

Theta Distressed Credit Opportunities Pool – TDCOP

31 March 2024

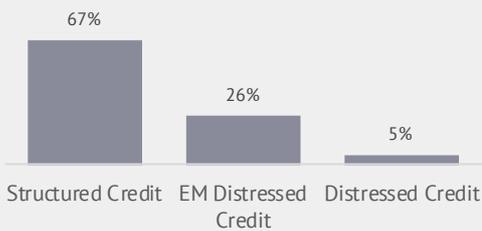
Fund Characteristics

Fund AuM	\$24,973,933
Strategy AuM (rounded) <sup>1</sup>	\$85,000,000
Number of holdings	5
Top Holding	26%

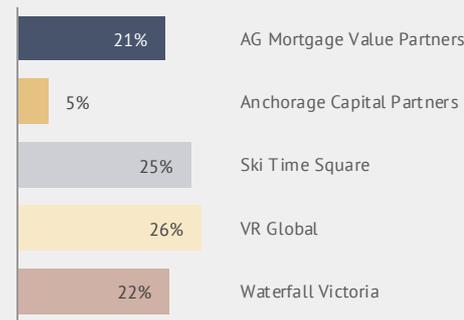
Performance (net of fees)

	NAV	MTD	YTD
Class A	\$1,240.70	1.24%	2.76%
Class B	\$1,216.60	1.20%	2.69%

Strategy Breakdown (% NAV)



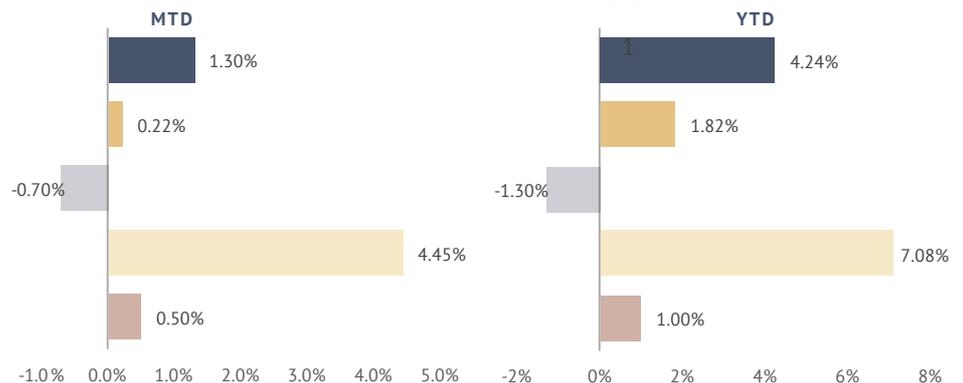
Portfolio Breakdown (% NAV)



Monthly Update

TDCOP returned +1.24% in March (+2.76% YTD). The HFRX Global returned +1.26% (+2.51% YTD) and the High Yield Corporate Bond ETF returned +1.09% (+1.51% YTD). General credit spreads detracted during the month with US credit spreads ending the month at a historical lows, with US IG at +90bps and US HY at +299bps. Investor rate expectations adjusted upwards during the month, as both strong growth and employment numbers, as well as stickier inflation limits the central banks' flexibility to lower rates. Yields however remain attractive and above historical average. More idiosyncratic, complex opportunities where attractive outcomes are not dependent on further central bank moves are starting to occur for which we believe we are well positioned for. VR Global had a strong month +4.45% profiting from a sharp rally in Argentinean sovereign debt as more investors are starting to rapidly appreciate Milei's turnaround. Argentina's credit risk is globally being reassessed as the country goes through profound structural changes and overblown concerns about not paying debts is receding. STS (-0.70%) had a challenging month as it saw spreads move wider in both RMBS and CMBS markets. AAA and BBB CMBS are now trading at spreads above the 90<sup>th</sup> percentile observed over the past 10 years. The sector is pricing in severe distress around payments and tenant renewals, presenting itself with distressed buying opportunities. STS is conducting strong bottom-up analysis of the underlying commercial properties to identify potentially attractive investments within the sector. Waterfall Victoria (+0.50%) saw a slight uptick as they see the reverse mortgage market stabilize, supported by two private securitizations that were executed at tighter levels than their prior marks, which together with the [GNMA expected program guarantees](#) will provide a further tailwind to the asset class.

Performance Breakdown (%)<sup>2,3</sup>



Fund Return Statistics (since inception)<sup>4,5,6</sup>

USD	Annualised returns	Annualised st. dev.	Risk-adjusted return	Best monthly return	Positive months	S&P500 Beta
Class A	5.92%	3.53%	1.68	2.69%	75.56%	0.01
Class B	5.37%	3.45%	1.56	2.52%	75.56%	0.01
HFRX	3.34%	3.52%	0.95	2.82%	57.78%	0.14
iShares HY ETF	3.82%	8.99%	0.42	6.69%	57.78%	0.43

Monthly Fund Returns (net of fees, USD)<sup>6</sup>

Class A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	HFRX
2020							0.91%	1.44%	0.34%	0.60%	1.58%	2.51%	7.59%	7.98%
2021	2.01%	1.09%	0.81%	1.44%	2.69%	0.53%	0.78%	0.62%	0.69%	0.59%	0.06%	0.03%	11.91%	3.65%
2022	0.21%	-2.06%	0.28%	0.97%	-0.47%	-0.54%	-2.13%	1.64%	0.35%	-1.73%	0.55%	1.36%	-1.65%	-3.52%
2023	-0.23%	0.28%	-0.31%	-1.04%	-0.05%	0.97%	0.82%	0.07%	-0.46%	-0.31%	1.31%	0.91%	1.96%	3.10%
2024	1.04%	0.46%	1.24%										2.76%	2.51%

Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	HFRX
2020							0.83%	1.34%	0.29%	0.55%	1.46%	2.35%	7.01%	7.98%
2021	1.87%	1.00%	0.74%	1.34%	2.52%	0.47%	0.71%	0.59%	0.66%	0.57%	0.05%	0.02%	11.03%	3.65%
2022	0.18%	-2.08%	0.25%	0.95%	-0.49%	-0.57%	-2.15%	1.62%	0.32%	-1.75%	0.53%	1.34%	-1.93%	-3.52%
2023	-0.26%	0.25%	-0.34%	-1.06%	-0.07%	0.94%	0.80%	0.05%	-0.48%	-0.33%	1.29%	0.89%	1.68%	3.10%
2024	1.04%	0.43%	1.20%										2.69%	2.51%

<sup>1</sup>Rounded-includes the same assets in Theta Capital Management BV individual accounts.

<sup>2</sup>Returns gross of Theta fees, net of underlying manager fees.

<sup>3</sup>Underlying manager returns are based on flash estimates and are subject to change.

<sup>4</sup>Risk-Adjusted return is defined as the Annualised returns divided by Annualised standard deviation with data since inception.

<sup>5</sup>iShares HY ETF is the iShares iBoxx High Yield Corporate Bond ETF composed of high-yield corporate bonds, Source Bloomberg.

<sup>6</sup>HFRX is the HFRX Global Hedge Fund Index and is used as a reference index, Source HFR database.

Past performance does not guarantee or indicate future results. Analytics are presented for informational purposes only and do not constitute an offer or recommendation to buy or sell securities or to engage an investment manager. Market Indices included are a general source of information and may not be the designated benchmark to evaluate an investment's performance. All Rights Reserved.

Theta Distressed Credit Opportunities Pool – TDCOP

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Fund Strategy & Description

TDCOP will allocate to 4-8 specialist managers at any time, depending on the evolving opportunity set, with a focus on investing in dislocated credit instruments, distressed debt and restructuring opportunities. TDCOP will allocate to managers in the structured, corporate and sovereign credit space in both developed and emerging markets that have the experience and infrastructure to capitalize on the increased volatility and dispersion in markets, as well as anticipated restructurings and liquidations. Attractive investment opportunities have been limited for distressed credit managers in recent years. We have used this period to secure capacity with the best managers who have been closed to new capital but are now opening-up to capitalize on the suddenly vastly expanded opportunity set.

Co-Investment

Theta Capital Management presented qualified investors to join a co-investment in ZAIS Zephyr 7 Fund per October 1<sup>st</sup> 2020. The investment provided a highly attractive opportunity to invest in CLO tranches at dislocated prices. As of December 2021, the investment has been fully returned to investors and has generated a net IRR of 39% (excluding fees charged by Theta Capital Management) over a 14-month period.



Product characteristics

Fund Terms		Management & Administration	
Fund Inception	July 2020	Fund Structure	Common Contractual Fund (Fonds voor Gemene Rekening (FGR))
Currency	USD	Management Company	Theta Fund Management B.V.
Subscriptions	Monthly	Administrator	Apex Fund Services (Netherlands) B.V.
Redemptions	Quarterly, 90 days' notice	Depository	Northern Trust Global Services SE
Gate	25% investor-level gate	Legal Owner	Stichting Juridisch Eigenaar TDCOP
Hard Lock-up	2-year (Class A), 1-year (Class B)	Auditor	RSM Netherlands B.V.
Management Fee	0.35% (Class A), 0.625% (Class B)	Legal & Tax Counsel	Greenberg Traurig, LLP
Performance Fee	5% (Class A), 7.5% (Class B)	<b>Investor Relations</b>	
Hurdle	5%	Email	<a href="mailto:investor@thetacapital.com">investor@thetacapital.com</a>
High-Water Mark	Yes	Website	<a href="http://www.thetacapital.com">www.thetacapital.com</a>
Minimum Investment	USD5mIn (Class A), USD120k (Class B)	Phone	+31 20 57 227 32
		Address	Concertgebouwplein 19, 1071 LM, Amsterdam

Disclaimer

Theta Distressed Credit Opportunities Pool – TDCOP (the "Fund"), is domiciled in The Netherlands. Theta Fund Management B.V. (Theta) is the management company of the Fund a 100% subsidiary of Theta Capital Management B.V. Theta is authorised as a management company and regulated by the Dutch regulator Autoriteit Financiële Markten. The Fund is registered under the license of Theta at the Autoriteit Financiële Markten. The shares of the Fund are admitted for (public) offering in The Netherlands. The information in this document provides insufficient information for an investment decision. Please read the Key Information Document (only for the Netherlands) and the prospectus. These documents of the Fund are available on the website of Theta ([www.thetacapital.com](http://www.thetacapital.com)). The value of your investment may fluctuate. Past performance provides no guarantee for the future.

<sup>5</sup>HY ETF is the iShares iBoxx High Yield Corporate Bond ETF composed of high-yield corporate bonds, Source Bloomberg.

<sup>6</sup>HFRX is the HFRX Global Hedge Fund Index and is used as a reference index, Source HFR database.

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