

FACTSHEET

Performance Returns

The SPARX OneAsia Long Short UCITS Fund returned -1.15% for the month and -1.54% YTD.

Investment Objective & Strategy

The investment objective of the fund is to maximise risk-adjusted returns regardless of the market cycle by investing in equity within Asia including Japan. The strategy aims to capitalize on Asia's growth dynamics by identifying potential winners and losers through bottom-up fundamental research.

Market Commentary

During the month, Chinese internet names JD and Alibaba in particular dragged down our performance. An investigation in the US into the allegations of sexual misconduct by JD's CEO, Richard Liu, and the announcement of an early retirement by Jack Ma, Chairman of Alibaba, to focus more on philanthropic issues hit its respective share prices negatively. Furthermore, price decline in both companies were exacerbated by a broad market selloff and negative sentiment towards China tech companies. On a positive note, our Japan longs (Recruit, Softbank, Sony etc.) continued to outperform to mitigate any additional losses to the fund.

We are seeing price actions in many of the names we hold and the market in general disperse increasingly wider in the midst of heightened volatility in emerging markets. Trade war, rising regulatory pressure on the digital economy, cyclical macro downturn with potential downward pressure on corporate earnings are all present contributors leading to a more volatile market. While the drawdown in share prices from the latest peak even among some of our holdings in China, Korea, and Taiwan are in fact significant, it is in our experience that a measured approach to managing our exposure with our high conviction names yield far greater results than to sell in panic.

Our approach, as it has always been in all market conditions, is to find the attractiveness in each name by focusing on the future capacity of earnings compounding versus the current market price. We revisit each name one by one to reassess the risk-return profile and re-examine the sizing of each position. Instead of being victimized by market volatility, we try to take advantage the market presents to enhance our risk-return profile of the fund. In troubled times, our aim is to preserve capital and ready the portfolio to generate alpha as opportunities will inevitably present themselves.

USD Institutional Class UCITS Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	1.42%	1.39%	-3.28%	-2.11%	3.46%	0.60%	-2.47%	0.78%	-1.15%	-	-	-	-1.54%
2017	1.26%	-1.82%	3.07%	1.03%	4.18%	0.18%	1.08%	0.68%	0.57%	1.29%	2.40%	0.27%	15.02%
2016	-1.66%	0.81%	-0.08%	2.79%	-0.10%	-1.86%	-0.20%	3.32%	-1.56%	0.19%	-2.07%	-1.51%	-2.09%
2015	-	-	-	-	-	-	-	-	-0.51%	0.87%	0.50%	-1.08%	-0.23%

The performance figures quoted above represent the performance of the SPARX OneAsia Long Short UCITS Fund since launch on 17th September 2015. These performance figures refer to the past and past performance is not a reliable guide to future performance.

SPARX OneAsia Long Short Representative Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2015	0.07%	1.36%	1.59%	-0.11%	-1.43%	1.02%	4.57%	-3.11%	-	-	-	-	-
2014	-	-	-	-	-	-0.41%	1.78%	0.92%	-1.19%	2.27%	0.90%	0.68%	5.88%

The above performance pertains to the performance since inception of the SPARX OneAsia Long Short Representative Strategy and is not of the SPARX OneAsia Long Short UCITS Fund. UCITS Funds have to abide by investment restrictions and consequently the performance of the SPARX OneAsia Long Short UCITS Fund may not be similar to that presented above. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Risk Metrics (% of NAV)

		Historical Risk Metrics [▲]	
Long Exposure	99.49%	Annualised Return	4.90%
Short Exposure	-20.44%	Annualised Volatility	6.51%
Index Hedge	-44.53%	Sharpe	0.63
Gross Exposure	164.46%	Sortino	0.93
Net Exposure	34.52%	Beta	0.42
No of Longs	26		
No of Shorts	22		

[▲]The above historical risk metrics pertain to the daily statistics since inception of the SPARX OneAsia Long Short Representative Strategy, merged with the statistics of combined share classes SPARX OneAsia Long Short UCITS Fund from 1st September 2015 to 30th December 2016.

1. Arithmetic means of 1 Month USD LIBOR interest rate was used as the Risk Free Rate of returns for the calculation period.

2. Downside deviation refers to standard deviation of negative daily returns during the period.

3. Firm AUM is in reference to SPARX Group total AUM.

THE MANAGER



Hak Kim is the portfolio manager for the SPARX OneAsia Long Short UCITS Fund. He has over 18 years of experience in the fund management business and is responsible for coordinating SPARX's fundamental research

activities across Asia. Prior to becoming a founding member of the OneAsia team, Mr. Kim was a portfolio manager at SPARX's Korean subsidiary where he ran the award winning Korea long short fund. Before this, he was an analyst covering various sectors and also played a key role in creating the firm's investment outlook and strategy. Mr. Kim holds a B.A. in Business Administration from Seoul National University and attended an MBA program in International Finance at the graduate school of Seoul National University. He is a CFA charter holder.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$11.7 million
Firm AUM	\$10.9 billion
Inception	17 th September, 2015
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYMVZK37/IE00BYMVZX65 USD: IE00BYMVZQ58/IE00BYMW0S95 CHF: IE00BYMVZN67/IE00BYMW0P64 GBP: IE00BYMVZL44/IE00BYMVZ289
Share Class	Institutional Founder/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%/2.00%
Perf. Fee	10%/15%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BZ03QD85/IE00BYQF1X69 USD: IE00BZ03QH24/IE00BYQF2000 CHF: IE00BZ03QG17/IE00BYQF1Z83 GBP: IE00BZ03QF00/IE00BYQF1Y76

Composition of UCITS Fund

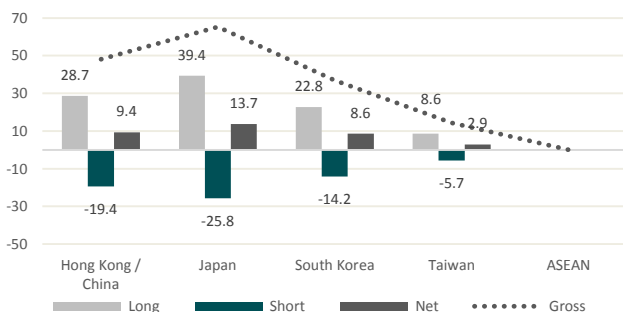
Top 5 Longs (% of NAV)

Samsung Electronics	6.81%
Sony	6.25%
Bandai Namco	6.01%
Softbank	5.74%
Recruit	5.73%
TOTAL	30.54%

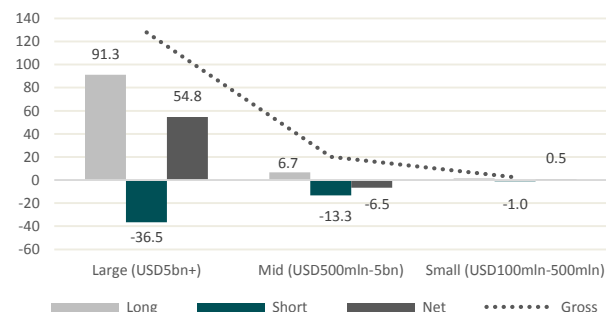
Top 5 Shorts (% of NAV)

Japanese Retailer	-2.80%
Japanese Education Centre	-1.72%
Korean Telecom	-1.72%
Japanese Beverage Maker	-1.51%
Japanese Fast Foods	-1.49%
TOTAL	-9.24%

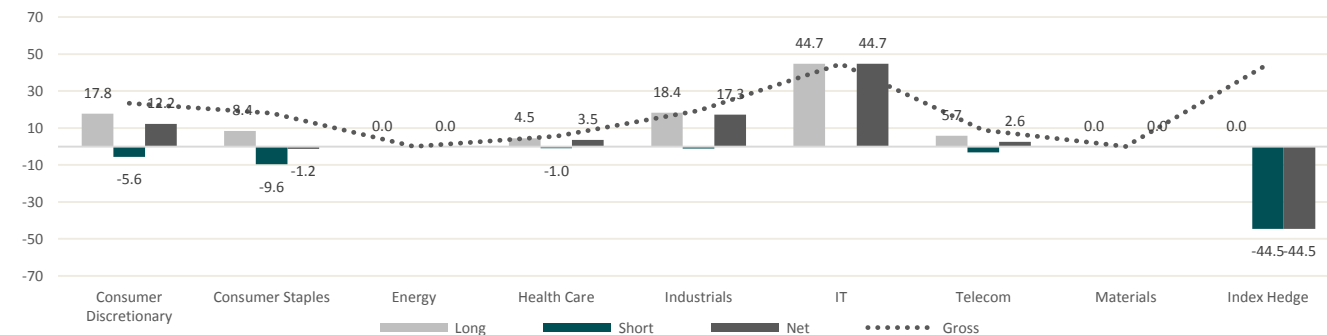
Geographic Analysis (% of NAV)



Market Cap Analysis (% of NAV)



Sector Analysis (% of NAV)



Contact Details

Investor Contact

ML Capital Ltd
29 Farm Street
London, W1J 5RL, UK
T: +44 20 3709 4510
info@mlcapital.com

Management Company

MLC Management Ltd
23 St. Stephen's Green
Dublin 2, Ireland
T: +353 1 533 7020
info@mlcapital.com

Investment Manager

SPARX Asia Investment Advisors Ltd
6/F ICBC Tower, 3 Garden Road
Central, Hong Kong
T: +852 3102 7519
jay.lee@sparxgroup.com.hk

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 SPARX OneAsia Long Short 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 SPARX Asia Investment Advisors Limited accepts liability for the accuracy of the contents. SPARX Asia Investment Advisors 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. 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 the SPARX OneAsia ARS Fund or in any other fund managed or advised by SPARX Asia Investment Advisors Ltd. Issued and approved by MLC Management Ltd. Authorised and Regulated by the Central Bank of Ireland