

### FACTSHEET

#### Performance Returns

The Ronit Global Opportunities UCITS Fund returned -0.17% in the month of March (USD Institutional A Founder Class).

#### Investment Objective & Strategy

The Ronit Global Opportunities UCITS Fund seeks long term absolute returns in global opportunities by trading a fundamental, bottom-up strategy with macro overlays, to capitalize on Global Opportunities (long-short strategy) with a focus on Emerging Markets and the European periphery. The investment strategy will only invest across a liquid capital structure and is expected to have an equity bias over time. The team believe that fundamental research coupled with a sensible understanding of the risk/reward and idiosyncratic risks can generate attractive returns over time and across market cycles.

#### Monthly Commentary

At the macro level we observe how the market is sensitive to certain news flows (especially when delivered on Twitter) whereas others (such as the Italian elections) are largely ignored. This would suggest that the market has a very deep ability to handle some political or economic risks, but struggles to digest others. Some of this might be accounted for by differing views concerning the importance of events, but we think that much of it can be explained by the structure of investment flows.

In addition to these macro trends, we also find ourselves in the midst of the first reassessment, by both legislators and the public, of the power held by the big data giants. For the longest time these firms were effectively above suspicion as they consistently offered cheaper products, better communications, and new technologies. However, with recent events exposing just how much power has been concentrated in the great data brokers, opinion has quickly turned against them, especially from many of the players who have been hurt by market disruptions. Financially, it is still hard to see whether growing scrutiny of their practices and possible fines will materially affect the performance of the companies in question, though the size of the market caps lost already has been significant in some cases. What is certain, however, is that the degree of intervention by authorities will be more severe; thus, while this sector will continue to present interesting opportunities, political considerations will now be uppermost in the minds of investors.

Regarding Emerging Markets, trade has been the main topic of discussion, with the tussle between China and the US dominating headlines, all while we appear to be seeing some progress on Nafta negotiations. Although we are daily inundated with new stories and the situation is constantly evolving, we struggle to see an outcome that will be materially detrimental for either the US or China. Of course, both Beijing and Washington will take the opportunity to flex their muscles, but as their economies are so interdependent, there is no motivation on either side for an all-out trade war. Stepping back from the headlines, one should not forget that China has been one of the greatest beneficiaries of the openness of western economies and therefore some give back in this new political atmosphere should not be surprising.

More importantly for asset prices in Emerging Markets, as we mentioned in our last letter, higher interest rates and credit spreads and the potential for a stronger dollar, are all factors that need to be considered. We still believe that for many countries the economic fundamentals look solid; however, complicated macro currents and continuous noise in different territories at the political level (in particular, Turkey and Russia) present obstacles for markets that do not trade at especially cheap valuations anymore.

For all this, our approach has not changed and remains consistent as we pursue smaller gross exposures, modest net exposures and fairly proactive trading of our volatility positions. Asset prices have not corrected so much as to warrant a full reassessment, but economic fundamentals remain too strong to be overtly bearish. We will continue to trade from this posture until there is a material change in the risk-reward of the market.

#### Position Update

As mentioned recently, we have built a core position in Siemens Gamesa (SGRE). SGRE is a global wind turbine manufacturer with a strong market position both in onshore and offshore wind technologies. The company has promising exposures in growing emerging economies such as Brazil, Mexico, China, and India. However, the latter has been the cause of significant recent turbulence, with transparency issues and low auction prices combining to bring new auctions to a halt in the second half of 2017. Indian regulators have since learnt from their mistakes and with auctions back under way, the market has found a floor on prices that is economically sustainable. On top of this, India plans to reduce carbon emissions by at least 33% by 2030, which will include significant new wind investments.

We have been following SGRE for some time and when the shares fell 50% from highs, we judged that the risk-reward picture had become attractive enough to build a position in the company. We think SGRE's temporary profitability issues will be satisfactorily addressed by the management team, which has produced a clear and reasonable roadmap for margin improvement and CF generation. Indeed, we think that the situation will be ameliorated once its main end markets have recovered (in particular, India, as well as offshore) and the US plan for Safe Harbour plants has been upheld. Then, with more than 90% of 2018 sales already covered through the current order book, its strong services pipeline (between 17/19% EBIT margins) and tailwinds from synergies will present considerable upside to the shares.

Our impression is that the market is currently mispricing the company as it is trading at less than seven times EBIT for 2019, an almost 50% discount to where it once traded at its height. We believe that, once fears of end markets performance disappear, and the company delivers on its cost initiatives, the market will be keen to value these competitive advantages which make the investment case compelling at higher multiples.

#### Ronit Global Opportunities UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	4.39%	1.71%	-0.17%										5.99%
2017	0.82%	0.03%	0.00%	-0.19%	0.04%	-6.05%	3.88%	2.08%	0.52%	-1.52%	-3.08%	0.94%	-2.84%
2016												0.04%	0.04%

The performance figures quoted above represent the performance of the USD Institutional Founder A Share Class in the Ronit Global Opportunities UCITS Fund since launch on 5<sup>th</sup> December 2016. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.

#### Ronit Global Opportunities Master Fund LTD Performance (Non-UCITS)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	1.06%	-3.30%	7.90%	2.08%	-4.31%	1.70%	3.53%	1.02%	-1.62%	2.29%	-2.34%		7.67%
2015	-3.81%	4.35%	-4.67%	4.68%	-2.74%	-4.60%	-1.65%	5.55%	1.17%	0.46%	2.91%	-2.25%	-1.36%
2014	-1.87%	1.17%	3.98%	2.65%	-1.22%	3.46%	4.82%	-0.97%	-0.49%	-3.39%	-0.30%	0.36%	8.13%
2013						0.2%	1.4%	-1.1%	2.1%	4.2%	-0.1%	-0.08%	6.67%

The performance figures quoted above represent the performance of the Ronit Global Opportunities Master Fund LTD since launch on 1st June 2013 and not the Ronit Global Opportunities UCITS Fund. UCITS Funds have to abide by onerous investment restrictions and consequently the performance of the Ronit Global Opportunities UCITS Fund may not be similar to that presented above. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.

### THE MANAGER

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**Edward Misrahi** (Founding Partner and CIO)

Prior to starting Ronit, Edward was a founding partner of Eton Park in 2004 and subsequently managed public and private Emerging Market and European investments for the firm over the next eight years.

Edward worked for Goldman Sachs & Co., becoming a partner in 2000, where his role included Financial Analyst in Structured Finance, Member of Equities Arbitrage Group, Member of Global Emerging Markets Committee and Co-Head of Latin America for the Firm.

**Luis Arenzana** (Founding Partner)

Luis was Founding Partner and Portfolio Manager of Shelter Island Capital Management (2003-2013). Here he managed a European Event-Driven Strategy. From 2010 he also managed the Shelter Island Total Return Fund (a Long-Short Equity & Credit Mandate).

From 2008 onwards he also offered advisory services to institutional clients investing in Spain. Prior to founding Shelter Island, Luis was an Executive Director at Orchard Capital Advisors (2001-2003) – here he worked as a Senior Analyst for the European Long-Short Equity Strategy.

#### FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$33.3m
Strategy AUM	\$249 million
Inception	5 <sup>th</sup> December 2016
Share Class	Institutional/Institutional Founder
Currency	EUR/USD/GBP
Mgt. Fee	1.75%/1.5%
Perf. Fee	17.50%/15%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BD87RV38/IE00BD87S431 USD: IE00BD87RX51/IE00BD87S654 GBP: IE00BD87RW45/IE00BD87S548
Share Class	Institutional A Founder/Retail Pooled
Currency	EUR/USD/GBP
Mgt. Fee	1.2%/2%
Perf. Fee	15%/20%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BD8BVG80/IE00BD87SM12 USD: IE00BD87RT16/IE00BD87S878 GBP: IE00BD8BVH97/IE00BD87S761

### Top 5 Positions (Exposure as % of NAV)

Top 5 Equity Long		Top Corporate Credit Long		Top 5 Equity Short	
CIA DE TRANSMISSAO	7.00%	PETROBRAS	5.19%	Undisclosed – Financials (Spain)	2.16%
TRANSMISSORA ALIANCA	5.22%	CEMIG GERACAO E TRANSM	4.43%	Undisclosed – Consumer (Hong Kong)	1.90%
PETROBRAS GLOBAL FINANCE	5.19%	ITAU UNIBANCO HLDG	4.04%	Undisclosed – Financials (Portugal)	1.84%
BB SEGURIDADE PARTICIPACOES	5.08%			Undisclosed – Financials (Mexico)	1.82%
SIEMENS GAMESA RENEWABLE	4.63%			Undisclosed – Financials (Poland)	1.79%

### Top P&L Contributors (Ex-Hedges and CDS)

Positive			Negative		
Strategy	%		Strategy	%	
BECLE	Equity Long	0.21%	NASPERS LTD	Equity Long	-0.33%
58.COM	Equity Long	0.20%	BAIDU INC - SPON	Equity Long	-0.31%
TRANSMISSORA ALIANCA	Equity Long	0.19%	QUALCOMM INC	Equity Long	-0.28%
Undisclosed – Financials (Germany)	Equity Short	0.16%	GERDAU	Equity Long	-0.25%
Undisclosed – Financials (Portugal)	Equity Short	0.15%	Undisclosed – Consumer (Hong Kong)	Equity Short	-0.20%

### Exposures (% of NAV)

By Country					Equity Exposures By Instrument (Delta Adjusted)					Credit Exposures				
	Long	Short	Net	Gross		Long	Short	Net	Gross		Long	Short	Net	Gross
Brazil	50.79%	-2.42%	48.37%	53.21%	Equity & Single Name Options	70.67%	-49.20%	21.47%	119.88%	Corporate Credit	17.20%	-2.11%	15.09%	19.31%
Mexico	13.38%	-2.37%	11.01%	15.74%	Option & Index Hedges	0.00%	-8.32%	-8.32%	8.32%	Sovereign Credit	0.01%	-11.64%	-11.63%	11.65%
Italy	0.01%	-11.06%	-11.05%	11.07%	<b>Total</b>	<b>70.67%</b>	<b>-57.53%</b>	<b>13.15%</b>	<b>128.20%</b>	<b>Total</b>	<b>17.21%</b>	<b>-13.75%</b>	<b>3.46%</b>	<b>30.96%</b>
United States	4.05%	-4.12%	-0.06%	8.17%	<b>Option Premium (MTM)</b>	0 Bps	-20 Bps	-20 Bps	20 Bps	Corporate Credit DV01	€3.7k	€0	€3.7k	€3.7k
Spain	4.63%	-3.32%	1.31%	7.95%						CDS PV	0.10%	-2.11%	-2.01%	2.21%
Poland	3.60%	-1.79%	1.82%	5.39%	<b>By Sector</b>					<b>By Market Cap (Equities only)</b>				
Switzerland	0.00%	-4.59%	-4.59%	4.59%		Long	Short	Net	Gross		Long	Short	Net	Gross
China	4.10%	-0.30%	3.79%	4.40%	Financials	30.44%	-15.17%	15.27%	45.61%	> 10 Billion \$	19.62%	-52.13%	-32.50%	71.75%
Russian Federation	4.37%	0.00%	4.37%	4.37%	Utilities	20.72%	-2.59%	18.13%	23.32%	5 - 10 Billion \$	23.96%	-3.95%	20.02%	27.91%
Portugal	0.00%	-2.89%	-2.89%	2.89%	Consumer	5.73%	-5.19%	0.54%	10.92%	2 - 5 Billion \$	21.52%	-2.30%	19.21%	23.82%
Hong Kong	0.00%	-1.90%	-1.90%	1.90%	Energy	9.82%	-1.06%	8.76%	10.89%	< 2 Billion \$	7.34%	-0.92%	6.42%	8.26%
South Africa	1.74%	0.00%	1.74%	1.74%	Telecommunications	9.93%	0.00%	9.93%	9.93%	<b>Total</b>	<b>72.44%</b>	<b>-59.30%</b>	<b>13.15%</b>	<b>131.74%</b>
Germany	0.00%	-1.44%	-1.44%	1.44%	Tech & IT	6.31%	0.00%	6.31%	6.31%					
Korea, Republic of	1.11%	0.00%	1.11%	1.11%	Materials	3.52%	0.00%	3.52%	3.52%					
Colombia	0.00%	-1.06%	-1.06%	1.06%	Industrial	1.30%	-1.98%	-0.69%	3.28%					
United Kingdom	0.00%	-0.69%	-0.69%	0.69%	Real Estate	0.00%	-0.30%	-0.30%	0.30%					
General Hedges	0.10%	-33.34%	-33.23%	33.44%	Government	0.01%	0.00%	0.01%	0.01%					
<b>Total</b>	<b>87.89%</b>	<b>-71.28%</b>	<b>16.61%</b>	<b>159.16%</b>	Developed Market Hedges	0.10%	-44.97%	-44.87%	45.08%					
					<b>Total</b>	<b>87.89%</b>	<b>-71.28%</b>	<b>16.61%</b>	<b>159.16%</b>					

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