

Performance Update

December 2019 **Legends Fund +3.36%**

Legends Fund Performance

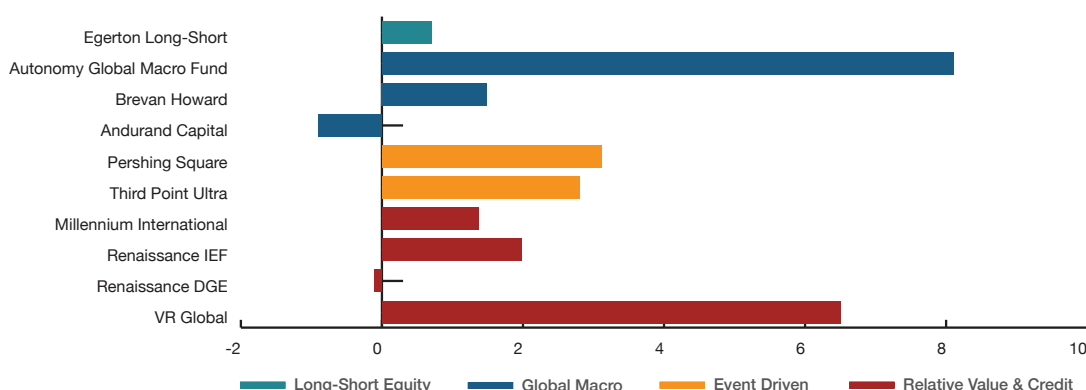
Legends Fund gained 3.36% in December. The reference HFRX Global Hedge Fund Index was up 0.65% for the month. For the full year 2019, performance for Legends Fund was +4.30%, which compares to +3.44% for the index.

Legend Fund's returns are driven more by idiosyncratic events than by general market moves. As a result, returns tend to be uncorrelated as the timing for these events to play out is less dictated by general market moves and more by specific events. This leads to more predictable returns; rather than being at the whims of the market, our managers pick their bets meticulously, only taking directional risks in situations where they believe they have a real edge in predicting and often steering the outcomes. We think of this in terms of 'quality of returns' as we prefer our results to be achieved with more certainty and with less downside risk.

With ever increasing valuations in equity- and bondmarkets, we believe this focus on high quality returns is becoming more and more relevant. At the same, such opportunities for achieving high quality returns are becoming much more prevalent when prices depart from fundamentals on either side and are typically abundant at both the end and the beginning of a cycle.

The result in December was driven by exploiting such an idiosyncratic event, namely the severe price dislocation in Argentine bond prices that resulted from the indiscernible market panic in August. Two of our managers were able to uncover some fundamentally strong credits trading at deeply distressed prices. Buying bonds from forced sellers at 35cts on the dollar with an expectation of full repayment while earning 20%+ USD coupons, is a clear example of what we mean with high quality returns. With a little bit of more clarity around the new government's policies, we are starting to see a recovery in those prices. We expect, this has much further to go.

Results (%) per manager* for December 2019



* Managers that have a weighting of less than 5% due the building or exiting of a position are excluded.

Results per Strategy

Long-Short Equity

John Armitage's Egerton Long-Short Fund gained 0.7% in December, ending 2019 with a gain of 21.8%. The manager achieved 37% returns on the long book, outperforming the market by about 10%. Shorts on average were up 27%, in line with the market. The return therefore was a result of strong alpha on the long side while profiting from the market rally by being 60% net long. Going forward we are fairly certain that (alpha on) the short book to become a more important return driver. In terms of portfolio adjustments, the fund added to its exposure to Volkswagen and recently invested in Yandex and IAG. On the quant side the Renaissance Institutional Equities Fund (RIEF) gained 2.0%, ending the year at +14.2% and the Renaissance Institutional Diversified Global Fund (RIDGE) was flat in December ending the year at +6.7%. While decent absolute returns, it was a markedly less successful year for both funds in terms of producing alpha – which was much stronger in 2018 when equity markets experienced declines.

Event Driven

Bill Ackman's Pershing Square Holdings (PSH) closed out a highly positive year with a 3.0% return in December. With a gain of +48.1%, 2019 marked Ackman's strongest year since the inception of Pershing Square in 2004. Despite the strong result, the discount to book value at which the listed fund trades increased from 25% at the end of 2018 to 29% by the end of 2019. We are glad to see strong results from Pershing's activist campaigns and are pleased with the renewed focus at the firm. There were many notable contributors, but leading the pack was definitely Chipotle, which gained close to 100% in 2019. Dan Loeb's Third Point Ultra Fund gained 2.8% in December, bringing year-to-date result to 20.0%. The listed vehicle, Third Point Offshore, through which part of our position is held was up 2.0% in December for full year gains of 16.4%. The best results were achieved in positions where the fund took an activist role. The fund's top five winners for the year were Sony, Baxter, Campbell Soup, Nestle and United Technologies, all positions in which the manager got heavily involved with.

Relative Value, Quant & Credit

Richard Deitz' VR Global gained 6.5% in December, ending a tumultuous 2019 for a full year result of 0.0%. Performance in December was driven by positions in Argentina. After the market collapse in August, which caused VR's second worst monthly drawdown in its 20 year history, the manager moved quickly to shift exposure in the country towards the most attractive relative value, while at the same time re-underwriting and re-confirming their full investment thesis on the country. We were again deeply impressed with the analytical rigor and dedication that allowed them to quickly turn a highly adverse event into a big opportunity. As a testament to their standing with their investor base, the fund had received no redemption requests following the August drawdown, only investor enquiries for capacity. This is a sign that the investor base is long term focused and has been with the manager for several years (also a result of the fund having been closed to new capital for most of its recent history). On top of repositioning the flagship fund, Deitz also launched the VR Argentina Recovery Fund II on October 1st, allowing investors to increase exposure to the opportunity. While the fund was highly oversubscribed, we got a good allocation. The Argentina Fund gained 8.25% in December and is up 6.7% since its launch in October. The bulk of VR's exposure is in USD denominated provincial and corporate debt which is where they see the best relative value. Now that the newly formed government has come out with language in line with VR's expectations we have been seeing a first recovery in the prices. We look forward to a strong contribution from VR in 2020. Izzy Englander's Millennium International gained 1.37% in December, ending the year with total gains of 9.20%. The best performing strategy for the fund in 2019 were equity arbitrage strategies in which they achieved about 17% return on capital. Fixed income, fundamental, quant and commodities all delivered in the 5-7% range. It's important to keep in mind that the fund is being run fully market neutral, so these results have been achieved without being directionally exposed to the market. As has been the case for the last few years, Millennium has returned the year's gains to investors to keep the fund size in check and allows new money (limited to replacing redemptions) in at much more stringent liquidity terms – under which it takes investors 5 years to take their money out.

Global Macro

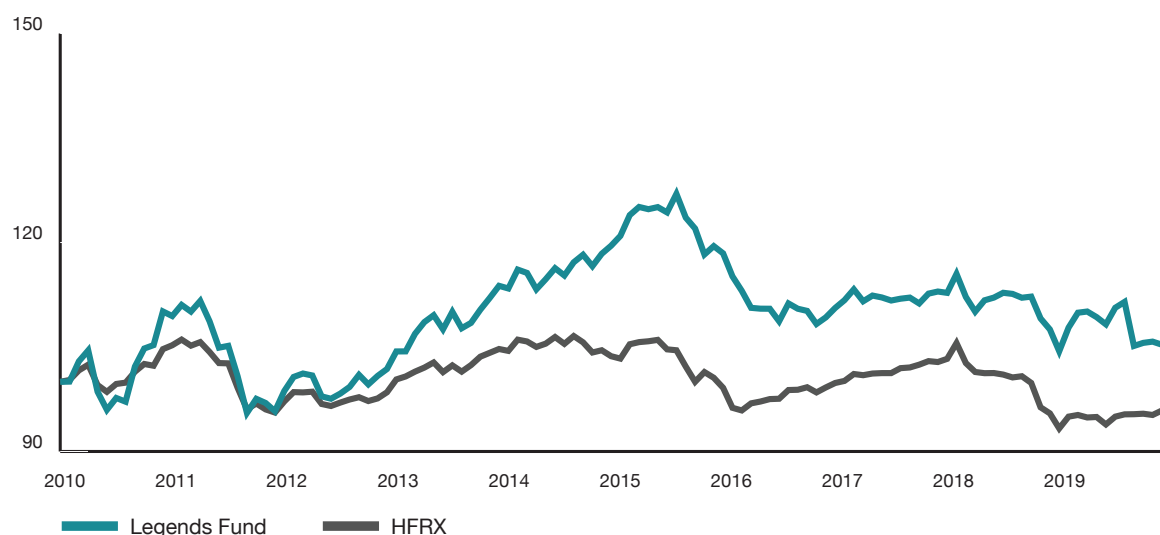
Alan Howard's Brevan Howard Fund gained 1.5% in December ending the year at +8.4%. It follows gains of 12.4% in 2018 and demonstrates the uncorrelated nature of the fund's returns. Returns were largely driven by US rates positions but also emerging markets

rates positions contributed nicely. With these two years of strong results, Brevan Howard seems to have turned the corner of investor flows and has received meaningful net inflow in 2019 – even to the extent that the fund is approaching the point of soft-closing, i.e. only offering additional capacity to existing clients. We do like our exposure to Brevan Howard as it is one of the funds that offers real protection to a broad pick up in volatility, especially in FX and interest rates, without bleeding cash in the meantime. At this point in time with record low rates and record low volatility this is an attractive position to have. It was well worded by Egerton's John Armistage, in his Q4 letter: "Of all the potential surprises about which one could worry, a revival in inflation would be the most threatening for markets, because of its impact on interest rates and the valuation structure of the market." This is a scenario that we would expect to be very good for Brevan Howard. Pierre Andurand's Andurand Commodity Fund lost 0.9% in December and ended the year down 7.1%. We are clearly in a difficult time period for directional commodity traders – of which we believe Pierre is the best but also one of the very few remaining. The reason lies predominantly in the amount of noise caused by politics that dwarfs fundamental factors in driving prices. Still, fundamentals will ultimately drive the price of energy and we expect the fund to capitalize on this, albeit likely with increased volatility. Robert Gibbins' Autonomy Global Macro Fund gained 8.1% in December bringing year-to-date losses to 5.7%. The Fund's poor year was fully explained by positions in Argentina – which was also the main driver behind December's strong performance. Being a long term investor in Argentina, Gibbins believes the opportunity set in the country is extremely compelling and expects it to be an important driver for returns in 2020.

Returns (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Index*
2019	3.25	1.99	0.15	-0.73	-0.95	2.20	0.76	-5.67	0.42	0.17	-0.41	3.36	4.30	3.44
2018	2.41	-2.87	-1.88	1.48	0.35	0.62	-0.14	-0.49	0.14	-2.79	-1.45	-2.91	-7.43	-9.93
2017	1.02	2.38	-1.51	0.74	-0.24	-0.39	0.23	0.14	-0.75	1.27	0.27	-0.17	1.96	3.49
2016	-2.78	-1.81	-2.16	-0.22	-0.01	-1.63	2.36	-0.68	-0.28	-1.71	0.88	1.23	-6.63	0.70
2015	1.19	2.46	0.95	-0.26	0.24	-0.61	2.14	-2.68	-1.27	-3.05	1.01	-0.87	-0.90	-4.38
2014	-0.33	2.39	-0.41	-2.03	1.28	1.37	-0.90	1.65	0.92	-1.39	1.53	0.99	5.08	-0.98
2013	2.47	0.01	2.41	1.57	0.91	-1.84	2.33	-2.14	0.72	1.75	1.51	1.56	11.72	6.31
2012	3.03	2.05	0.48	-0.27	-2.98	-0.34	0.75	0.98	1.74	-1.36	1.22	0.98	6.33	3.05
2011	-0.60	1.46	-0.86	1.39	-2.63	-3.48	0.25	-4.14	-5.23	2.12	-0.61	-1.22	-13.01	-8.70
2010	-	0.03	2.91	1.52	-5.67	-2.64	1.77	-0.54	5.19	2.53	0.47	4.58	9.62	4.63

Results from Feb 2010 to Dec 2012 are the results of Legends Fund predecessor fund (same strategy, but no listing).

* The HFRX Global hedge Fund index hedged to Euro



Fund Characteristics

Return Target	Euribor +5%
AuM	EUR 250 Million in strategy
Month-End NAV	EUR 94.65
Participations	255,957
Subscriptions	Daily, through stock exchange
Redemptions	Daily, through stock exchange
Direct Fund Dealings	Daily subscriptions, monthly redemptions with 90 days notice
Management Fee	0.625%
Performance Fee	5% with High Watermark
Subscription Fee	0%
Redemption Fee	0%
Currency	EUR
ISIN Code	NL0009692839

About Legends Fund

Legends Fund offers unique access to some of the world's most renowned money managers. The underlying funds are mostly closed to new investors or require multi-million dollar minimums. Through its industry network and long standing history with these managers Legends Fund makes this unique investment talent accessible to all investors. Through its listing at Euronext Amsterdam, Legends Fund can be bought and sold on a daily basis without a minimum investment amount.

Legends Fund is managed by the hedge fund specialists of Theta Capital Management. Established in 2001, Theta Capital Management is one of the oldest and largest independent Dutch Alternative Asset Managers. Since its creation, Theta has been exclusively focused on managing portfolios of hedge funds for both private and institutional clients. Management and shareholders of Theta Capital are among the largest investors in Legends.

