ended 30 November 2019 £'000
Revenue available for distribution by way of dividend for the year/period	115	343
Proposed dividend of (nil) (2019: 0.30p) per share	–	(315)
Transfer to revenue reserves	115	28

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

The return/(loss) per share figures are based on the following figures:

	Year ended 30 November 2020 £'000	Period ended 30 November 2019 £'000
Net revenue return	115	343
Net capital return/(loss)	15,447	(7,213)
Net total return/(loss)	15,562	(6,870)

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

	Year ended 30 November 2020 Pence	Period ended 30 November 2019 Pence
Revenue return per share	0.11	0.34
Capital return/(loss) per share	14.71	(7.05)
Total return/(loss) per share	14.82	(6.71)
Weighted average number of Ordinary shares in issue during the year/period (2019: from 1 October 2018 to 30 November 2019)	105,000,000	102,343,310

During the year (2019: nil) there were no dilutive instruments held, therefore the basic and diluted return/(loss) per share are the same.

9. Investments held at fair value through profit or loss

	30 November 2020 £'000	30 November 2019 £'000
Opening book cost	83,386	–
Opening investment holding losses	(3,331)	–
Opening fair value	80,055	–
Purchases at cost	43,735	121,504
Sales proceeds	(30,242)	(35,269)
Gains/(losses) on investments held at fair value through profit or loss	16,260	(6,180)
Closing fair value	109,808	80,055
Closing book cost	89,158	83,386
Closing investment holding gains/(losses)	20,650	(3,331)
Closing fair value	109,808	80,055

The company received £30,242,000 (2019: £35,269,000) from investments sold in the year. The book cost of the investments when they were purchased was £37,963,000 (2019: £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 year the Company incurred transaction costs on purchases of £88,000 (2019: £170,000).

Sales transaction costs incurred during the year was £44,000 (2019: £56,000) and comprise commission.

10. Debtors

	30 November 2020 £'000	30 November 2019 £'000
Accrued income	107	14
Overseas tax recoverable	22	21
Non-redeemable preference shares recoverable	13	13
Other debtors	14	123
	156	171

11. Creditors: amounts falling due within one year

	30 November 2020 £'000	30 November 2019 £'000
Investment management fee - Mobius Capital Partners LLP	177	73
Management service fee - Frostrow Capital LLP	20	15
Other creditors	77	111
	274	199

12. Called up Share Capital

	30 November 2020 £'000	30 November 2019 £'000
50,000 (2019: 50,000) non-redeemable preference shares of £1 each	13	13
Allotted and fully paid		
105,000,000 (2019: 105,000,000) Ordinary shares of 1p each	1,050	1,050
	1,063	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.

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.

The Company does not have any externally imposed capital requirements.

13. Net Asset Value Per Ordinary Share

	30 November 2020	30 November 2019
Net Assets (£'000)	111,237	95,990
Number of shares in issue	105,000,000	105,000,000
Net asset value per share	105.94p	91.42p

During the year (2019: nil) there were no dilutive instruments held, therefore the basic and dilutive net asset value per share are the same.

14. 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 68) 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 62.

All investments have been classified as Level 1.

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.

14. Financial Instruments (continued)

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 11 to 16. 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 2020 (2019: 10%), the impact on the profit and loss and net asset value would have been £11.0 million (2019: £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

All 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:

	2020				2019			
	Investments £'000	Cash £'000	Debtors £'000	Creditors £'000	Investments £'000	Cash £'000	Debtors £'000	Creditors £'000
Indian rupee	25,305	–	–	–	16,295	–	–	–
Brazilian real	16,399	–	94	–	14,404	–	–	–
Korean won	15,567	–	–	–	8,586	–	–	–
Hong kong dollar	11,568	–	–	–	12,780	–	–	–
New Taiwanese dollar	11,485	699	–	–	4,448	–	–	–
US dollar	11,399	–	13	–	10,091	–	14	–
Turkish lira	6,504	–	–	–	3,469	–	–	–
Mexican peso	–	–	–	–	4,520	–	–	–
Kenyan shilling	4,900	–	–	–	970	–	–	–
South African rand	3,794	–	–	–	–	–	–	–
Vietnamese dong	2,332	4	–	–	–	–	–	–
Egyptian pound	555	–	–	–	–	–	–	–
Polish zloty	–	–	21	–	4,492	–	21	–
	109,808	703	128	–	80,055	–	35	–

At 30 November 2020, the Company had £844,000 (2019: £15,963,000) of sterling cash balances.

During the year sterling strengthened by an average of 4.0% (2019: 2.6% weakened) 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 profit and loss and net asset value would have been negative £11.0 million (2019: £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 profit and loss and net asset value would have been positive £11.0 million (2019: £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.

14. Financial Instruments (continued)

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

	2020 £'000	2019 £'000
Cash and cash equivalents	1,547	15,963
Debtors	156	171
	1,703	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 19 to 22.

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

Liquidity risk

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.

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. See page 23 of the Business Review for further details.

Further details on the principal risks facing the Company, including Covid-19 and its mitigations can be found in the Business Review beginning on page 19.

15. Transactions with The Managers and Related Parties

- Mobius Capital Partners LLP
- The Directors of the Company

The Company employs Mobius Capital Partners LLP as its Investment Manager. During the year ended 30 November 2020, Mobius Capital Partners LLP earned £926,000 (period ended 30 November 2019: £1,117,000) in respect of Investment Management fees, of which £177,000 (period ended 30 November 2019: £73,000) was outstanding at the year end. All material related party transactions have been disclosed in notes 3 and 4 on pages 65 and 66. Details of the remuneration and the shareholdings of all Directors can be found on pages 49 and 50.

16. Contingent Liabilities

There were no contingent liabilities at 30 November 2020 (2019: none).

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 74% 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 74 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 2020	99.3%	100.1%

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 ended 30 November 2020, MCP had six members of personnel in total, including employees and Partners, three 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 disapplied 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
31 May	Half Year End
July	Half Year Results Announced

Annual General Meeting

Subject to any Covid restrictions, 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 Wednesday, 28 April 2021 at 12.00 noon.

How to Vote

If you hold your shares directly you will have received a paper proxy form. For this year's Annual General Meeting (AGM) you should ensure that this is returned to the Company's registrars, Computershare, before 12 noon on Monday, 26 April 2021. 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 79.

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.

Shareholders are advised that, in case the ongoing Covid-19 pandemic makes it impossible to hold a physical AGM, they should exercise their votes in advance of the meeting by proxy, by following the voting instructions given in the Notice of the Annual General Meeting.

Dividend

If a dividend is payable, it 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.

Shareholders should note that for the year ended 30 November 2020, the Board is not recommending the payment of a final dividend.

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

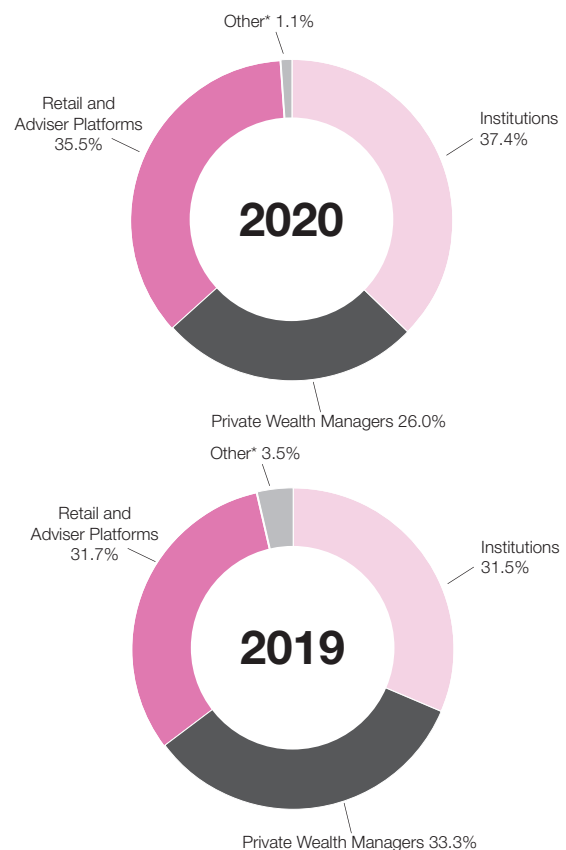
Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's Registrars, Computershare Investor Services, under the signature of the registered holder.

Daily Net Asset Value

The daily net asset value per share 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.

Profile of the Company's Ownership

% of shares held at 30 November 2020 and 2019



* Includes shares held by market makers and holdings too small to analyse.
Source: Richard Davies Investor Relations

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. The United Kingdom officially left the EU on 31 January 2020 and on 31 December 2020, the 11-month transition period came to an end.

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 72 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. 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 Per Share (NAV) 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.

NAV Per Share Total Return	Page	Year ended	Period ended
		30 November 2020	30 November 2019
Opening NAV (p)	2	91.4	98.0
Increase/(decrease) in NAV (p)		14.5	(6.6)
Closing NAV (p)	2	105.9	91.4
Increase/(decrease) in NAV	2	15.9%	(6.7)%
Impact of reinvested dividends		0.4%	–
NAV Total Return	2	16.3%	(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.

Ongoing Charges	Page	Year ended 30 November 2020 £'000	Period ended 30 November 2019 £'000
Investment management fees and management service fees	65	1,134	1,343
Operating expenses	66	414	569
Pro-rata adjustment*		–	(273)
Annualised expenses		1,548	1,639
Average net assets during the year		102,031	97,887
Ongoing Charges	2	1.5%	1.7%

* Pro-rata adjustment is to reflect that the accounting period in 2019 was 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 Weiss Korea Opportunity Fund.

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 67 and 68 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	Year ended 30 November 2020 p	Period ended 30 November 2019 p
Opening share price	2	83.0	100.0
Increase/(decrease) in share price		20.0	(17.0)
Closing share price	2	103.0	83.0
Increase/(decrease) in share price	2	24.1%	(17.0)%
Impact of reinvested dividends		0.6%	–
Share price Total Return	2	24.7%	(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	www.youinvest.co.uk
Barclays Smart Investor	www.barclays.co.uk/smart-investor
Bestinvest	www.bestinvest.co.uk
Charles Stanley Direct	www.charles-stanley-direct.co.uk
EQi	www.eqj.co.uk
Halifax Investing	www.halifax.co.uk/investing.html
Hargreaves Lansdown	www.hl.co.uk
HSBC	www.hsbc.co.uk/investments
iDealing	www.idealing.com
interactive investor	www.ii.co.uk
IWeb	www.iweb-sharedealing.co.uk
Saxo Markets	www.home.saxo
The Share Centre	www.share.com
WealthClub	www.wealthclub.co.uk/

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, subject to any restrictions made necessary by the Covid-19 pandemic, the second 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 Wednesday, 28 April 2021 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 year ended 30 November 2020 together with the Report of the Auditors thereon be received.
2. To receive and approve the Directors' Remuneration Report for the year ended 30 November 2020.
3. That Ms M L Cicognani be re-elected as a Director.
4. That Mr C Casey be re-elected as a Director.
5. That Dr S Robé be re-elected as a Director.
6. That Mr C Y Shi be re-elected as a Director.
7. That PricewaterhouseCoopers LLP be re-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.
8. 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 10, 11 and 12 will be proposed as Special Resolutions.

Authority to Allot Shares

9. 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 2022 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

10. That, subject to the passing of resolution 9, 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 9 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 2022 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

11. 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 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

NOTICE OF THE ANNUAL GENERAL MEETING continued

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 2022 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

12. 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.

Shareholders should note that, should the ongoing restrictions in view of the Covid-19 pandemic make it impossible to hold a physical meeting without endangering the wellbeing of shareholders and other attendees, then the Board will only conduct the statutory, formal business this year in order to meet the minimum legal requirements. In that case arrangements will be made for shareholders to attend via a webinar, view a presentation by the Investment Managers and ask questions in advance. Shareholders are encouraged to view the Company's website, www.mobiusinvestmenttrust.com for further information nearer the time. Questions to the Board and the Investment Managers can be submitted to the Company Secretary at info@frostrow.com. Should time pressures make it impossible to answer all questions during the webinar, then an effort will be made to answer them on the website afterwards.

All shareholders should look on the Company's website, www.mobiusinvestmenttrust.com, for any last changes to the AGM arrangements and whether attendance will be possible. In any case, all shareholders are strongly advised to exercise their votes in advance of the meeting by proxy, by following the voting instructions overleaf.

By order of the Board

Frostrow Capital LLP
Company Secretary
25 February 2021

Registered office

25 Southampton Buildings
London
WC2A 1AL

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.

Please bear in mind that due to ongoing Covid-19 restrictions, it might not be possible to attend the AGM in person at all.

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).

NOTICE OF THE ANNUAL GENERAL MEETING continued

7. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at 6.30 p.m. on 26 April 2021 (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 24 February 2021 (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 24 February 2021 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.
- Alternatively, should Covid restrictions continue and the Annual General Meeting needs to be held virtually, the above documents can be requested from the Company Secretary.
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 15 March 2021, 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 year ended 30 November 2020 will be presented to the AGM. These accounts accompany this Notice of Meeting and shareholders will be given an opportunity at, or in advance of, the meeting to ask questions.

Resolution 2 - Remuneration Report

The Directors' Remuneration Report is set out in full in the Annual Report on pages 49 to 51.

Resolutions 3 to 6 - Re-election of Directors

Resolutions 3 to 6 deal with the re-election of each Director. Biographies of each of the Directors can be found on pages 30 and 31.

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

Resolutions 7 and 8 - Re-appointment of Auditors and the determination of their remuneration

Resolutions 7 and 8 relate to the re-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 9 and 10 - Authority to Allot Shares and Disapplication of Pre-emption Rights

Ordinary Resolution 9 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 24 February 2021, 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 10 will, if passed, give the Directors power to allot for cash equity securities up to 10% of the Company's existing share capital on 24 February 2021, 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 9. 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 9 and 10 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 11 - 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 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.

EXPLANATORY NOTES TO THE RESOLUTIONS *continued*

Special Resolution 11 in the Notice of AGM will renew the authority to purchase in the market a maximum of 14.99% of shares in issue on 24 February 2021, 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 12 – General Meetings

Special Resolution 12 seeks shareholder approval for the Company to hold General Meetings (other than the AGM) on at least 14 clear days' notice. The minimum notice for

Annual General Meetings will remain at 21 clear days. The approval for this resolution will be effective until the Company's Annual General Meeting to be held in 2022, at which it is intended that renewal will be sought. The Directors will only call a general meeting on 14 days' notice where they consider it to be in the interests of shareholders to do so and the relevant matter is required to be dealt with expediently.

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.

Location of the Annual General Meeting

(If the AGM is considered safe to hold as a physical meeting; please consult the Company's website, www.mobiusinvestmenttrust.com for further information nearer the time.)

25 Southampton Buildings, London WC2A 1AL on Wednesday, 28 April 2021 at 12 noon.



DIRECTORS AND OTHER INFORMATION

Directors

Maria Luisa Cicognani (Chairman)
 Christopher M. Casey
 (Audit Committee Chairman)
 Dr Sophie Robé (Senior Independent Director)
 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

Frostrow Capital LLP
 25 Southampton Buildings
 London WC2A 1AL
 United Kingdom
 Tel.: 0203 008 4910
 Email: info@frostrow.com

Corporate Broker

Jefferies International Limited
 Vintners Place
 68 Upper Thames Street
 London EC4V 3BJ
 United Kingdom

Depository and Custodian

Northern Trust Global Services SE
 50 Bank Street
 Canary Wharf
 London E14 5NT
 United Kingdom

Legal Adviser to the Company

Stephenson Harwood LLP
 1 Finsbury Circus
 London EC2M 7SH
 United Kingdom

Independent Auditors

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

Registrar

Computershare Investor Services PLC
 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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Mobius Investment Trust plc

25 Southampton Buildings, London WC2A 1AL

www.mobiusinvestmenttrust.com

