

FACTSHEET

Performance Returns

The Mygale Event Driven UCITS Fund USD institutional class had a positive performance of 0.96% during the month of February.

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 40-60 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

We saw a market frenzy just as February kicked off, with a messy unwind of the notoriously crowded 'short vol' trade gripping asset markets (VIX hit a closing high of 37.32). What seemingly started as an isolated equity move quickly spread into credit-land as asset correlation spiked. The indicators we watched all told a similar story of de-risking – the significant volume printing in equity futures stood out, with the futures/cash volume ratio elevated. In arb land, this manifested in a widening of credit and equity spreads alike, while bond yields continued to creep higher (US 10-year yields ended the month at 2.86%). This weighed on many of the bond proxy names, with the FTSE EPRA/Nareit Developed Europe shedding 5.6% over the course of February, underperforming the Euro Stoxx 50 (-4.7%) and FTSE 100 (-4.0%). The US had their first equities down month in a good while S&P 500 (-3.9%) while the US Dollar held steady against a basket of peers (DXY +1.7%), despite approval of a \$400bn fiscal stimulus package. For once, politics took a back seat in the minds of market watchers.

With a sell off caused largely by fears of rising inflation and concerns that interest rates would rise more quickly than expected, its not surprising that the corollary was investors swiftly reviewing their equity portfolios. What had been a strong start to equity markets in January quickly reversed as investors embarked on wide scale de-risking. This created volatility, which in turn, created opportunity. The benefit of a strategy such as ours, with many investments having definitive agreements and timelines, allows us to take advantage of wider spreads in situations such as this and we took this opportunity to add to our highest conviction ideas at attractive entry points. This was of benefit later in the month as the market volatility calmed down and the 'short vol' squeeze, seemingly unwound, resulting in many of our investments returning to more 'normal' levels.

Despite the volatility felt early in the month, our portfolio performed well, returning 96bps, with gains broadly spread across a number of names in the portfolio. You will recall we wrote last month of our strongly held conviction in Sky which has been one of the larger positions on the portfolio for several months now. From the outset of the FOX bid, we felt that Murdoch was trying to buy the company on the cheap, and that fundamentally Sky is in a strong and somewhat unique position. Over the past months, the market has gradually been realising this also, and the favourable (to Sky) outcome of the English Premier League auction results in mid February helped this fundamental value come to the forefront of investors minds. A surprise cash bid from Comcast at 1250p late in the month however, was what really rammed this point home, to those who had simply misunderstood the strength and importance Sky now holds in the UK and European broadcasting sector. There are clearly two bidders for Sky now, (and one could even argue three, potentially). We predicted last month that this would play out further in the coming months.... and see no reason to change that view now!

Monthly Share Class Performance Breakdown

USD Ins.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2018	0.63%	0.96%											1.60%
2017	0.00%	0.30%	0.47%	0.61%	0.04%	0.22%	0.46%	0.19%	0.26%	0.56%	0.16%	0.74%	4.06%
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
2018	0.65%	0.97%											1.62%
2017	0.01%	0.28%	0.43%	0.62%	0.07%	0.21%	0.46%	0.19%	0.25%	0.57%	0.16%	0.72%	4.03%
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	\$180.24 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

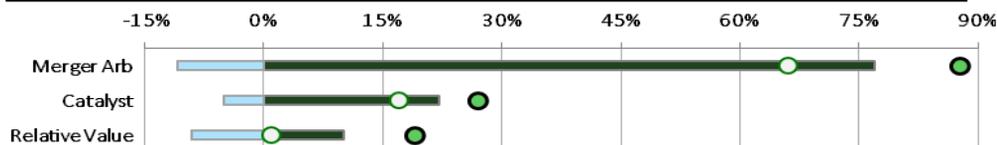
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.25%/2.00%
Perf. Fee	15%/20%
Min Init. Sub.	10,000,000/10,000
ISIN	EUR: IE00BYRPG302/IE00BYRPFZ52
Codes	USD: IE00BYRPG633/IE00BYRPG294 CHF: IE00BYRPG526/IE00BYRPG187 GBP: IE00BYRPG419/IE00BYRPG070

PORTFOLIO EXPOSURES

Risk Metrics

LONG EXPOSURE ²	109.29%
SHORT EXPOSURE ²	-25.01%
GROSS EXPOSURE ²	134.29%
NET EXPOSURE ^{2, 4}	20.75%
SHARPE RATIO ³	2.86
SORTINO RATIO ³	4.97
VOLATILITY ³	1.95%
VAR ¹	5.56%
NO OF POSITIONS	60

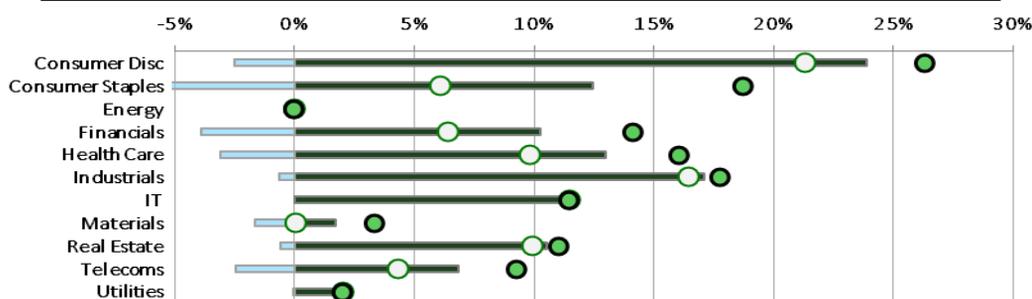
Exposure By Strategy²



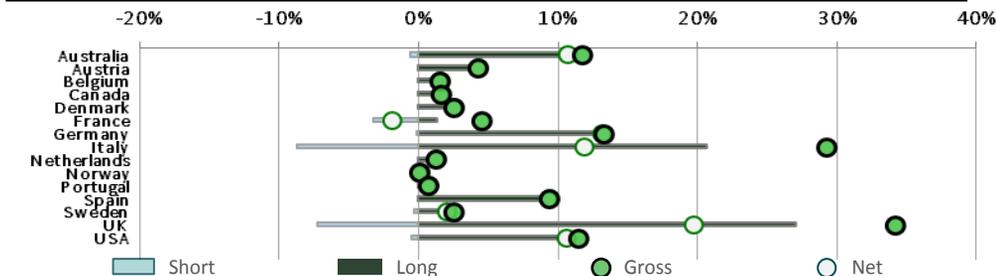
Exposure By Market Cap²



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 weekly net portfolio performance

4. The net figure excludes cash merger deals.

Contact Details

Investor Contact

ML Capital Ltd
29 Farm Street
London, W1J 5RL, UK
T: +44 20 3709 4510
investorrelations@mlcapital.com

Investment Manager

ML Capital Asset Management Ltd
23 St. Stephen's Green
Dublin 2, Ireland
T: +353 1 533 7020
investorrelations@mlcapital.com

Sub Investment Manager

Tavira Securities
88 Wood Street
London EC2V 7DA
T: +44 20 3192 1725
ym@mygalefunds.com

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.

Issued and approved by ML Capital Asset Management Ltd. Authorised and Regulated by the Central Bank of Ireland