

Performance Update

August 2018 **Legends Fund -0.49%**

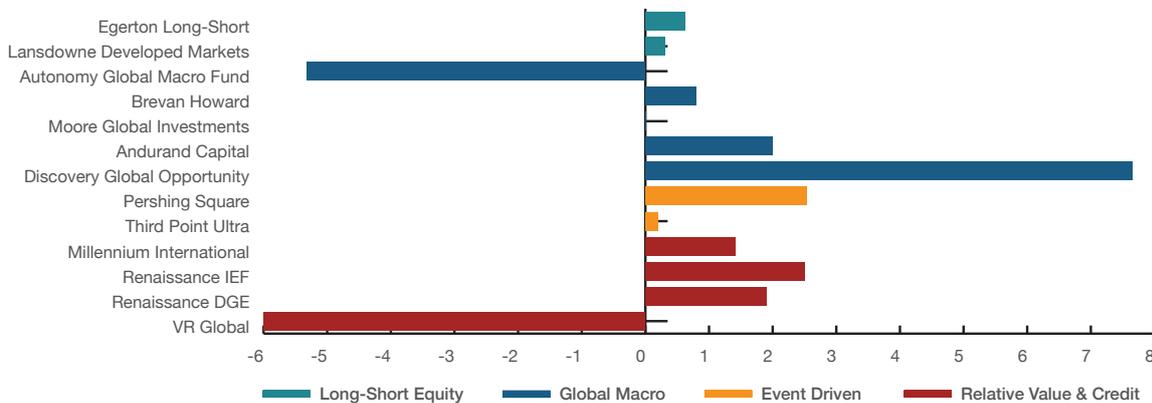
Legends Fund Performance

The market havoc in emerging markets has suddenly thrown up significant opportunities for hedge funds that know their way in these markets. While some of our managers' existing exposure to the space, mainly to Argentina, was the primary cause of the -0.49% loss in August, it is large market moves like the ones we have seen in Argentina and Turkey that create the dislocations our managers are uniquely positioned for to capitalize on.

Richard Deitz' VR Global has historically achieved its best performance investing around emerging markets crises. His track record of 23% annualized returns since 1999 speaks for itself. Throughout our history of investing with VR which dates all the way back to 2003, Deitz has been highly meticulous about when to allow new capital into his fund. With over half of VR Global's \$4bln in assets being Deitz' own capital, we can see where his desire to right-size his fund stems from. Over the last few years the fund has been closed to new inflow as opportunities to redeploy capital were getting very limited, to the point where Deitz decided to return a portion of the fund's capital to its investors a year ago. Now, after the large moves in Turkey and Argentina, Deitz sees tremendous opportunities in these markets and is temporarily allowing his investors to add capital. We have seized this opportunity by growing our allocation to VR Global which is now the largest position in Legends Fund.

The dislocations in emerging markets are a first result of the US tightening monetary conditions and we expect more and more investment opportunities to arise from this.

Results (%) per manager* for August 2018



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

Results per Strategy

Relative Value, Quant & Credit

The **Renaissance Institutional Equities Fund (RIEF)** as well as the **Renaissance Institutional Diversified Global Fund (RIDGE)** gained around 2.5% in August and both funds are getting close to a 10% gain year-to-date. Renaissance is clearly amongst the very best quant shops in the world, and one where we can invest at attractive terms and with great alignment. Richard Deitz' **VR Global** lost 6% in August and the fund's dismal year-to-date performance is -11%. The loss is completely attributable to positions in Argentina. As mentioned in the introduction, as we have learned throughout our highly successful investment history with this manager we take these recent returns as a strong contra-indicator and we expect him to recoup the losses and more over the next few quarters. Izzy Englander's **Millennium International** picked up its strong performance of the first half of the year and added 1.4%. The manager announced that they will return part of the fund's capital to investors at the end of this year to manage growth. In the case of possible future re-openings the fund will only allow capital into a new 5 year share class. Legends Fund remains a contented holder of a large position in Millennium's liquid share class.

Long-Short Equity

Pete Davies' **Lansdowne Developed Markets** gained 0.3% in August with longs up 1.6% and shorts detracting 1.3%. Gains were concentrated in the financials sector as their real estate positions in Vonovia and Leg Immobilien contributed significantly while losses were driven by the same consumer cyclicals shorts which have been hurting all year. We spent a considerable amount of time with the manager this month to understand what has been driving performance. We came away confident that the fundamental thesis behind these shorts is intact as some sectors and industries are approaching levels associated with euphoric market conditions. While timing is always difficult, these will likely be a driver of significant future gains. John Armitage's **Egerton Long-Short Fund** gained 0.6% and is faring a bit better year-to-date with a 6% gain. Microsoft, Adobe and Safran were the main contributors in August.

Event Driven

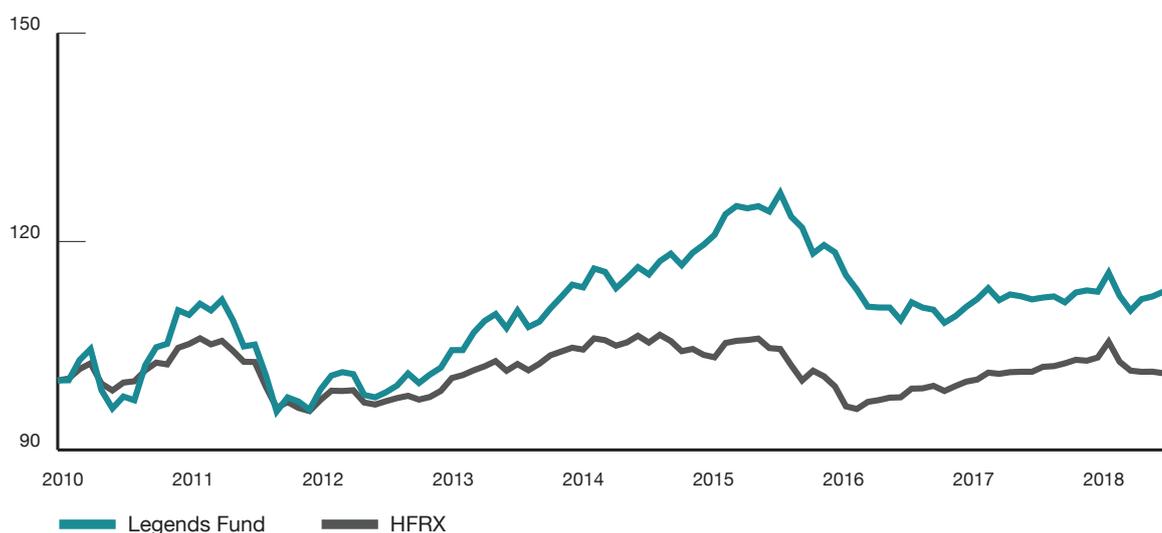
Bill Ackman's **Pershing Square Holdings** gained another 2.5% in August, the fifth consecutive month of strong gains. Chipotle and Lowe's were the main drivers of performance. Ackman disclosed he has been building a new large position in a hitherto undisclosed name. Dan Loeb's **Third Point Ultra**'s long and short contributions cancelled each other out in August and the 0.2% performance did little to get the fund away from the disappointing flat year-to-date performance. Loeb has proven himself to be a master at identifying pockets of opportunity and we fully expect performance will pick up.

Global Macro

Robert Gibbins' **Autonomy Global Macro Fund** had a tough August, shedding 5.3%. This reduced the year-to-date gains to 4.8%. Positions in Argentina contributed to the loss and Gibbins' assessment is that the market response to the shocks in Argentina has been exaggerated, with a significant amount of panic selling. He believes the currently distressed levels of some Argentine asset prices offer unique investment opportunities and anticipates some near-term policy improvements to support prices. Pierre Andurand's **Andurand Commodity Fund** gained 2% as the price of oil recovered in the second half of the month. It is incredibly difficult to navigate the volatility in the energy markets, and although Andurand has been correct in his view that oil markets would move higher, his very high exposure (and the need to at times aggressively dial back risks) has prevented him from capturing the move year-to-date. We remain confident that, like in many previous circumstances throughout his investment career, this same risk management will allow him to capture the real big move when it occurs. And based on his demand-supply analysis it is Andurand's conviction that a much larger move up in prices is unavoidable. Alan Howard's **Brevan Howard Fund** gained 0.7% and is up 10% year-to-date. The year's returns are fully explained by profits in trading interest rates, which has been the hallmark of the fund since its inception. For a number of years such opportunities were very limited and this has clearly been changing with the new cycle of US interest rate rises. Rob Citrone's **Discovery Global Opportunity Fund** was the best performer in August by a decent margin as that fund gained 7.7%. Citrone's bearish stance on emerging markets paid off. And while he remains positive on Argentina and India he had dialed back exposure to these markets given his overall bearish EM outlook. Lastly, Louis Bacon's **Moore Global Investments** had an uneventful month and ended only slightly up (0.1%).

| Returns (%) | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Year | Index* |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------|--------------|
| 2018 | 2.41 | -2.87 | -1.88 | 1.48 | 0.35 | 0.62 | -0.14 | -0.49 | - | - | - | - | -0.61 | -2.70 |
| 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 |

* HFRX Global Hedge Fund Index Hedged to EURO



Long Term Statistics (1997 – August 2018)

| | Legends Fund* | HFRX Index | AEX Index | Govt. Bonds | MSCI World |
|-------------------------------|---------------|------------|-----------|-------------|------------|
| Annual Return (%) | 10.9 | 3.9 | 3.0 | 4.6 | 6.9 |
| Annual Standard Deviation (%) | 7.3 | 6.1 | 19.5 | 2.8 | 15.4 |
| Sharpe Ratio | 1.2 | 0.3 | 0.1 | 0.8 | 0.4 |
| Maximum Loss (%) | -16.9 | -25.9 | -68.5 | -3.4 | -54.6 |
| Beta to MSCI World | 0.30 | 0.30 | 1.00 | - | 1.00 |

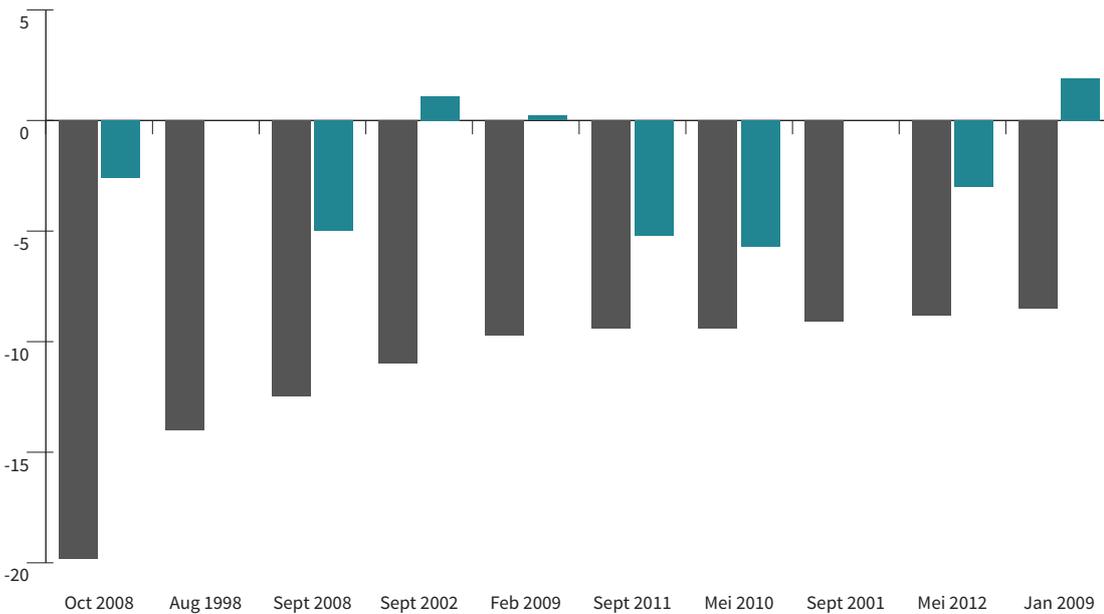
* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

The chart below shows the cumulative returns of the Legends portfolio since 1997.



* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

Performance of the Legends Fund portfolio in worst months for equity markets since 1997.



* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

Fund Characteristics

| | |
|----------------------|--|
| Return Target | Euribor +5% |
| AuM | EUR 250 Million in strategy |
| Month-End NAV | EUR 97.43 |
| Participations | 368,251 |
| 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.