

FACTSHEET

THE MANAGER



Performance Returns

The Mygale Event Driven UCITS Fund USD institutional class had a positive performance of 0.47% during the month of May.

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 30-50 positions with a typical net exposure of up to 50% and gross of between 150% and 250%. 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

European markets finished May strongly, overcoming Brexit fears to generally close up on the month (except the FTSE), despite trading lower for most of it. It certainly felt like risk-on trades were in fashion towards the end of the month as optimism over the state of the world's biggest economy returned. The decoupling of stock markets geographically was curious too - as the difference in performance was stark between the US (S&P up 1.8%) and the likes of Latin America and the Middle East.

Oil prices continued their April theme and rose throughout May - although not everyone benefited. Oil exporters struggled due to the strengthening USD - anticipation of a Fed rate hike has supported the Greenback as it looks to reverse its April under-performance - gaining the most vs. the EM complex. It hasn't put off foreign predators though, with Bayer announcing a possible \$50bn+ bid for Monsanto.

Globally, there was no shortage of merger announcements in the Information Technology and Healthcare sectors in May - with the two sectors driving developed markets equity performance. Consolidation in the Healthcare sector isn't new - we are well into a new cycle of consolidation. It's worth considering that 115 hospital mergers were announced in the US last year, a year-on-year increase of 18% and a 70% jump vs. 2010. This is amazing, when it isn't obvious that bigger necessarily means better.

It's also worth noting that last month featured the highest level of investment grade corporate bond issuance ever, not driven by one gigantic deal but by many multi-billion dollar deals. Unsurprisingly the list was led by Dell's \$20bn issuance as part of their financing package in the EMC acquisition. Clearly demand is strong and we expect this to be naturally supportive of merger activity, although the looming shadow of Brexit means June will be interesting!

The benefits of a diverse Event Driven portfolio were evident in May and our portfolio produced widespread positive returns during the month with no one name contributing significantly. This despite a general lacklustre feel to equity markets in general (probably more so than usual at this time of year in the run up to Brexit).

In the Merger Arbitrage strategy we saw a strong contribution from the final closing of the Liberty Global / Cable and Wireless deal as well as from the ABInbev / SAB Miller acquisition, where ABI continue their ever efficient march toward obtaining the necessary regulatory approvals. This time, they overcame the significant hurdle of South African approval with the Competition Commission recommending the deal with conditions late in the month. We now await the Tribunal hearing to finalise the South African process, and the remaining regulatory approvals from US and China.

In the Catalyst Driven strategy, we successfully invested in the forthcoming merger between Banco Popolare (BP) and Banca Popolare Di Milano (PMI), establishing a position which resulted in us having a long PMI vs short BP position - a reverse of the merger spread, with BP trading at a premium to PMI. It seemed in these early days of trading, investors were 'missing a trick' here. By taking a reverse position we were gaining an exposure to the potential collapse of the deal (still only a proposal and still needing the BP rights issue), which, should it have happened, would have led to a rally in PMI and a further sell off in BP - which was in desperate need of raising funds. Gradually sentiment came round to our view and PMI traded through the conversion ratio to a peak of around 8% above the proposed merger terms.

The Relative Value sub strategy also performed well during the month, as we saw a continued spread contraction in our largest held name. We used this contraction to reduce exposure to this name by around 50% and are now positioned to either continue decreasing should the spread tighten (which we think it may do this month) or increase should it widen again.

Across the portfolio we continued to add new names during May and look forward to 'normal service being resumed' in terms of market activity post the Brexit vote!

USD Institutional Share Class Performance (fees, 1.5% and 20%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D
2016	0.97%	0.47%	0.02%	0.67%	0.47%								2.58%

The performance figures quoted above represent the performance of the Mygale Event Driven UCITS Fund USD Institutional Share Class since launch on 6th January 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.

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 six 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	\$90 million
Inception	1 st December 2015
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	20%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYRPFQ61/IE00BYRPFV15 USD: IE00BYRPF792/IE00BYRPFY46 CHF: IE00BYRPF85/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 Codes	EUR: IE00BYRPG302/IE00BYRPFZ52 USD: IE00BYRPG633/IE00BYRPG294 CHF: IE00BYRPG526/IE00BYRPG187 GBP: IE00BYRPG419/IE00BYRPG070

PORTFOLIO EXPOSURES

Risk Metrics

LONG EXPOSURE ²	93.76%
SHORT EXPOSURE ²	16.78%
GROSS EXPOSURE ²	110.54%
NET EXPOSURE ^{2,4}	26.42%
SHARPE RATIO ³	1.72
SORTINO RATIO ³	2.06
VOLATILITY ³	3.60%
DAILY VAR ^{1,3}	4.96%
NO OF POSITIONS	53

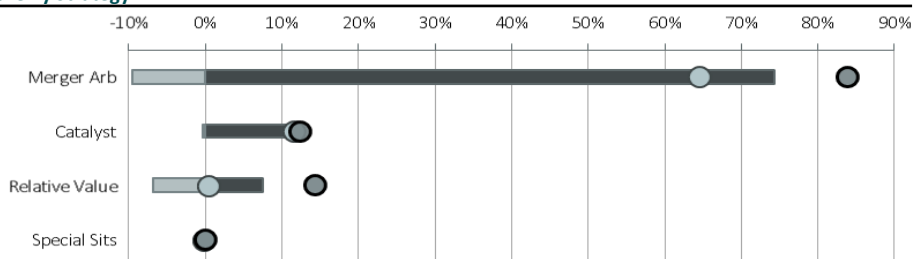
1. VaR is calculated using a confidence level of 99% and a holding period of 20 working days. The VaR model used by the Sub-Fund typically uses data from the last 200 weeks or greater, but a shorter observation period may be used in instances of recent significant changes in price volatility.

2. Based on information from the administrator and as a percentage of the fund AUM in USD including currency hedge for share classes.

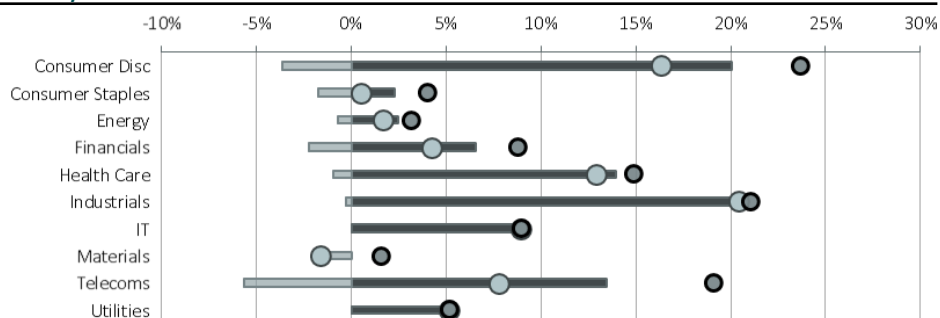
3. Based on daily gross portfolio performance

4. The net figure excludes cash merger deals.

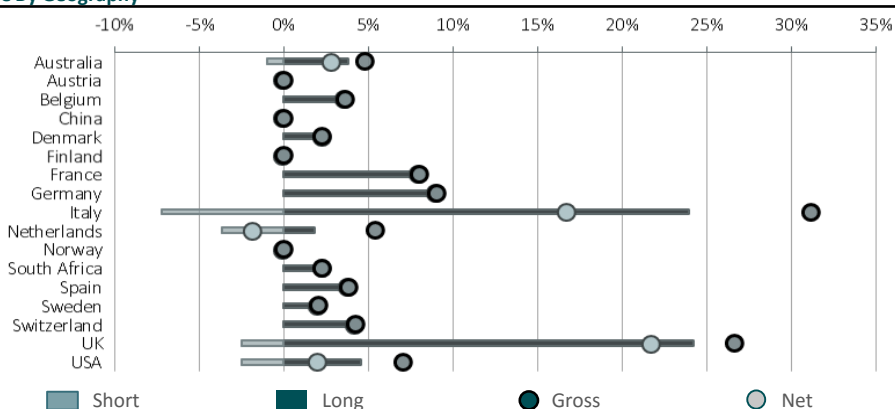
Exposure By Strategy²



Exposure By Sector²



Exposure By Geography²



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
26 Fitzwilliam Street Upper
Dublin 2, Ireland
T: +353 1 535 0912
investorrelations@mlcapital.com

Sub Investment Manager

Tavira Securities
88 Wood Street
London EC2V 7DA
T: +44 20 3670 0405
LM@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