

↑ 9.30%

Tosca Micro Cap UCITS Fund

UK Micro Cap

July 2020

Performance Returns

The Tosca Micro Cap UCITS Fund returned 9.30% in July (GBP Institutional share class).

Investment Objective & 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 positive month for the fund, made particularly pleasing by strong contributions from holdings largely unaffected by Covid 19.

While the overarching focus of the market remains the ongoing risks surrounding the COVID 19 outbreak and the wider macro-economic fallout, it has been gratifying to see a number of positions delivering on their long term strategic goals despite C-19. These were key in driving returns in the month.

Those that fall into that basket include Actual Experience (+0.88%), Premier Foods (+0.55%), Prairie Mining (+0.52%) and Codemasters (+0.48%). Actual Experience has been a long standing position which has struggled to fully commercialise its market leading network monitoring software. In its results it confirmed strong demand for its product through channel partner, Verizon. In a subsequent release Verizon confirmed the value of their product in a joint white paper released with BCG. The expectation therefore is that revenues will follow hard on the tail of this study. We believe that Verizon has the potential to move the group to cash and Ebitda breakeven in one fell swoop. If that were the case that would mean a profitable, fast growing global leader trading on <3x sales. The

scope for that rating to expand further is therefore significant in our view.

The other three holdings also reacted positively to stock specific newsflow in the month. Premier Foods upgraded profit guidance, cut debt and demonstrated a vastly improved position on the pension fund. Prairie Mining, a Polish based coal business has been in dispute with the Government for some time now. During the month it secured £12m+ of litigation funding to prosecute their case. At the time this was equivalent to 75% of the market cap. The sharp rally in the stock allowed us to exit the position. Finally Codemasters, the video games company, published a host of news. It announced an exclusive 5 year contract with a new licensee, it confirmed the launch of a new game and released FY results. The increased exposure to a broader range of titles via multiple channels (gaming, streaming, eSports) reduces its dependency on single blockbuster titles, improving the quality of earnings. This in turn is helping to drive a re-rating of the stock.

In last month's report we mentioned that recent fundraises had been a helpful catalyst for NAV accretion. We selectively continue to support these and, where the opportunity allows, we will take advantage of market liquidity to lock in some short term gains. We completed two such deals in June which added 0.7% to performance. We will maintain this strategy as and when the opportunity allows.

Where we saw some pressure in the period was in some stocks that have raised capital in recent weeks that are directly impacted by the Covid-19 virus. Oxford Biomedica (-0.49% contribution to NAV) raised money to fund the build out of its Oxbox facility, while both Hollywood Bowl (-0.43%) and Accesso (-0.32%) gave back part of the gains made when they both recapitalised their balance sheets. We continue to actively manage this part of the portfolio as it is where the biggest price volatility lies. Where possible we seek to limit macro risks as companies have little control over their outcome, preferring businesses capable of delivering value despite macro and not because of it – witness the four names mentioned at the start of this report.

We look forward to updating you on future developments and thank you for your continued support.

The Manager

TOSCAFUND

Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$29.2m
Inception	1st October 2010
Relaunch	8th 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

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.

Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2020	5.90%	-11.45%	-24.95%	12.34%	7.39%	1.63%	9.30%						-5.66%
2019	-0.55%	-3.90%	2.40%	3.10%	0.10%	-4.41%	0.46%	-5.23%	-2.32%	-0.98%	2.58%	5.01%	-4.24%
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 (GBP Institutional Class) since relaunch on 8th April 2016. These performance figures refer to the past and past performance is not a reliable guide to future performance.

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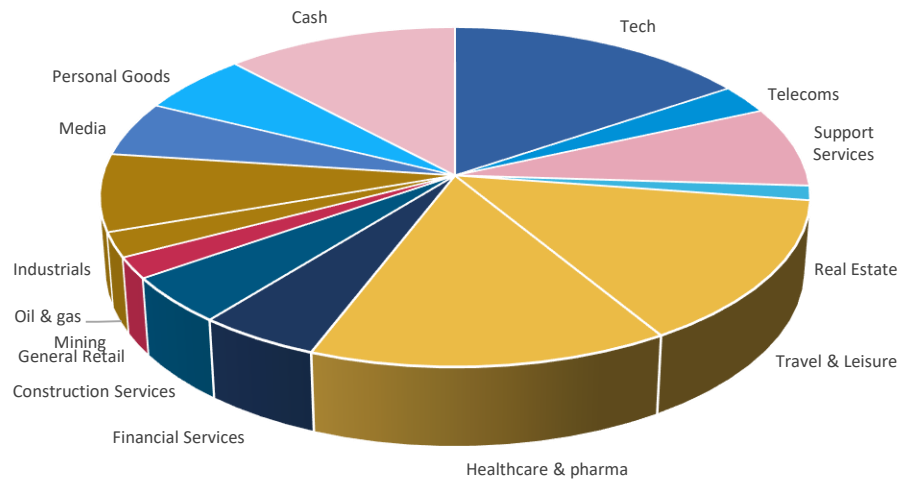
July 2020

COMPOSITION OF FUND (Data as at 30th June 2020)

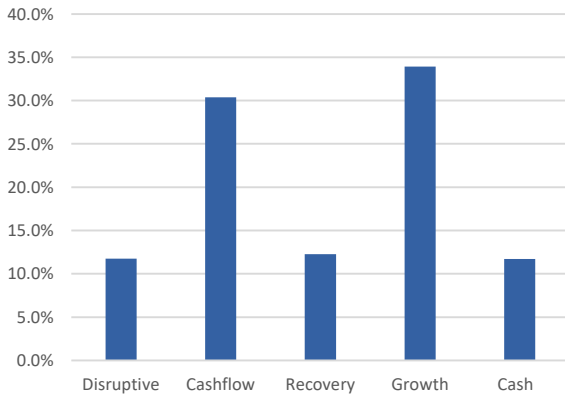
Portfolio Summary

Gross exposure	88.3%
Average mkt cap (£m)	191
No. of positions	39

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Oxford Biomedica	5.12%
Codemasters	4.96%
Inspired Energy	4.53%
Sumo	4.41%
Maxcyte	3.88%

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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 ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, 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. This is a marketing document.