

↑ 12.34%

Tosca Micro Cap UCITS Fund

UK Micro Cap

April 2020

Performance Returns

The Tosca Micro Cap UCITS Fund returned 12.34% in April (GBP Institutional share class).

Investment Objective & 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

The market rallied hard in April after the violent impact that C-19 had on equity markets during March 2020. While the general trend was up, it is clear that investors are trying to discriminate between winners and losers in this new reality.

April was a busy month with a slew of UK companies raising equity to both boost their respective balance sheets and/or allow them to accelerate out of the current downturn. In the month we supported two of our companies to raise fresh capital and invested in three others, where we saw either good entry points or an opportunity to enhance near term returns. Overall, company updates came thick and fast and critically, a good deal of it was positive.

In terms of the secondary placings that we participated in two existing holdings, Hollywood Bowl and Loungers, raised capital to extend their cash runways out to 2021. These are two well run leisure concepts that are both closed currently but we believe have the potential to recover as we edge out of lockdown. Bowl's average transaction value of c£20 for a family of four means that they

are less exposed to any future slowdown in consumer discretionary spend. Meanwhile Loungers business model involving low rental locations in secondary towns and cities, all day dining at a low price and a community focus puts them in as good a position as any of their peers.

During the month the main contributors to performance came from existing holdings whose operations are to a greater or less extent unaffected by C-19. Oxford Biomedica (+2.21% contribution to NAV) is the fund's largest holding. This gene and cell therapy group confirmed that it had joined with the Jenner Institute in a consortium to develop a C-19 vaccine. Wameja (+1.77%) announced excellent quarterly KPIs. This little known business is now a holding company for a 36% stake in Homesend, a digital cross border payment business, majority owned by Mastercard. With average transaction values +30% QoQ, this platform is fast becoming a key part of Mastercard's digital strategy. The question therefore is how long will it be happy to retain a minority partner? We believe that a takeover is inevitable at some point. If we place the business on a 5% FCF yield 3 years out we see a further 2-3x upside in the stock. Elsewhere, two other stocks that are broadly speaking unencumbered by C-19 are our holdings in computer games developers, Sumo (+0.94%) and Codemasters (0.63%). Both are seeing rising demand for existing titles and are largely able to support current development plans through a remote workforce.

The main detractor in the month was Attraqt (-0.54% contribution to NAV). This provider of personalised search & merchandising software into the E-Commerce market unfortunately announced that its highly regarded CEO was stepping down into a NED role, for personal reasons. This is disappointing but evidence to date suggests that the business is holding up well and subsequent to the month end a new CEO has been appointed.

Overall it was an encouraging month for the fund. The fund manager is under no illusions that there will be challenges for the market ahead, but is also confident that there will be opportunities – a look back to 2009 as we exited the GFC tells us that. Once again we thank you for your support and hope that you and your families stay safe and well.

The Manager

TOSCAFUND

Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$23.5m
Inception	1st October 2010
Relaunch	8th 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

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.

Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2020	5.90%	-11.45%	-24.95%	12.34%									-20.93%
2019	-0.55%	-3.90%	2.40%	3.10%	0.10%	-4.41%	0.46%	-5.23%	-2.32%	-0.98%	2.58%	5.01%	-4.24%
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 (GBP Institutional Class) since relaunch on 8th April 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

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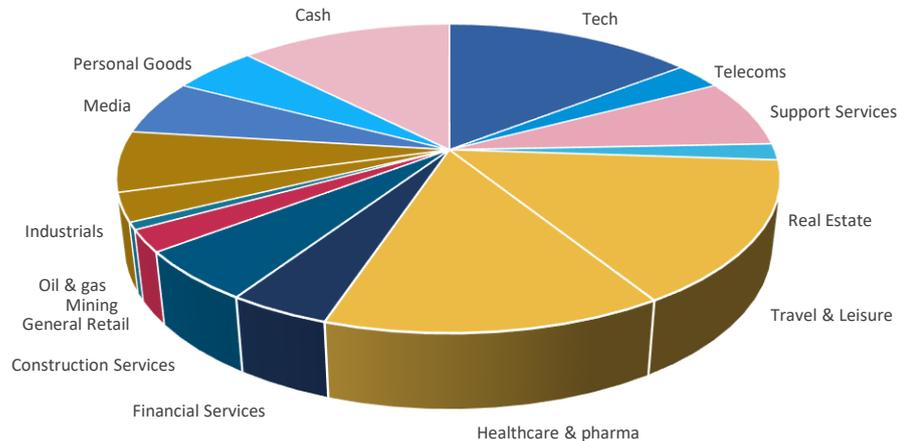
April 2020

COMPOSITION OF FUND (Data as at 30th April 2020)

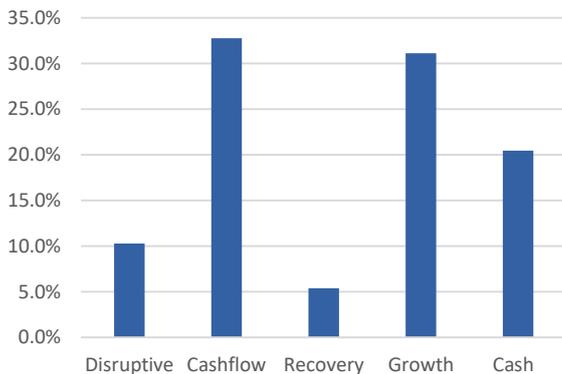
Portfolio Summary

Gross exposure	85.7%
Average mkt cap (£m)	171
No. of positions	36

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Oxford Biomedica	6.65
Sumo	4.85
Codemasters	4.41
Inspired Energy	4.08
Imimobile	3.47

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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 date 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 ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, 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. This is a marketing document.