

FACTSHEET

Performance Returns

The Tosca Micro Cap UCITS Fund returned 3.10% in April (GBP Institutional share class) giving a net return since launch on April 8th 2016 of 23.73%.

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

Equity markets continue their recovery after a turbulent end to 2018 despite ongoing worries about Brexit impacting UK sentiment. At the micro level however, companies continue to operate (mainly) to plan.

The portfolio is now made up of 36 companies, all in different phases of their development. We have tried to construct a blend of investments that are set to benefit from near term news flow, have medium-term triggers and/or long-term drivers. With that in mind it is important to see evidence of inflection points in a company's development, as these are often the catalysts for accelerated growth and returns as well as stock re-ratings.

This month we saw clear examples of this which we believe will herald important developments for two of our holdings. The first is with regard to Northbridge Industrial (+78 bps). This specialist electrical testing and oil and gas equipment rental company had suffered in the past from the downturn in major oil company capital expenditures. The business is highly geared to an oil price recovery and a pick-up in end market demand. Clear evidence of this was shown in its FY results this month as the division that had tumbled the most (Australia) is showing the fastest rate of recovery. As utilisation rates improve, so margins expand. Brokers now expect the £1.4m loss reported in 2018 to swing to a £2.5m profit in 2020. This in turn completely reshapes the balance sheet, largely eradicating debt and increases the possibility of a dividend. The final piece in the investment story should begin to emerge in H2 2019 as operational leverage in the Oil Services division allows positive forecast momentum to develop. The prospect of a return to profitable growth coupled with strong FCF and an unlevered balance sheet is, we believe, beginning to change the way that the market values the stock. Rather than looking for support from the asset base the shares are beginning to rerate to reflect earnings. On current forecasts we have a target of 245p, which is an EV/Ebitda of 8x 2020 (in line with its recent history).

The second company is BigBlu Broadband (+52 bps). This is the second largest provider of broadband services to rural communities via satellite, 5G and fixed wireless in Europe (>110k subs). Historically it has been dependent on an expensive, slow and poor quality product offered by third party satellite owners. However, technology has moved on apace and with its scalable platform (subs, sales engine, multi-currency billing system) it has become a crucial partner for Eutelsat. This allows the company to offer a 50 Mbps product at a competitive rate, while marketing and hardware costs are covered by the satellite owner. FY results in late March highlighted that the higher quality product is leading to an acceleration in subscriber growth, while the lower invested capital model means cash generation improves too. We now see a clear path for future upgrades as they scale the platform created over the last 3-4 years. This, coupled with rising FCF and subsequent deleveraging, will drive a re-rating.

Other significant moves in the month came from Boku (+123 bps) as it reported strong results and a further upgrade, while in the debit column the market continues to question the strategic position on the recently merged Taptica/Rhythmone (-87bps). A forecast FCF yield of c25% highlights a disconnect between forecasts and the market's confidence in those numbers. Therein of course lies the opportunity...

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%	3.10%									0.90%
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

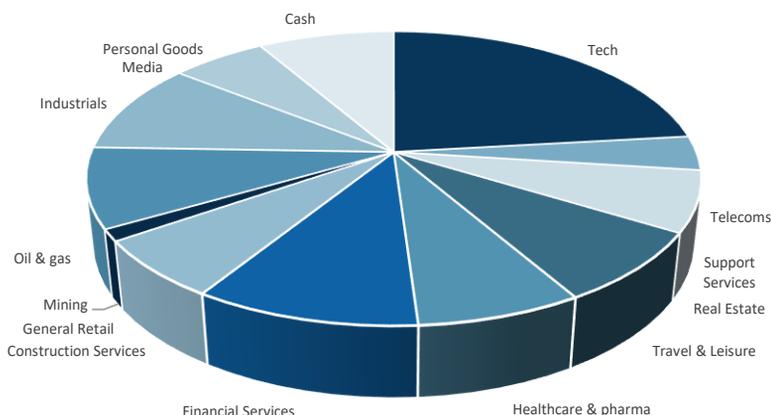
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$42.1m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	Retail/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.5%
Perf. Fee	15%
Min. Init. Sub.	1,000
ISIN Codes	EUR: IE00B3N9LL24/ N/A USD: IE00B3SGTD66/ N/A CHF: IE00B3SLGP29/ N/A GBP: IE00B3YLLZ14/IE00B4M22S36

COMPOSITION OF FUND (as at 1st May 2019)

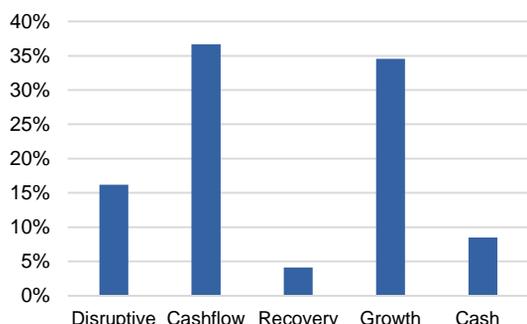
Portfolio Summary

Gross exposure	91.5%
Yield (%)	1.6%
PE (Cash flow)	11.7
Average mkt cap (£m)	186
No. of positions	36

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Diversified Gas & Oil	5.97
Sumo	5.86
Boku	5.56
Oxford Biomedica	5.55
Imimobile	3.86

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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-8024 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.