

FACTSHEET

THE MANAGER

Performance Returns

The Tosca Micro Cap UCITS Fund returned 0.46% in July (GBP Institutional share class) giving a net return since launch on April 8th 2016 of 18.93%.

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

While the market continues to be driven by the fast shifting sands of geopolitics, over which few of us have any control, it is interesting to note how different management teams at the smaller end of the market are reacting to these challenging conditions. Broadly speaking this falls into 3 categories. 1) Fight - where companies raise capital to accelerate growth as they see good opportunities across (international) markets. 2) Flight. Here management have either lost faith in equity markets or the markets have lost faith in them. This has led to companies looking into “strategic” options ie delisting, strategic reviews and or putting up for sale. 3) Plight. Where the share price is so low that it leaves the company vulnerable to stake building or takeover.

Around a third of the portfolio fall into these camps. In the “Flight” section we have seen Albert Tech (-45 bps) decide that because it is small/subscale, it cannot win contracts from the blue chip client base it is courting. It has therefore taken the decision to delist. Frustratingly, as a UCITs fund this does have major liquidity implications for us and as a result we have exited the position. On the flip side of that in “Plight” we have seen Proactis (+80 bps), receive a number of approaches given its very modest valuation. We wait with interest here as there remains material upside in our view. Along similar lines Tremor (+117 bps) having suffered weak stock price performance post its merger/name change, has attracted new opportunistic shareholders with a Middle Eastern investor having now bought just shy of >10% of the equity. There is a further (new) name that falls into a similar camp that we will talk more of in the next report.

In the “Fight” camp there are 9 stocks that have raised capital this year. This has either been through IPO (2) or via secondary placings (7). Tellingly, of those 7, 5 have raised capital to either fund overseas acquisitions or to jump start international organic growth. We have supported all but 1 of these as we see these moves as both reducing geographic risk and increasing topline/margin expansion.

While the market is in a state of flux, it is critical to see companies take advantage of dislocation and back teams who, we believe, can execute on their plans. Sensible bolt on M&A, investment in working capital to support contract momentum and actively looking for potential tie ups are central to generating shareholder value. It is precisely this type of approach that we believe will allow the small cap market to deliver faster growth than the wider market, improving margins & and with that, better returns to investors.

We look forward to exploring these and other themes in the coming months and thank you again 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%	-4.41%	0.46%						-3.01%
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%	-17.76%
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%	18.25%
2016	-	-	-	1.15%	3.94%	-3.84%	8.76%	5.23%	2.80%	0.73%	1.60%	3.60%	26.10%

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

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

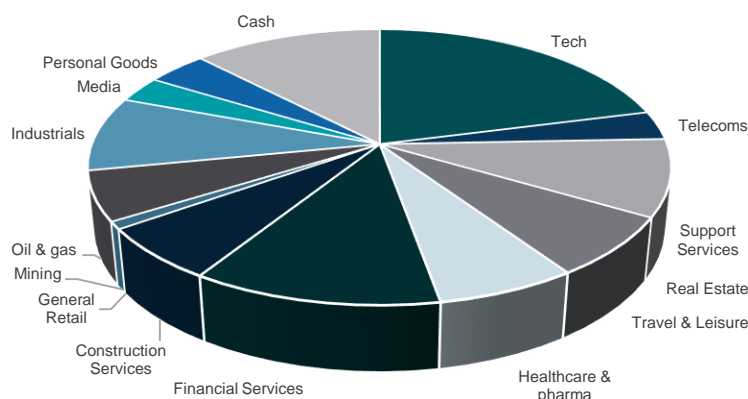
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$37.4m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	Retail/Retail Pooled
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 1st August 2019)

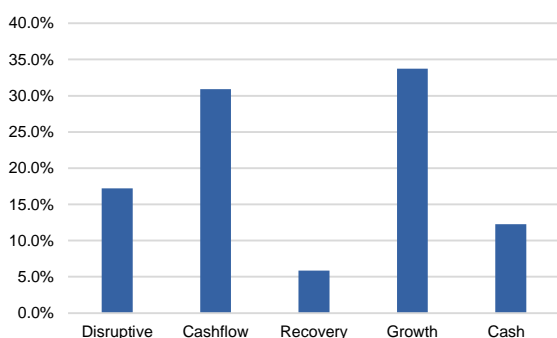
Portfolio Summary

Gross exposure	87.4%
Yield (%)	1.4%
PE (Cash flow)	11.8
Average mkt cap (£m)	190
No. of positions	34

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Oxford Biomedica	5.41
Boku	5.10
Sumo	4.95
Diversified Gas & Oil	4.69
Imimobile	4.37

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
7th 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.