

FACTSHEET

Performance Returns

The MontLake finnCap Slide Rule UCITS Fund returned +0.2% for the month of June (GBP Inst Founder Class), outperforming its benchmark by 59bps. In its first full quarter (Q2) the fund has delivered an absolute return of +7.2%, outperforming the benchmark by 129bps in that period. Net return since launch on 12th February 2018 is +5.4%.

Investment Objective & Strategy

The UK smaller companies universe is full of excellent investment opportunities but it is very large (1,500+ stocks) and suffers from limited and inconsistent research coverage. The finnCap solution is an internally-developed investment analysis tool, The Slide Rule, to dramatically simplify the identification of the best companies. Using The Slide Rule, finnCap has developed a stock picking system, called QVGM+, which is used to find the "best" 80-100 stocks. It is these companies into which the fund will invest. The system's core factors are Quality, Value, Growth and Momentum plus a screen for financial quality and stress. The typical company in the resultant portfolio is one with above average growth and above average ROCE (return on capital employed).

Monthly Commentary

- In Q2, the market enjoyed an 'indiscriminate rally', with the tide generally lifting all boats. Our Benchmark* rose 5.9% in Q2, with **Mining, Oil & Gas** and **Value** being some of the best performing sectors of the market. Despite having virtually no exposure to these areas of the market, the Fund managed to outperform, with **NAV +7.2% in Q2, equating to 129bps outperformance.**
- In June, the broad rally rolled over and there were initial signs of the market becoming more discriminating: our Benchmark fell 0.4% but the **Fund NAV increased +0.2% resulting in 59bps outperformance.**
- In what was a tricky month for equity markets, some of our investments performed well: the best was **FAIRFX (+22%)**, followed by **Polar Capital (+18%)**, **SThree (+14%)**, **Warpaint (+13%)**, **Taptica (+13%)**, **Craneware (+13%)**, **IG Design (+13%)** and **Vp (+11%)**. 38 companies (56% of the portfolio) generated positive returns in June.
- The main disappointing performer in June was **XL Media (-37%)**, a provider of digital marketing services, due to a poor trading update. There was also profit taking at **Frontier Developments (-26%)** after an extremely strong run.
- The current portfolio contains **68** smaller companies that have been picked using our **QVGM+ quantitative process**. These companies are the **best blend of quality and growth** in the UK smaller companies market (£100m - £4bn market capitalisation) after testing for cash flow quality, dividend affordability and financial stress.
- The portfolio aims for an **equal-weight** in each company. Examples of current holdings include: LoopUp, dotDigital, Softcat, FDM, Proactis, Focusrite, boohoo, Keywords, Joules, Somero and FAIRFX. The median market capitalisation of portfolio holdings is £330m.
- **Quality:** the portfolio has a median Free Cash Flow Return on Capital Employed (RoCE) of **25%**, about 2.5x the UK smaller companies median of 9.6%.
- **Growth:** the portfolio has a median revenue growth rate of **12.5%** and operating profit growth rate of **25%**, both growth rates approximately double the UK smaller-co. average.
- **Value:** the portfolio has a median EV/EBIT multiple of **14.9x** and median P/E multiple of **19.6x**. This represents a c15% premium to the UK smaller companies average.

*The Benchmark is the simple average of the FTSE AIM all-share and the FTSE Small Cap index

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	-	-1.15%	-0.54%	4.49%	2.41%	0.17%	-	-	-	-	-	-	5.38%

The performance figures quoted above represent the performance of the MontLake finnCap Slide Rule UCITS Fund since launch on the 12th of February 2018. These performance figures refer to the past and past performance is not a reliable guide to future performance.

THE MANAGER



Raymond Greaves

Head of Research, finnCap

Raymond Greaves, Head of Research at finnCap, originally built and developed the Slide Rule investment tool and the QVGM+ stock selection system. Raymond has a first class degree in Mechanical and Aeronautical Engineering from Brunel University. He has worked as an equity analyst for over 20 years, on both buy-and sell-side at N.M. Rothschild, Merrill Lynch, Collins Stewart and finnCap.

Mark Tubby

Fund Manager

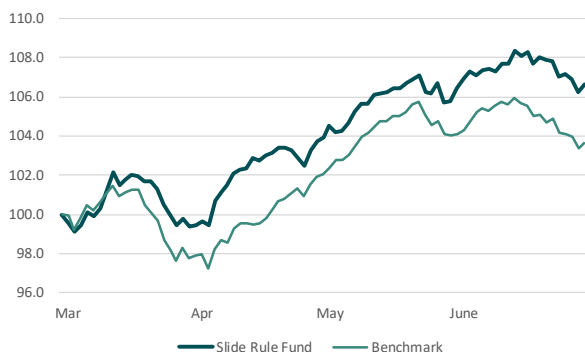
Mark has managed international equities and derivatives for a variety of funds, including pension, unit trust and sovereign wealth. Mark is an Associate of the UK Securities and Investment Institute and former member of the CFA Society of the UK (formerly UK Society of Investment Professionals).

FUND FACTS

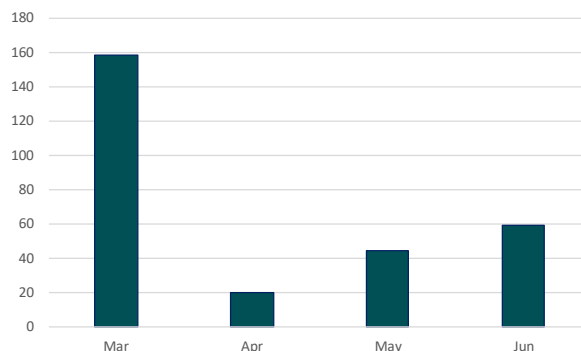
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	£3.0 million
Inception	12 February 2018
Share Class	Founder Shares
Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.00%
Perf. Fee	0.00%
Min Init. Sub.	£1,000
ISIN Codes	EUR: IE00BFFF4274 USD: IE00BFFF4H92 CHF: IE00BFFF4G85 GBP: IE00BFFF4F78
Share Class	Class A Shares
Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.00%
Perf. Fee	10%
Min Init. Sub.	£1,000
ISIN Codes	EUR: IE00BFFF4K22 USD: IE00BFFF4N52 CHF: IE00BFFF4M46 GBP: IE00BFFF4L39

Performance Charts

- Slide Rule Fund NAV absolute performance 1/3/18 – 30/6/18 versus Benchmark (rebased to 1 March 2018)

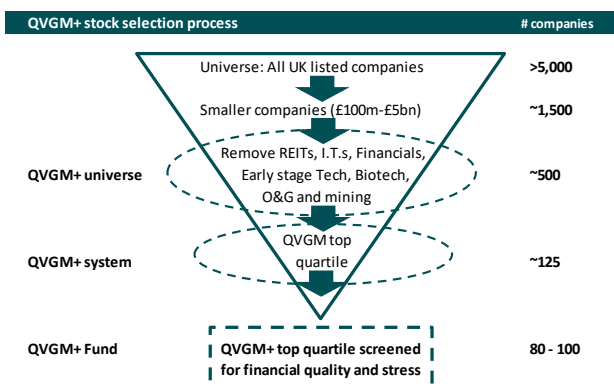


- Slide Rule Fund NAV monthly relative performance vs Benchmark (bps)



Investment Strategy Chart

- The QVGM+ investment process illustrated



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How to invest

All relevant documentation is on the MontLake website:
<http://www.montlakeucits.com/>

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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 finnCap Slide Rule 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 Sturgeon Ventures LLP accepts liability for the accuracy of the contents. Sturgeon Ventures 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. Issued and approved by ML Capital Asset Management Ltd. Authorised and Regulated by the Central Bank of Ireland.