

FACTSHEET

Performance Returns

The SPARX OneAsia Long Short UCITS Fund returned 1.64% in January.

Investment Objective & Strategy

The investment objective of the fund is to maximise risk-adjusted returns regardless of the market cycle by investing in equity within Asia including Japan. The strategy aims to capitalize on Asia's growth dynamics by identifying potential winners and losers through bottom-up fundamental research.

Market Commentary

During the month, Samsung Electronics (005930 KS, Long) contributed the most among positive contributors. The company commands the number one market share in various tech areas: DRAM (45% global M/S), NAND (35% M/S), OLED (90% M/S), Smartphone (19% M/S) and TV (21% M/S).

In 2018, the company generated KRW 244 trillion (or USD 217 billion) sales with 24% OPM. By segment, memory (DRAM 20% of sales, NAND 9%) accounted for 76% of operating profit with 52% OPM. Mobile communication (mainly smartphone) represented 41% of sales with 17% of OP with 10% OPM. Display panel (mainly OLED display) accounted for 13% of sales with 8% of OP (8% OPM). Consumer electronics (TV and home appliances) recorded 17% of sales with 3.5% of OP (a 5% OPM).

During 2018, the company generated KRW 84 trillion operating cash flow and spent KRW 31 trillion for capex and other investments. After KRW 11 trillion dividend payout and share buybacks, the company holds KRW 89 trillion net cash on the balance sheet at the end of 2018. The company committed to return a half of the annual free cash flow to shareholders on a 3-year rolling basis.

In early January, the company was trading at below 1.0x trailing PBR on the back of a deteriorating outlook on semiconductors (esp. memory) industry. While the timing of the trough during this down cycle depends on the combination of depth and speed of drop in chip prices coupled with the response from manufacturers, Samsung's share price seemed to have priced in a downturn a few quarters ahead. With a 20% rebound in share price and 1.1x fwd PBR, the risk-reward of the share price we believe is more balanced.

USD Institutional Class UCITS Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2019	1.64%												1.64%
2018	1.42%	1.39%	-3.28%	-2.11%	3.46%	0.60%	-2.47%	0.78%	-1.15%	-7.67%	2.35%	-2.07%	-8.88%
2017	1.26%	-1.82%	3.07%	1.03%	4.18%	0.18%	1.08%	0.68%	0.57%	1.29%	2.40%	0.27%	15.02%
2016	-1.66%	0.81%	-0.08%	2.79%	-0.10%	-1.86%	-0.20%	3.32%	-1.56%	0.19%	-2.07%	-1.51%	-2.09%
2015	-	-	-	-	-	-	-	-	-0.51%	0.87%	0.50%	-1.08%	-0.23%

The performance figures quoted above represent the performance of the SPARX OneAsia Long Short UCITS Fund since launch on 17th September 2015. These performance figures refer to the past and past performance is not a reliable guide to future performance.

SPARX OneAsia Long Short Representative Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2015	0.07%	1.36%	1.59%	-0.11%	-1.43%	1.02%	4.57%	-3.11%					
2014	-	-	-	-	-	0.41%	1.78%	0.92%	-1.19%	2.27%	0.90%	0.68%	5.88%

The above performance pertains to the performance since inception of the SPARX OneAsia Long Short Representative Strategy and is not of the SPARX OneAsia Long Short UCITS Fund. UCITS Funds have to abide by investment restrictions and consequently the performance of the SPARX OneAsia Long Short UCITS Fund may not be similar to that presented above. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Risk Metrics (% of NAV)

Long Exposure	71.04%
Short Exposure	-21.40%
Index Hedge	-41.08%
Gross Exposure	133.52%
Net Exposure	8.56%
No of Longs	24
No of Shorts	23

Historical Risk Metrics^A

Annualised Return	3.11%
Annualised Volatility	6.81%
Sharpe	0.33
Sortino	0.47
Beta	0.18

^AThe above historical risk metrics pertain to the daily statistics since inception of the SPARX OneAsia Long Short Representative Strategy, merged with the statistics of combined share classes SPARX OneAsia Long Short UCITS Fund from 1st September 2015 to 30th December 2016.

1. Arithmetic means of 1 Month USD LIBOR interest rate was used as the Risk Free Rate of returns for the calculation period.

2. Downside deviation refers to standard deviation of negative daily returns during the period.

3. Firm AUM is in reference to SPARX Group total AUM.

THE MANAGER



Hak Kim is the portfolio manager for the SPARX OneAsia Long Short UCITS Fund. He has over 18 years of experience in the fund management business and is responsible for coordinating SPARX's fundamental research

activities across Asia. Prior to becoming a founding member of the OneAsia team, Mr. Kim was a portfolio manager at SPARX's Korean subsidiary where he ran the award winning Korea long short fund. Before this, he was an analyst covering various sectors and also played a key role in creating the firm's investment outlook and strategy. Mr. Kim holds a B.A. in Business Administration from Seoul National University and attended an MBA program in International Finance at the graduate school of Seoul National University. He is a CFA charter holder.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$11.1 million
Firm AUM	\$10.8 billion
Inception	17 th September, 2015
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYMVZK37/IE00BYMVZX65 USD: IE00BYMVZW58/IE00BYMW0S95 CHF: IE00BYMVZN67/IE00BYMW0P64 GBP: IE00BYMVZL44/IE00BYMVZZ89
Share Class	Institutional Founder/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%/2.00%
Perf. Fee	10%/15%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BZ03QD85/IE00BYQF1X69 USD: IE00BZ03QH24/IE00BYQF2000 CHF: IE00BZ03QG17/IE00BYQF1Z83 GBP: IE00BZ03QF00/IE00BYQF1Y76

Composition of UCITS Fund

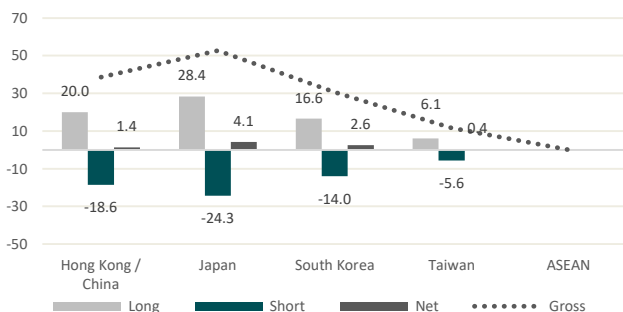
Top 5 Longs (% of NAV)

Samsung (Korea)	4.49%
Sony (Japan)	4.29%
Terumo Corp (Japan)	4.16%
Kao (Japan)	3.93%
Recruit (Japan)	3.92%
TOTAL	20.79%

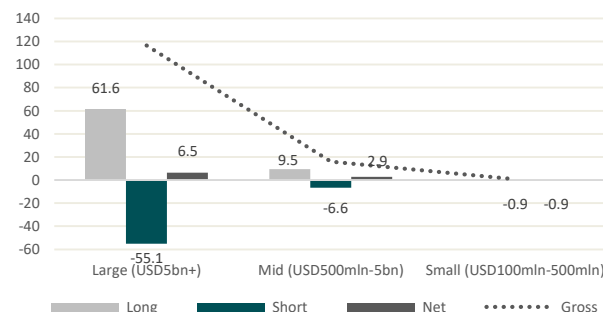
Top 5 Shorts (% of NAV)

Japanese Retailer	-2.50%
Korean Security Services	-1.76%
Japanese Education Centre	-1.67%
Japanese Beverage Maker	-1.60%
Japanese Fast Foods	-1.59%
TOTAL	-9.12%

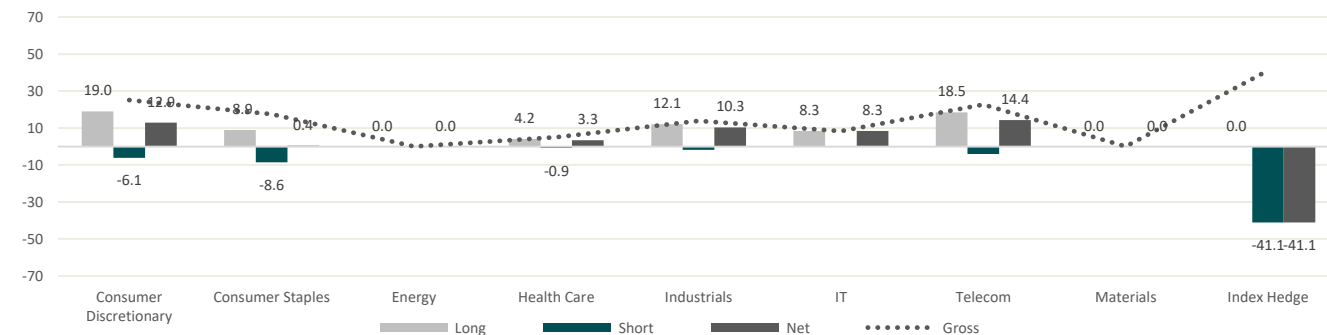
Geographic Analysis (% of NAV)



Market Cap Analysis (% of NAV)



Sector Analysis (% of NAV)



Contact Details

Investor Contact

ML Capital Ltd
 Park House, 116 Park Street
 London, W1K 6AF, UK
 T: +44 20 3709 4510
 info@mlcapital.com

Management Company

MLC Management Ltd
 23 St. Stephen's Green
 Dublin 2, Ireland
 T: +353 1 533 7020
 info@mlcapital.com

Investment Manager

SPARX Asia Investment Advisors Ltd
 17/F Central Plaza, 18 Harbour Road
 Wan Chai, Hong Kong
 T: +852 3102 7519
 jay.lee@sparxgroup.com.hk

Disclaimer

Risk Warning: Past performance is not a reliable indicator of future results, prices of investments and the income 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 SPARX OneAsia Long Short 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. Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Documents which together with the Montlake UCITS Platform 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 Capital nor SPARX Asia Investment Advisors Limited accepts liability for the accuracy of the contents. SPARX Asia Investment Advisors Ltd is authorised and regulated by the SFC. ML Capital does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is MLC Management Ltd, a company regulated by the Central Bank of Ireland. 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. This notice shall not be construed as an offer of sale in the SPARX OneAsia ARS Fund or in any other fund managed or advised by SPARX Asia Investment Advisors Ltd. Issued and approved by MLC Management Ltd. Authorised and Regulated by the Central Bank of Ireland