

### FACTSHEET

#### Performance Returns

The Tosca Micro Cap UCITS Fund returned 0.10% in May (GBP Institutional share class) giving a net return since launch on April 8<sup>th</sup> 2016 of 23.85%.

#### Strategy

The Tosca Micro Cap UCITS Fund is a fundamental, value-orientated strategy, applied to the opportunity rich UK micro cap segment. The fund will invest primarily in "micro cap" companies with a market capitalisation of up to £250m that are listed in the UK, and which are or are expected to become constituents of the FTSE Small Cap or the FTSE AIM All Share Index. The Fund is managed by Matt Siebert who, together with Daniel Cane and Jamie Taylor support Martin Hughes in the management of the Toscafund mid-cap strategy. As such, the Fund represents an extension of the same investment philosophy employed in the award winning Tosca Opportunity and Tosca Mid Cap funds. The Fund targets an annualised return in excess of 15% (net of fees).

#### Market Commentary

UK equity markets have now been caught up by the domestic political logjam as leadership elections and ongoing Brexit uncertainty continue to slow investment and act as a further drag on both consumer and business confidence.

In such an environment where the easiest thing is to do nothing, it is encouraging to see that companies in our portfolio are prepared to look through the near term and commit to strategically sound investment opportunities. Self-help is a sure way that companies can mitigate against any macro malaise. This remains a key theme in our investment playbook.

A case in point in May was the acquisition of Early Birds (EB) by Attraqt (+0.63%). We invested in Attraqt at the time of its purchase of Fredhopper from SDL. The combination of the two created the number one provider of search and merchandising software solutions for the online e-commerce market. While a quality "point solution", the addition of Early Birds adds highly valuable AI personalisation of real time search, allowing retailers to build highly personalised messages to their customers. The fact that EB is Euro focused too is helpful as it broadens the geographic footprint and brings a host of new customers allowing for upsell/cross sell opportunities. While the high street continues to struggle, it should be noted that Attraqt's market i.e. online sales, continues to grow at c.10% pa.

Further catalysts in the month that helped performance were FY results from Altitude Group (+0.49%) and a capital markets day for SRT Marine (+0.44%). The former provided the first update from the recent acquisition of Advertising Industry Mastermind LLC (AIM). This membership trade group provides an excellent route to market for the parent company's software solution into the promotional products industry. Since January member numbers are +10% and the route to driving recurring service fees on rising transactions is falling in to place. Trading on c.7x FY 20 PE with a FCF yield of 13% on the back of a doubling of sales, is just too cheap. SRT meanwhile is a long duration investment in a business that designs and delivers complete identification systems for the maritime market. On a recent one-on-one visit to the company's West Country base we saw how the tech team is extending the product and how the delivery team is ramping up a number of major products. This leaves them well placed to execute on the major opportunity that exists in the global fishery and coast guard markets. We expect upgrades to follow as contract momentum accelerates.

In the debit column Albert Tech (-0.63%) warned that slower ramp ups by enterprise clients were hitting sales and profit. While disappointing, we do not see this as compromising the business long term and see the revenues recovering. Another stock to fall was Inspired Energy (-0.36%) as it was caught up in the hyperbole surrounding potential renationalisation of the energy network. As a consultant and procurer of energy this has little direct relevance to their business model but nonetheless negatively impacted the stock.

We look forward to the day when we no longer need to reference Brexit, macro uncertainty and political risk; rather shift the focus to company specific details and fundamental drivers which is where the real opportunity lies. We thank you for your continued support.

#### Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2019	-0.55%	-3.90%	2.40%	3.10%	0.10%								<b>1.00%</b>
2018	-1.15%	0.18%	-2.89%	1.79%	0.61%	3.36%	2.49%	1.46%	-2.23%	-12.55%	-5.35%	-3.99%	<b>-17.76%</b>
2017	4.86%	0.20%	2.04%	4.42%	3.97%	-2.28%	-1.59%	3.54%	-0.68%	1.24%	-0.66%	2.15%	<b>18.25%</b>
2016	-	-	-	1.15%	3.94%	-3.84%	8.76%	5.23%	2.80%	0.73%	1.60%	3.60%	<b>26.10%</b>

The performance figures quoted above represent the performance of the Tosca Micro Cap UCITS Fund since relaunch on 8<sup>th</sup> April 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

### THE MANAGER

## TOSCAFUND

**Matthew Siebert** joined Toscafund in 2008. He started his career at Hoare Govett in 1991 in a sector research team covering utilities. By 2005 he was responsible for much of the technology research at ABN Amro and was ranked third in the Extel Survey for his research on Tech Hardware. Matthew graduated in Political Science from Birmingham University in 1989.

**Daniel Cane** joined Toscafund in 2008. From 2004 he worked with Quantmetriks. He analysed the retail sector at HSBC and ABN AMRO (2000-03). Prior to that he was a paper & packaging analyst at ABN AMRO (ranked 2nd in Extel surveys). Daniel graduated in Industrial Economics from Nottingham University in 1987.

**Jamie Taylor** joined Toscafund in 2015. Prior to this he was an analyst for seven years with Clareville Capital LLP, a UK L/S Equity fund based in London. Jamie graduated from the University of Edinburgh in 2008 with a MA (Hons) in Law & Business Studies, and is a CFA charterholder.

#### FUND FACTS

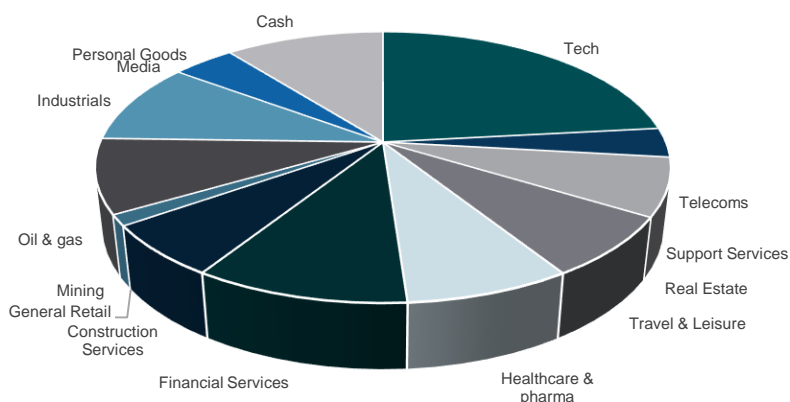
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$40.5m
Inception	1 <sup>st</sup> October, 2010
Relaunch	8 <sup>th</sup> April, 2016
Share Class	<b>Institutional/Institutional Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	<b>Retail/Retail Pooled</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.5%
Perf. Fee	15%
Min. Init. Sub.	1,000
ISIN Codes	EUR: IE00B3N9LL24/ N/A USD: IE00B3SGTD66/ N/A CHF: IE00B3SLGP29/ N/A GBP: IE00B3YLLZ14/IE00B4M22S36

**COMPOSITION OF FUND (as at 3<sup>rd</sup> June 2019)**

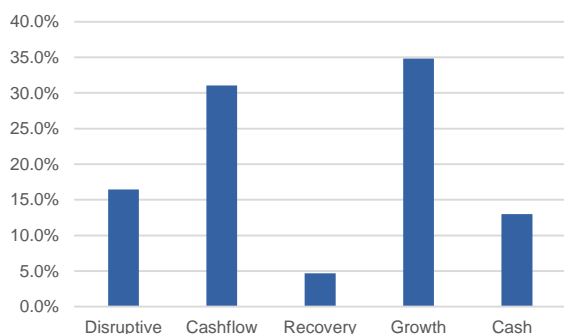
**Portfolio Summary**

Gross exposure	89.3%
Yield (%)	1.6%
PE (Cash flow)	11.7
Average mkt cap (£m)	186
No. of positions	36

**Portfolio By Sector**



**Portfolio By Theme**



**Top 5 exposures (% of NAV)**

Diversified Gas & Oil	5.88
Boku	5.57
Oxford Biomedica	5.57
Sumo	5.26
Imimobile	3.69

**Contact Details**

**Investor Contact**

**MontLake Funds (UK) Ltd**  
Park House, 116 Park Street  
London, W1K 6AF, UK  
T: +44 20 3709 4510  
investorrelations@montlakefunds.com

**Management Company**

**MontLake Management Limited**  
23 St. Stephen's Green  
Dublin 2, Ireland  
T: +353 1 533 7020  
investorrelations@montlakefunds.com

**Investment Manager**

**Toscafund Asset Management LLP**  
7<sup>th</sup> Floor, 90 Long Acre,  
London, WC2E 9RA  
T: +44 20 7845 6100  
ir@toscafund.com

**Disclaimer**

**RISK WARNING:** Following a restructuring and rebranding on the 8th April 2016, the Pegasus UCITS Fund became the Tosca Micro Cap UCITS Fund. Returns between the inception of the Fund 1st October 2010 and up to and including the 8th April 2016 relate to the Pegasus UCITS Fund. Information on the returns for this period is available on the Key Investor Information Documents. Returns from the close of business on the 8th April 2016 to date relate to the Tosca Micro Cap UCITS Fund. Past performance is not a reliable indicator of future results, prices of investments and the returns from them may fall as well as rise. Investments in equities are subject to market risk. Changes in exchange rates may have an adverse effect on the value price or income of the product. The Tosca Micro Cap UCITS Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process. The distribution of this report does not constitute an offer or solicitation and this notice shall not be construed as an offer of sale in any other fund managed or advised by Toscafund Asset Management LLP or MontLake Management Limited ("ML"). Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Document which together with the MontLake UCITS Platform ICAV Prospectus may be downloaded from the MontLake website (www.montlakeucits.com). Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although neither ML nor Toscafund Asset Management LLP accepts liability for the accuracy of the contents. The state of origin of the Fund is the Republic of Ireland. The Representative in Switzerland is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the Paying Agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. In respect of the units distributed from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss representative. The basic documents of the Fund as well as the annual report may be obtained free of charge at the registered office of the Swiss Representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. ML does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is MontLake Management Ltd, a company regulated by the Central Bank of Ireland. The Investment Manager for the fund, Toscafund Asset Management LLP is authorised and regulated by the U.K. Financial Conduct Authority. The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. This notice shall not be construed as an offer of sale in the Fund. The state of the origin of the Fund is the Republic of Ireland. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Authorised and Regulated by the Central Bank of Ireland.