

FACTSHEET

Performance Returns

The Tosca Micro Cap UCITS Fund returned 3.60% in December (GBP Institutional share class) giving a net return since launch on April 8th 2016 of +26.10%.

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

The Micro Cap Fund reported another strong month of performance in December 2016 (+3.6%) being helped by strong equity markets which drove a number of our resources names and further upgrades in one of our core holdings, Blue Prism.

The post-US Election rally continued in the month, driving demand for oil and resources stocks. From the fund's perspective this helped push SDX Energy (+0.60%) and Berkeley Energia (+0.53%) higher. The former driven by improving sentiment following company comments about potential farm-ins as well as a broker upgrade. While the latter has started to invest the proceeds of its recent capital raise in infrastructure and equipment and is also benefitting from slightly improved price conditions in the spot uranium market. A third stock that is geared to the oil price is Northbridge Industrial (+0.24%) which has also been seen as a natural beneficiary of a sustainable rally in oil prices.

The strongest contribution, and not for the first time, came from Blue Prism (+1.02%). This was a March 2016 IPO and has to date contributed over 5.5% to NAV, despite the position being reduced along the way. This creator of Robotic Process Automation (RPA) software has seen three upgrades to its revenue forecasts since listing. Despite that, the numbers in the market continue to look ridiculously conservative: FY revenues are forecast at £13m for FY17. This despite the direct sales team heading towards being 60 strong. With each load-bearing sales person being capable of generating £1.5m sales pa, we expect to see ongoing upgrades through 2017 as well.

There were no significant detractors to performance in December, though some profit taking took the likes of Rhythmone (-0.15%) and Jersey Oil & Gas (-0.11%) slightly lower.

Looking into 2017, while there are a number of macro headwinds, not least rising inflationary pressures on the UK consumer, the 1000+ UK Micro cap names <£250m market cap give us plenty of opportunities to navigate our way around these concerns. Valuation in the core portfolio has moved higher but remains well below the broader UK market while offering faster growth and, we believe, better long-term returns. We look forward to sharing more thoughts and ideas in the coming months and thank you for your continued interest and support.

Tosca Micro Cap UCITS Fund Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
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 guarantee of future performance or 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 Exel 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 Exel 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

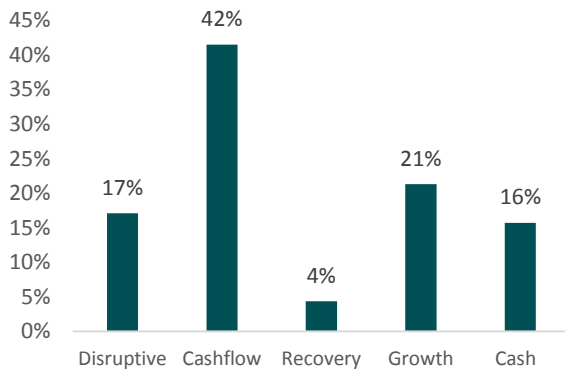
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$13.9m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 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
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COMPOSITION OF FUND

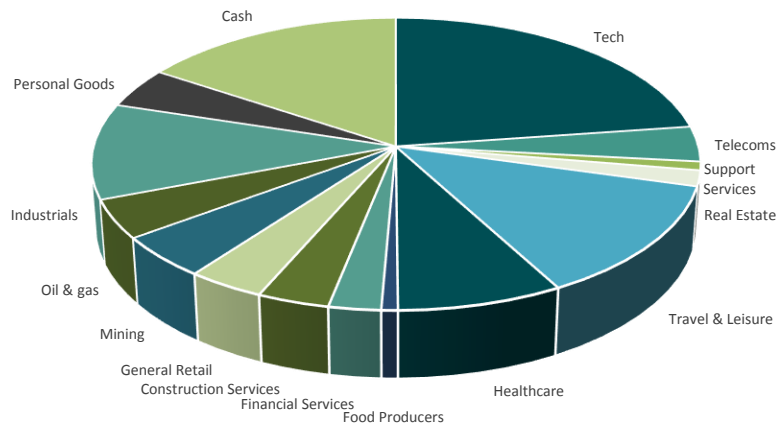
Portfolio Summary

Gross exposure	82%
Yield (%)	1.1
PE (Cash flow)	11.2
Average mkt cap (£m)	112
No. of positions	40

Portfolio By Theme



Portfolio By Sector



Top 5 exposures (% of NAV)

Immobile Plc	4.23%
Constellation Healthcare	4.04%
Blue Prism Group	3.92%
Quixant Plc	3.33%
Autins Group Plc	3.31%

Contact Details

Investor Contact
ML Capital Ltd
29 Farm Street
London, W1J 5RL
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
Toscafund Asset Management LLP
7th Floor, 90 Long Acre,
London, WC2E 9RA
T: +44 20 7845 6100
ir@toscafund.com

Disclaimer

Risk Warnings: 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 and, potentially, to currency exchange rate risk. The Tosca Micro Cap UCITS Fund (the "Fund") may use financial derivative instruments as a 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 Toscafund Asset Management LLP accepts liability for the accuracy of the contents. Toscafund Asset Management LLP is authorised and regulated by the U.K. 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. 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.