

FACTSHEET

Performance Returns

The Tosca Micro Cap UCITS Fund returned 5.23% in August (GBP Institutional share class).

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

Another encouraging month for the fund (5.23+%) that was materially helped by our holding in Blue Prism (+3.2% gross). This recent IPO is the world leader in Robotic Process Automation software. This involves the programming of software “robots” to carry out basic back end processes for large enterprises such as banks, utilities and Government departments. A major contract win with a large, tier one bank and accelerating demand has already delivered the first of what we believe will be regular upgrades. Despite reducing the position modestly in the month, Blue Prism is our largest holding (5.5%). The market that it serves is potentially enormous such that £50m revenues within 3-4 years is a realistic target. A 98% gross margin should translate into a 30% Ebit margin. Taxed and placed on a 5% FCF yield (as per more mature software peers) values the group at c.350p, providing further upside despite its meteoric rise since float (78p – 268p).

Other contributors in the month include Autins (+0.5%), an auto-component supplier that IPO'd in August, Cambian (+0.5%) and Mortgage Advice Bureau (+0.5%). In the debit column Stride Gaming (-0.4%) gave up some of the gains seen in the previous month, while a number of our resource holdings fell towards the end of the month in line with broader commodity pricing (Pan African -0.4%, Berkeley Energia -0.2%).

Certainly the positive momentum seen in the market has been a support for the fund. That said, and one of the reasons we remain confident of further healthy performance, is that the main sector contributors to the AIM Allshare rally in August (oil & gas, utilities, telecom, personal & household goods) are areas where the fund is underweight. With H1 results season now upon us we feel that this will shine a light on some of the company specific stories that we are invested in, while at the same time, providing the liquidity that we require to grow our fund.

As mentioned in our July newsletter a further sign of market confidence returning is the pipeline of IPOs and secondary transactions. We are looking at two of the former and expect to be presented with plenty of the latter. Indeed, M&A financing has yet to become a keen feature of the microcap space but we expect that it will, benefiting both purchaser and target company. We own a number of companies that look strategically hugely attractive to a number of larger peers (especially in the US given the move in GBP) and see this as a helpful incremental driver of performance over the next few months.

Thanks you for your continued support. We look forward to updating our investors on future developments in the coming months.

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%					15.69%

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 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.

FUND FACTS

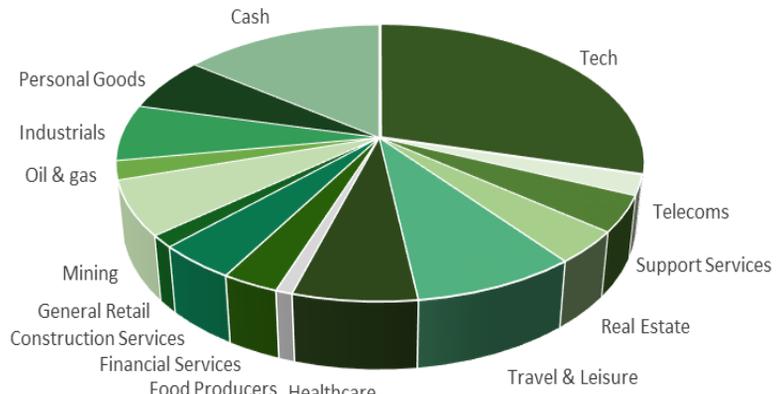
Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
AUM	\$7.8m
Inception	1 st October, 2010
Relaunch	8 th April, 2016
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
Min. Init. Sub.	100,000
ISIN Codes	EUR: IE00B3QLJ113/IE00BD2MF541 USD: IE00B3QZNH75/IE00BD2MF764 CHF: IE00B3MBJQ07/IE00BD2MF657 GBP: IE00B68Z1V62/IE00B3RTD232
Share Class	Retail/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2%
Perf. Fee	20%
Min. Init. Sub.	1,000
ISIN Codes	EUR: IE00B3N9LL24/N/A USD: IE00B3SGTD66/N/A CHF: IE00B3SLGP29/N/A GBP: IE00B3YLLZ14/IE00B4M22S36

COMPOSITION OF FUND

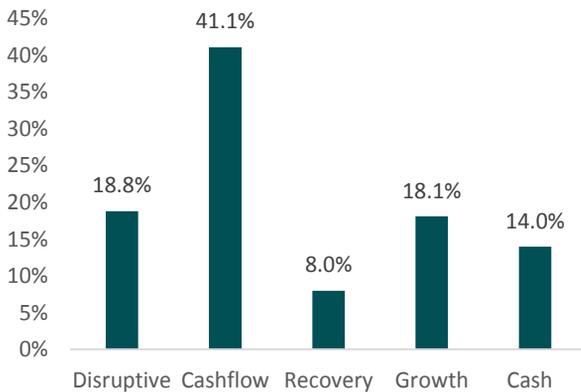
Portfolio Summary

Gross exposure	86%
Yield (%)	1.2
PE (Cash flow)	10.6
Average mkt cap (£m)	112
No. of positions	25

Portfolio By Sector



Portfolio By Theme



Top 5 exposures (% of NAV)

Blue Prism Group	5.60%
Immoble Plc	4.92%
RhythmnOne Plc	4.72%
Constellation Healthcare Tec	4.34%
Swallowfield Plc	3.55%

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.