

FACTSHEET

Performance Returns

The Tosca Micro Cap UCITS Fund returned 8.76% in July (GBP Institutional share class).

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

July was a strong month for the portfolio with the fund +8.8% vs the FT Aim All Share rising 6.9%. As concerns over the implications of Brexit started to abate, post the conclusion of the Conservative Party leadership election, so the market's risk appetite started to increase which had a positive knock on effect on UK SMID cap stocks.

Despite the market being more sanguine on post Brexit Britain, we retain some medium term concerns – particularly with reference to UK consumer sectors. Post the referendum we have reduced our exposure to UK retailers, increased our focus on USD earners & boosted our positions in miners. This is consistent with the message that we have presented over the last few months and has helped deliver positive alpha in July as well as YTD.

In July the fund's Tech holdings, accounting for c28% of NAV at month end, generated +4.7% gross return. With most sales in USD and revenues across the globe, these names are only marginally impacted by Brexit but are natural beneficiaries of FX translation. While we like these characteristics, we have to believe in the underlying businesses as well. Each of our holdings here has a compelling story to tell. Of the top 10 contributors to performance, six were tech names. The two principal contributors were Rhythmone (+1.1%), which produced strong quarterly numbers increasing confidence in their return to profitability and strengthening balance sheet and Blue Prism (+0.8%). This is the #1 provider of process automation software globally. H1 figures here were ahead of forecast and while broker numbers were not adjusted, the probability of upgrades later in the year has increased. Ex-Tech the USD exposure of miners was also an important contributing factor driving Berkeley Energia (+1%).

The main detractor on performance was STM (-0.2%), a provider of offshore SIPP management services. We exited the position in the period as we feared that a change in the business model coupled with uncertainty as to how expats would seek to manage their UK based pensions post Brexit, would lead to pressure on numbers. As it happens the company warned at the end of the month that its numbers would be lower than forecast, vindicating our decision to sell.

Towards the end of the month, in a further sign of normality returning to markets, we participated in one new IPO and two secondary placings (both to fund strategic acquisitions). Such liquidity events are key drivers of value in our view, both in terms of accessing illiquid investments and being able to buy in at advantageous prices. We would expect ongoing primary/secondary deals to remain an important opportunity for the fund and goes to highlight some the real advantages of being part of a large institution like Tosca, in terms of access to deal flow, research and management.

Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	-	-	-	1.15%	3.94%	-3.84%	8.76%						9.94%

The performance figures quoted above represent the performance of the Tosca Micro Cap UCITS Fund since relaunch on 8th April 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.

THE MANAGER

TOSCAFUND

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.

FUND FACTS

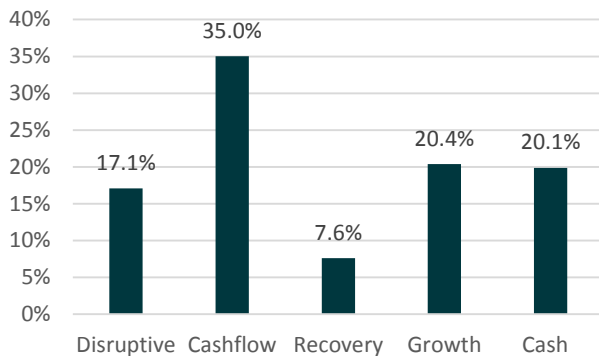
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$7.3m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	Retail/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2%
Perf. Fee	20%
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COMPOSITION OF FUND

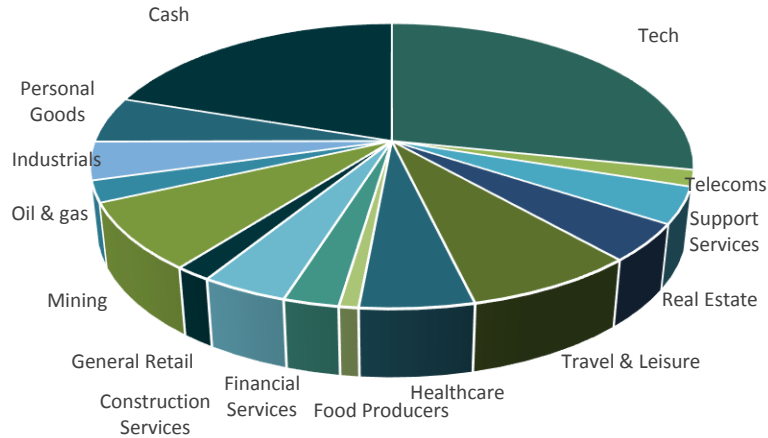
Portfolio Summary

Gross exposure	79.9%
Yield (%)	1.1
PE (Cash flow)	10.1
Average mkt cap (£m)	100
No. of positions	25

Portfolio By Theme



Portfolio By Sector



Top 5 exposures (% of NAV)

Rhythmone PLC (formerly Blinkx)	5.26%
IMImobile plc	5.00%
Blue Prism Group	3.82%
Constellation HE	3.76%
Stride Gaming Plc	3.73%

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Disclaimer

Risk Warnings: 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 close 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 and, potentially, to currency exchange rate risk. The Tosca Micro Cap UCITS Fund (the "Fund") may use financial derivative instruments as a 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 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 Capital nor Toscafund Asset Management LLP accepts liability for the accuracy of the contents. Toscafund Asset Management LLP is authorised and regulated by the U.K. 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. The state of origin of the Fund is the Republic of Ireland. This document may only be distributed in or from Switzerland to qualified investors within the meaning Art. 10 Para. 3, 3bis and 3ter CISA. The Representative in Switzerland is ACOLIN Fund Services AG, Stadelhoferstrasse 18, CH-8001 Zurich, whilst the Paying Agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8022 Zurich. 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. Issued and approved by ML Capital Asset Management Ltd. Authorised and Regulated by the Central Bank of Ireland.