

Performance Update

January 2019 **Legends Fund +3.25%**

Legends Fund Performance

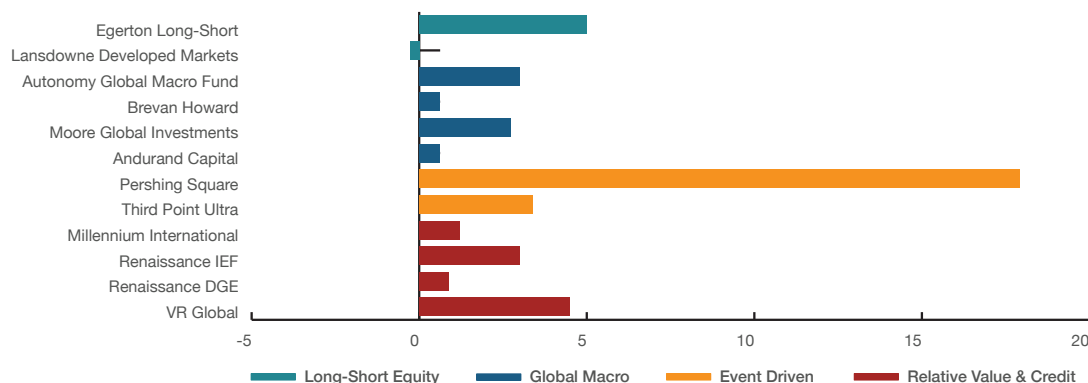
Legends Fund gained 3.25% in January, making a solid start to the new year and outperforming the HFRX Global Hedge Fund (EUR-hedged) index ('HFRX Index') which was up 1.81%.

One way of managing our investors' expectations with respect to Legends Fund's performance is in reference to the HFRX Index. Consistently over time, we will be more or less in line with the index when the index is flat or negative. We think this performance is a proxy for when it is a more difficult environment for hedge funds to perform. However, when the HFRX Index reports solid numbers, our portfolio of managers tends to achieve significant outperformance. In the difficult year 2018 Legends Fund did well measured by this yardstick as we outperformed the HFRX Index by 2.5%. More typically however, this year, up to Feb 13th, with a much better hedge fund performance we are already 2.6% ahead of the index.

Since inception of the strategy in February 2010, Legends Fund has on average done 6bps better in years that the HFRX Index has made less than 3% or was down. On the other hand, in years that the HFRX Index was up over 3%, Legends Fund on averaged performed 3.45% better than the index. This number even increases to 5% outperformance for the two single best years of the HFRX Index over this period.

These statistics bode very well for the period of strong hedge fund performance that we envisage, driven by the fact that asset dispersion is returning to markets. We have met with seven of our New York based Legends in January and we encountered a high level of excitement across strategies. We believe the funds are in a position of great strength and we feel very comfortable that we have positioned the portfolio in a way that the largest allocations correspond to the areas with the largest opportunities.

Results (%) per manager* for January 2019



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

Results per Strategy

Event Driven

Bill Ackman's **Pershing Square Holdings (PSH)** had a great month and gained close to 18%. All 10 underlying positions contributed. Importantly, all of the underlying companies that reported over the period beat expectations and showed very healthy progress. This continued in February. Prominent amongst these were Chipotle Mexican Grill and Restaurant Brands, both gaining around 20% for the month. Most of the action actually came from two smaller positions, positions that we have written about quite extensively in the past. Freddie Mac and Fannie Mae shares rose over 130% in January providing a nice kicker to Pershing's results as talk about privatizing the companies picked up.

We met with Ackman in January and we believe he is fully focused on the investment side and is doing the right things in order to improve the fund's performance. Still trading at a discount of more than 25% we believe the listed fund provides an attractive way of accessing a portfolio of high-quality stocks managed by a top tier manager who is only interested in making strong returns from here. As an additional benefit, we will pay no performance fee for some time to come.

Dan Loeb's **Third Point Ultra Fund** gained 3.4% in January and John Paulson's **Paulson Enhanced Fund** gained 33%. As people who have followed Legends Fund know, we stuck to a small position in this fund (about 1% of NAV) as we believe the underlying positions were bombed out and there is a good chance of a very strong run in those stocks. January was a good start to this. There have been rumors in January that Paulson might turn into a family office in due time, which we think would be quite a logical move. But for the time-being we continue to hold this 'option' as, even at its small size, it could be a meaningful contributor.

Long-Short Equity

Our long short equity funds showed mixed performance in January. Peter Davies' **Lansdowne Developed Markets Fund** was Legends Fund's only detractor in January albeit, a very small one. Unsurprisingly, the losses came from the short book as consumer cyclical stocks rallied strongly. From talking to many managers, a clear picture arises of historically large valuation dispersion between long- and short ideas. We expect Lansdowne to be a primary beneficiary when this dispersion will correct over time. John Armitage's **Egerton Long-Short Fund** gained 5% in January driven by very strong performance on the long side. The fund's second largest position, Airbus, gained almost 20%.

Relative Value, Quant & Credit

Renaissance Institutional Equities Fund (RIEF) and **Renaissance Institutional Diversified Global Fund (RIDGE)** saw a nice continuation of the strong 2018 results. RIEF gained 3.0% while RIDGE was up 0.9%. Izzy Englander's **Millennium International** gained 1.21% in January. The best performer in the bucket though was our distressed debt specialist **VR Global**. The fund gained 4.5% with strategies in Argentina, Ukraine and Greece all contributing. Small positions in Venezuela also contributed as bonds rallied strongly on the prospect of a possible regime change. We believe the CIO, Richard Deitz, has done a great job acquiring beaten down EM credit positions throughout 2018 and we expect to see the results of this in 2019.

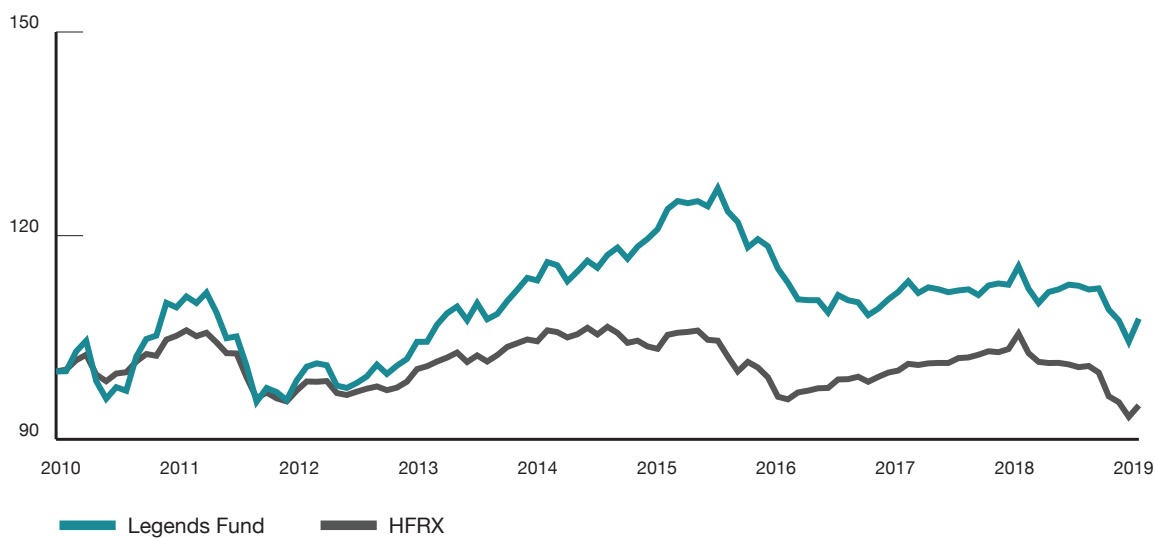
Global Macro

Robert Gibbins' **Autonomy Global Macro Fund** gained 3% in January. The fund made 16.7% in 2018, in a difficult year for emerging markets by picking the correct themes, both long and short. One thing that stands out is that Autonomy avoided Argentina in 2018, a country where many others got burned badly. However, during Q4 2018 Gibbins started to build a sizable position in Argentinian debt as he believes valuations had departed completely from healthy fundamental progress. These positions helped him to post solid returns in January. Louis Bacon's **Moore Global Investments** gained 2.7% and Alan Howard's **Brevan Howard Fund** gained 0.6%. Finally, Pierre Andurand's **Andurand Commodity Fund** gained 0.6% as he has built a small long oil position, expecting the price to recover from Q4's vicious sell-off.

Returns (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Index*
2019	3.25	-	-	-	-	-	-	-	-	-	-	-	3.25	1.81
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 93.70
Participations	335,075
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.

