

FACTSHEET

Performance Returns

The Tosca Micro Cap UCITS Fund returned 2.40% in March (GBP Institutional share class) giving a net return since launch on April 8th 2016 of 20.01%.

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

A better month for the fund reflecting encouraging results and management delivering on stated aims.

A number of the larger positions in the fund reported either results or details of enhancing M&A during March. Our largest holding, Diversified Gas & Oil (+1.11%), announced a further materially enhancing acquisition in its sweet spot of producing assets in and around the US Appalachians. The latest \$400m transaction saw the business buying 107 producing gas wells, which will drive 20% earnings and dividend upgrades. The latter leaves the shares trading on a FY20 prospective yield of 10%. At the same time the company is drawing up plans to move to the Main Market, which should attract a broader base of potential investors, particularly as management continues to deliver on the business model and recycle cash back to shareholders.

One stock that we have been fans of since IPO in November 2017 has been Boku (+1.02%). This provider of direct carrier billing services to the likes of Apple, Spotify and Netflix has consistently met/beaten expectations. In late 2018 it announced the purchase of Danal; a complementary, but loss making, identification software business. Earnings dilutive deals that optically look expensive in a risk averse market drove the stock down 50%. Thankfully the price has started to recover since the start of the year and strong FY 18 results published at the end of the month saw forecasts beaten and outer year numbers raised. Momentum remains positive with FY18 sales increasing by 45% and, given the operational leverage in a high gross margin / high fixed cost base business, saw profits rebound from a \$2m loss to a \$6m profit. Cash conversion is excellent which means that FCF is accelerating (as is cash on the balance sheet). On current broker forecasts it is trading on a 7% FCF yield. We believe these numbers remain too low given the trend in global online payments and the central role that Boku plays with its core customers. At a target 5% FCF yield we see 45% upside to 160p.

Other strong performers in the month included IMImobile (+0.89%) and Rhythmon (+0.67%). In the debit column there were two main detractors to performance. These were Zoo Digital (-0.59%) and Proactis (-0.57%). The former has suffered due to uncertainty surrounding its relationship with key customer, Netflix. Near term forecasts were reduced in January, at which time management remained confident on FY20 numbers. It is clear from the market's ongoing action that there is no great confidence in these numbers. We continue to see material growth opportunities for Zoo but are mindful of the likely ongoing volatility as the business model for dubbing and subtitling matures.

Looking further afield, the ongoing political uncertainty in the UK is an unhelpful backdrop in which to invest in UK businesses. That said, we have mitigated against some of that by having a portfolio that is now 50% exposed to non-UK revenues. We continue to see compelling opportunities, despite macro issues. Thank you for your continued support.

Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2019	-0.55%	-3.90%	2.40%										-2.13%
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 since relaunch on 8th April 2016. These performance figures refer to the past and past performance is not 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

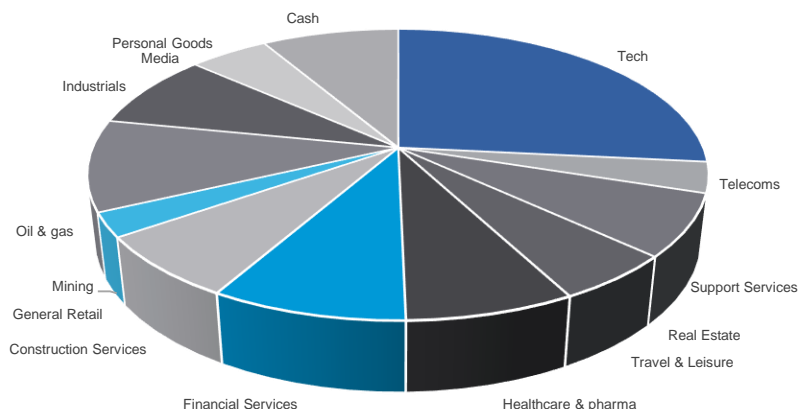
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$43.5m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	Retail/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.5%
Perf. Fee	15%
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COMPOSITION OF FUND (as at 1st April 2019)

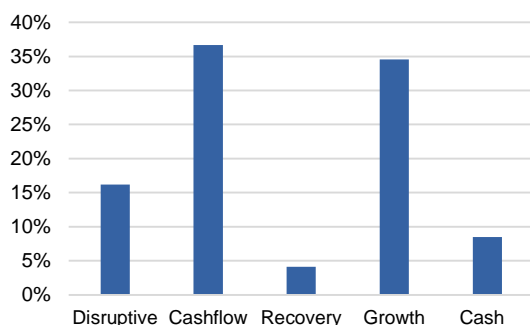
Portfolio Summary

Gross exposure	91.5%
Yield (%)	1.6%
PE (Cash flow)	11.7
Average mkt cap (£m)	186
No. of positions	38

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Diversified Gas & Oil	7.31
Oxford Biomedical	5.60
Sumo	5.27
Boku	4.61
Watkin Jones	4.22

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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 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. 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 ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the Paying Agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8022 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.