

FACTSHEET

Performance Returns

The OTS Asia Opportunity UCITS Fund was down -0.79% in the month of December.

Investment Objective & Strategy

The OTS Asia Opportunity UCITS Fund is a Pan-Asian, fundamentally focused long/short equity fund seeking to preserve capital and maximize returns under strict value investing discipline. As a value investor, OTS capitalizes on certain themes in the Asian markets, which are inefficient and volatile with limited sell-side coverage. The fund looks for alignment of interests and takes advantage of a divergence in business quality between companies with strong fundamentals and competitive advantages. OTS then seeks companies trading at significant discounts or premiums to justifiable intrinsic values.

Investment Commentary

The OTS Asia Opportunity UCITS Fund returned 2.1% in 2016.

2016 was a year of surprises. The two headline-dominating stories of 2016 were, of course, the United Kingdom's June vote to leave the European Union, and Donald Trump's triumph in the November U.S. presidential election. Perhaps even more surprising than Trump's election was the market's reaction, with U.S. equity markets transitioning from panicked, to concerned, to giddy, all in the space of a few days.

In this context it is interesting to look back and consider how the market outlook appeared at the start of 2016. We started out the year with a sharp drop in emerging market equities to near their lowest post-crisis valuations, driven by fears of an imminent crisis in China. In fact, it was the developed nations of the U.K. and U.S. that delivered the aforementioned major shocks of the year.

We are wary of risks but skeptical of sudden market mood swings, and as elaborated in last April's newsletter, we felt the risks in China were widely misunderstood. Thus, in the first quarter of 2016, we took opportunities to cheaply build positions in strong businesses that suffered price declines, a strategy that paid off over the course of the year.

The year was not without headwinds. A surging USD dollar has eroded the value of Asian securities measured in USD, particularly since the U.S. election in November. Furthermore, in 2016 large cap growth stocks outperformed smaller value securities in Asia by a significant margin.

As we look at 2017, we are faced with the odd juxtaposition of perhaps the most uncertain geopolitical environment in decades, combined with low implied volatility and moderate (in Asia) to high (in the U.S.) equity valuations. This is a current environment that calls for vigilance, but also one where greater opportunities are likely to be found in Asian value securities than other regions or strategies.

The entrepreneurial companies that make up the long positions in the portfolio (the "long book") trade at an average price-to-value of 62%. Throughout the year, a number of companies in the portfolio aggressively bought back shares, including Dynam Japan Holdings, which repurchased 2% of its outstanding shares and announced a share repurchase plan for an additional 10% of their shares in June. Additionally, the owner-operators, who already have substantial "skin-in-the-game", increased their holdings in their respective companies. In the past twelve months, the Tong family personally purchased 94 million shares of Tomson Group. Likewise, we at OTS, we have a significant percentage of our net worth in the Fund and remain co-invested alongside our clients.

We thank you for your long-term outlook and support, and we wish you a happy new year.

THE MANAGER

OTS CAPITAL MANAGEMENT



Tony Hsu began his career at Foxconn International Holdings. After obtaining an MBA in Finance from The Wharton School at the University of Pennsylvania, Mr. Hsu joined Dalton Investments as a Portfolio Manager for Dalton's Asian equity strategies and a team of equity analysts based in Shanghai. He is an Adjunct Professor of Finance at the China European International Business School (CEIBS) Shanghai, and National Taiwan University (NTU), Taipei.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$19.9 million
Inception	2 nd October, 2015
Share Class	Class A/Class A Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.75%
Perf. Fee	17.5%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYMM8523/IE00BYMM9N76 USD: IE00BYMM9935/IE00BYMMBF33 CHF: IE00BYMM8N02/IE00BYMMB426 GBP: IE00BYMM8H42/IE00BYMMB087

Share Class	Class B/Class B Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2.00%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BYMMBP31/IE00BYMMC838 USD: IE00BYMMB239/IE00BYMMCT44 CHF: IE00BYMMBT78/IE00BYMMC81 GBP: IE00BYMMBS61/IE00BYMMC908

Risk Metrics

Exposure and Risk Summary	(% of NAV)
Long Exposure	78.4%
Short Exposure	-34.0%
Gross Exposure	112.4%
Net Exposure	44.3%
No of Longs	23
No of Shorts	16

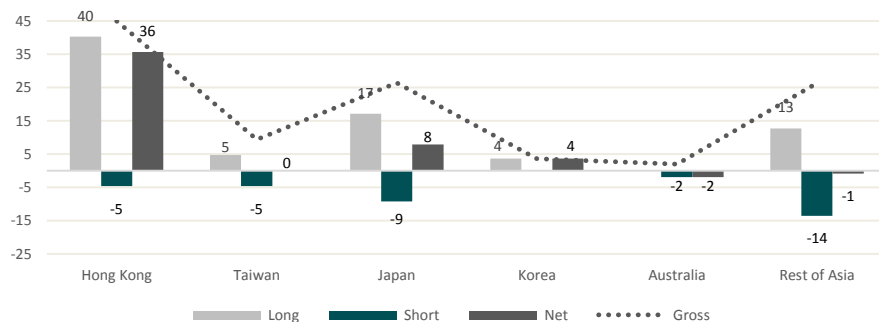
USD Class A Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	-3.22%	2.80%	3.57%	0.88%	-2.28%	-1.88%	2.90%	1.14%	0.62%	-0.56%	-0.81%	-0.79%	2.12%
2015	-	-	-	-	-	-	-	-	-	-0.45%	-1.31%	-0.72%	-2.46%

The performance figures quoted above represent the performance of the OTS Asia Opportunity UCITS Fund since its launch on 2nd October 2015. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.

Composition of UCITS Fund

Geographic Analysis (% of NAV)



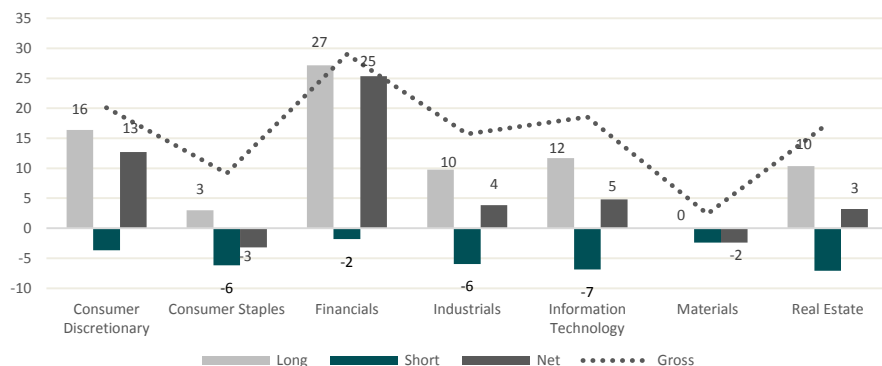
Top 5 Longs (% of NAV)

Hong Kong Financial Institution	7.2%
Hong Kong Property Firm	5.6%
Chinese Internet Firm	5.3%
Chinese Conglomerate	5.1%
Hong Kong Property Firm	4.9%
Total	28.1%

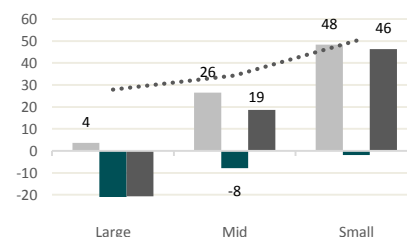
Top 5 Shorts (% of NAV)

Global Semiconductor Firm	-2.5%
Chinese Snack Food Producer	-2.5%
Hong Kong Property Firm	-2.4%
Taiwanese Steel Producer	-2.4%
Chinese Property Firm	-2.3%
Total	-12.1%

Sector Analysis (% of NAV)



Market Cap Analysis (% of NAV)



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

OTS Capital Management Ltd
Jardine House, 1 Connaught Place, Suite 3913
Central, Hong Kong
T: +852 3468 8940
info@otscapital.com

Disclaimer

Risk Warning: 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 risk. The OTS Asia Opportunity 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 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 OTS Capital Management Ltd accepts liability for the accuracy of the contents. OTS Capital Management Ltd is authorised and regulated by the SFC. 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 or in any other fund managed or advised by OTS Capital Management Ltd. 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