

FACTSHEET

Performance Returns

The Mygale Event Driven UCITS Fund USD institutional class had a positive performance of 0.04% during the month of May.

Investment Objective & Strategy

An active trading approach to European Focused Event Driven Equity.

The fund follows predominantly merger arbitrage and catalyst driven strategies. We hold 30-50 positions with a typical net exposure of up to 50% and gross of between 100% and 200%. Our trading approach has a three tiered methodology designed to capture additional alpha for every position. Trades are structured with the intention of embedding optionality and favourably skew risk, with sharpened timing and market feel from our trading background. We frequently question our investment thesis, and conduct fundamental in-house research with the understanding that company specialists may know more. We are not wedded to any positions and do not believe we have the 'information edge.' Therefore, we systematically consult the market through deep local broker relationships and industry specialists. We are constantly looking for trades with fundamental value, and situations with the possibility of counter bids and bump catalysts and try to avoid the 'home run' mentality.

Market Commentary

Equity markets proved resilient in May, boosted by the election of centrist Macron as France's new President (CAC 40 +31bps). The wave of euro-scepticism seems to have been quelled temporarily, but for how long? US stocks shrugged off the investigations into the link between the Trump administration and Russia (S&P 500 +1.16%), while UK equities turned in a stellar month (FTSE 100 +4.39%). The majority of the gain was made early in June as polls showed a comfortable Conservative majority, with Theresa May retaining a strong hand going into Brexit negotiations with the EU (on which note - we struggle to see how an exhaustive agreement will come together in two years). Since then however, the Conservative lead has narrowed and Sterling has been hit accordingly. Amidst the noise, it is very noticeable to us how depressed equity volatility has become (the VIX spent parts of the month trading sub-10), despite the underlying unpredictability of the next geopolitical tape bomb and the savvy rotation away from the cyclical reflation trade.

We hope the relative stability in markets will promote dealmaker confidence and continue to support corporate activity. Global M&A volume remains elevated – Bloomberg tells us that the past 12 months have seen \$3.4trn worth of deal volume, compared with \$4.1trn in 2007 and \$3.8trn in 2015. The US share of activity remains high, while the Asian share is increasing. Hong Kong, Japan and Singapore are all proving fertile hunting grounds for both domestic and foreign acquirers, who are more willing to look further afield for the right target. Cross border M&A between US and Europe YTD has surpassed \$170bn (Reuters), the highest in a decade as US companies continue to take advantage of USD strength. All of which are good omens as we approach the second half of 2017!

Despite continuing to grow our portfolio during the month, we had, in general, a lacklustre performance. Our investment in the Booker / Tesco merger performed well, with the spread starting to tighten in during the month. This is a situation that we have favoured and grown over a number of months. Admittedly, there could be significant regulatory hurdles to overcome, with a commensurately long timetable, but the spread was trading wider than we felt warranted, particularly considering the quality of the Booker business and the small premium offered by Tesco. Booker's confirmation of continued strong operating performance mid month, only reinforced our views and, doubtless, helped continue the spread tightening. We also see an outside chance of a small bump in terms further down the line, or even the possibility of an interloper emerging, for what is undoubtedly a highly regarded asset.

It's interesting to note how different the portfolio looks compared to 2016. This year, many of our investments are in situations with much longer expected timeframes - this isn't intentional, just a nature of the opportunity set that we are seeing. We continue our style of hunting out opportunities with potential upside catalysts, and are successful in doing so, and if anything, the longer calendar means that not only do these catalysts have longer to mature, but we also have more time to deploy our approach of actively trading our portfolio.

Monthly Share Class Performance Breakdown

USD Ins.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2017	0.00%	0.30%	0.47%	0.61%	0.04%								1.43%
2016	0.97%	0.43%	0.02%	0.67%	0.47%	0.03%	2.83%	0.76%	0.84%	-1.56%	0.03%	1.02%	6.65%
GBP Ins. F	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2017	0.01%	0.28%	0.43%	0.62%	0.07%								1.41%
2016	1.25%	0.47%	0.02%	0.69%	0.57%	0.18%	2.85%	0.83%	0.86%	-1.16%	0.05%	0.84%	7.65%

Note: The performance figures quoted above for the USD Share Class represents the performance of the Mygale Event Driven UCITS Fund USD Institutional Share Class and the GBP Share Class represents the performance of the GBP Institutional Class A Founder Share Class since launch. 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



Neil Tofts has over 19 years' experience successfully running event driven portfolios and funds, and 22 years in derivatives. As Managing Director and Head of Event Driven Investments for Merrill Lynch in London, he was responsible for a European focused, Global Event Driven portfolio. From 2007 he was Head of Global Event Driven Investments at KBC Alternative Investment Management in London where he established and ran a 4 person team. Prior to this in 2000, Neil founded the London office of Deephaven Capital Management. He has also managed Event Driven investments at Paribas and NatWest Markets. He graduated with a BA (Hons) in Business Studies from Oxford Brookes University.

Ken Li Chung was previously a Vice President at Bank of America Merrill Lynch in London where, most recently, he had full responsibility for the European Event Driven trading franchise. He has over nine years of investment experience, having joined BAML in 2008 and has also been responsible for a European focused fundamental equity portfolio as well as index and portfolio trading. Ken Li graduated with a BA (Hons) in Economics from the London School of Economics and Political Science, and is a CFA Charterholder.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$137 million
Inception	1 st January 2016

Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	20%
Min Init. Sub.	1,000,000
ISIN	EUR: IE00BYRPFQ61/IE00BYRPFV15
Codes	USD: IE00BYRPF792/IE00BYRPFY46 CHF: IE00BYRPF585/IE00BYRPFX39 GBP: IE00BYRPF78/IE00BYRPFW22

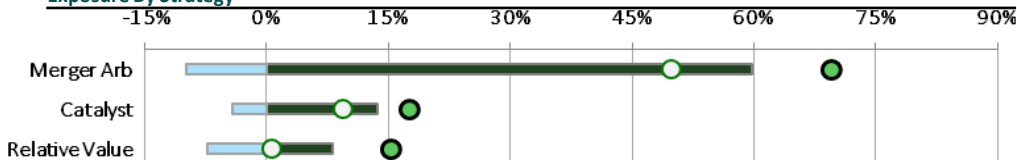
Share Class	Institutional Founder/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.25%/2.00%
Perf. Fee	15%/20%
Min Init. Sub.	10,000,000/10,000
ISIN	EUR: IE00BYRPG302/IE00BYRPFZ52
Codes	USD: IE00BYRPG633/IE00BYRPG294 CHF: IE00BYRPG526/IE00BYRPG187 GBP: IE00BYRPG419/IE00BYRPG070

PORTFOLIO EXPOSURES

Risk Metrics

LONG EXPOSURE ²	81.63%
SHORT EXPOSURE ²	-21.39%
GROSS EXPOSURE ²	103.02%
NET EXPOSURE ^{2,4}	14.99%
SHARPE RATIO ³	2.64
SORTINO RATIO ³	4.52
VOLATILITY ³	2.13%
DAILY VAR ^{1,3}	3.05%
NO OF POSITIONS	57

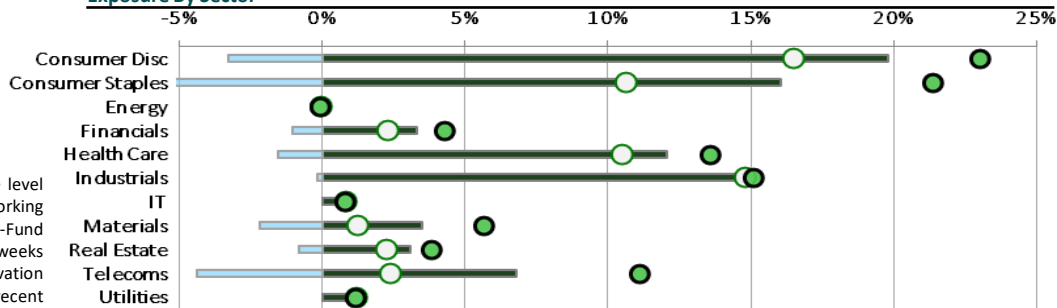
Exposure By Strategy²



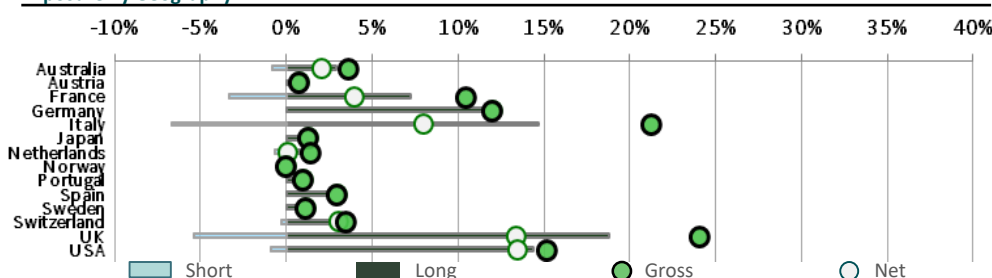
Exposure By Market Cap²



Exposure By Sector²



Exposure By Geography²



1. VaR is calculated using a confidence level of 99% and a holding period of 20 working days. The VaR model used by the Sub-Fund typically uses data from the last 200 weeks or greater, but a shorter observation period may be used in instances of recent significant changes in price volatility.

2. Based on information from the administrator and as a percentage of the fund AUM in USD including currency hedge for share classes.

3. Based on daily gross portfolio performance

4. The net figure excludes cash merger deals.

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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 and, potentially, to exchange risk. The Mygale Event Driven 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 Tavira Securities Limited accepts liability for the accuracy of the contents. Tavira Securities is authorised and regulated by the Financial Conduct Authority. 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. ML Capital Asset Management Ltd is regulated by the Central Bank of Ireland. 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 any other fund managed or advised by Tavira Securities.

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