

Legends Fund

The Netherlands

UNAUDITED INTERIM FINANCIAL STATEMENTS

for the period from 1 January 2019 to 30 June 2019

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General information

Fund Manager	Theta Fund Management B.V. Concertgebouwplein 19 1071 LM Amsterdam The Netherlands
Administrator	Apex Fund Services (Netherlands) B.V. Van Heuven Goedhartlaan 935A 1181 LD Amstelveen The Netherlands
Legal Title Holder	Stichting Bewaarbedrijf Legends XL Fund Concertgebouwplein 19 1071 LM Amsterdam The Netherlands
Independent Auditor*	Ernst & Young Accountants LLP Wassenaarseweg 80 2596 CZ, The Hague The Netherlands
Legal and Tax Counsel	Greenberg Traurig, LLP Hirsch Building, Leidseplein 29 1017 PS Amsterdam P.O. Box 75306 1070 AH Amsterdam The Netherlands
Custody Bank	ABN AMRO Clearing Bank N.V. Gustav Mahlerlaan 10 1082 PP Amsterdam The Netherlands
Payment Bank	ABN AMRO Bank Daalsesingel 71 3511SW Utrecht The Netherlands
Listing Agent and Liquidity Provider	NIBC Bank N.V. Carnegieplein 4 2517 KJ The Hague The Netherlands
Depository	Darwin Depository Services B.V. 101 Barbara Strozziilaan 1083 HN Amsterdam The Netherlands

**The interim financial statements are neither audited nor reviewed by the Independent Auditor.*

General information (*continued*)

ENL - Agent and Principal Paying Agent

ABN AMRO Clearing Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Profile

Legends Fund (the “Fund”) is structured as a common contractual fund (beleggingsfonds voor gemene rekening), established under Dutch law by notarial deed (notariële akte). The Fund is managed by Theta Fund Management B.V. (the “Fund Manager”). The participations of the Fund are listed on Euronext in Amsterdam. The Fund was established on 22 February 2011 and commenced operations in March 2011.

The Fund’s investment objective is to generate average investment returns of approximately Euribor + 5% per annum.

The participants’ equity per participation as at 30 June 2019 and 31 December 2018 are as follows:

	30 June 2019	31 December 2018
Participants’ equity per participation (in EUR)		
Class A participations	96.17	90.75
Class B participations	96.16	90.76

Interim financial statements

BALANCE SHEET

	Note(s)	30 June* 2019 EUR	31 December* 2018 EUR
Assets			
Investments			
Investment in investment funds		30,393,564	33,349,335
Derivative financial assets		114,645	58,609
	3	<u>30,508,209</u>	<u>33,407,944</u>
Current assets			
Cash at bank and due from custodian	4	1,457,022	373,997
Interest receivables		59	724
		<u>1,457,081</u>	<u>374,721</u>
Total assets		<u>31,965,290</u>	<u>33,782,665</u>
Liabilities			
Current liabilities			
Accrued expenses and other payables	5	(117,672)	(162,266)
Due to custodian (credit facility)		(40,791)	(1,825,511)
		<u>(158,463)</u>	<u>(1,987,777)</u>
Total liabilities		<u>(158,463)</u>	<u>(1,987,777)</u>
Total assets minus total liabilities		<u>31,806,827</u>	<u>31,794,888</u>
Equity			
Participants' equity		32,113,513	33,917,016
Unappropriated loss		(306,686)	(2,122,128)
Total equity	6	<u>31,806,827</u>	<u>31,794,888</u>

**In accordance with accounting treatment as per Prospectus.*

The accompanying notes are an integral part of these interim financial statements.

Interim financial statements

INCOME STATEMENT

(For the periods ended 30 June 2019 and 2018)

	<i>Note(s)</i>	2019* EUR	2018* EUR
Investment result			
<i>Direct investment result</i>			
Interest income	7	3,629	775
Dividend income	8	31,338	86,876
		<u>34,967</u>	<u>87,651</u>
<i>Indirect investment result</i>			
Realised gains on investment in investment funds	3, 9	871,659	385,104
Realised losses on derivative financial instruments	3, 9	(640,594)	(421,554)
Unrealised gains on investment in investment funds	3, 9	1,671,401	916,485
Unrealised gains/(losses) on derivative financial instruments	3, 9	56,036	(697,278)
Foreign currency gains/(losses) on translation	10	17,239	(12,407)
		<u>1,975,741</u>	<u>170,350</u>
Total investment income		<u>2,010,708</u>	<u>258,001</u>
Expenses			
Management fee	12, 13	(97,678)	(110,829)
Other operational costs		(27,663)	(31,771)
Administration fee	12	(22,812)	(24,653)
Interest expense		(14,895)	(16,982)
Regulatory and compliance fees		(14,010)	(13,991)
Depositary fee	12	(13,889)	(13,501)
Audit fee		(11,172)	(8,701)
Custody fee	12	(7,978)	(10,332)
Legal fee		8,805	(7,439)
Bank charges		6,026	(10,424)
Total expenses	11	<u>(195,266)</u>	<u>(248,623)</u>
Net profit		<u>1,815,442</u>	<u>9,378</u>

*In accordance with accounting treatment as per Prospectus.

The accompanying notes are an integral part of these interim financial statements.

Interim financial statements

STATEMENT OF CASH FLOWS

(For the periods ended 30 June 2019 and 2018)

	<i>Note</i>	2019* EUR	2018* EUR
Cash flows from operating activities			
Net payments/(receipts) from non-derivative financial assets at fair value through profit or loss		5,498,831	(1,844,725)
Net receipts for derivative financial instruments		(640,594)	(421,554)
Interest received		4,294	775
Interest paid		(13,972)	(22,452)
Dividend received		31,338	86,876
Management fee paid		(101,240)	(108,956)
Administration fee paid		(20,096)	(24,974)
Depository fee paid		(13,889)	(13,613)
Audit fee paid		(19,239)	(17,545)
Custody fee paid		(9,587)	(13,446)
Bank charges paid		2,710	(10,424)
Regulatory and compliance fees paid		165	(6,257)
Other general expenses paid		(63,992)	(32,305)
Legal fee paid		(720)	(981)
Net cash flows provided by/(used in) operating activities		<u>4,654,009</u>	<u>(2,429,581)</u>
Cash flows from financing activities			
Proceeds from sales of participations - Class A		-	48,996
Payments on redemptions of participations - Class A		(1,803,503)	(244,033)
Net cash flows used in financing activities		<u>(1,803,503)</u>	<u>(195,037)</u>
Net increase/(decrease) in cash		2,850,506	(2,624,618)
Cash at the beginning of the period		(1,451,514)	(12,305)
Foreign currency translation of cash positions		17,239	(12,407)
Cash at the end of the period	4	<u>1,416,231</u>	<u>(2,649,330)</u>
Analysis of cash			
Cash at bank		8,216	-
Due from custodian		1,448,806	28,468
Due to broker		-	(2,494,021)
Due to custodian (credit facility)		(40,791)	(183,777)
Total cash	4	<u>1,416,231</u>	<u>(2,649,330)</u>

**In accordance with accounting treatment as per Prospectus.*

The accompanying notes are an integral part of these interim financial statements.

Notes to the interim financial statements

1. GENERAL INFORMATION

Legends Fund (the “Fund”) is structured as a common contractual fund in the Netherlands, established on 22 February 2011. The Fund commenced operations in March 2011.

The Fund may issue participations in various classes, each denominated in different currencies and listed on different exchanges. All classes are subject to the same investment objectives and strategies but will have a different hedge strategy linked to the currency of the class. As at 30 June 2019 and 31 December 2018, Class A and Class B participations have been issued by the Fund. The Class A and Class B participations are denominated in Euro (“EUR”). The Fund is registered at the commercial register of the Chamber of Commerce of the Netherlands under number 27198870.

The Class A participations are listed on Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V.

The Class B participations were created to facilitate “Pensioen Beleggen”.

The investment objective of the Fund is to generate average investment returns of approximately Euribor + 5% per annum. The Fund attempts to accomplish this objective by investing in a diversified portfolio of alternative investment funds and other investment structures, which employ diverse investment styles and strategies. The Fund focuses on alternative investment funds that have an outstanding investment history and have proven adaptiveness to changing market environments through various economic cycles.

The Fund and the Fund Manager are subject to the supervision of the Netherlands Authority for the Financial Markets (“AFM”) and the Dutch Central Bank (“DNB”).

The Fund’s investment activities are managed by Theta Fund Management B.V. (the “Fund Manager”), with the administration delegated to Apex Fund Services (Netherlands) B.V. (the “Administrator”).

The Fund had no employees during the period ended 30 June 2019 and the year ended 31 December 2018.

The interim financial statements have been authorised for issue by the Fund Manager on 29 August 2019.

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES

Basis of preparation

The interim financial statements of the Fund have been prepared in accordance with the reporting principles generally accepted in the Netherlands (“Dutch GAAP”) and the statutory provisions contained in Part 9, Book 2 of the Dutch Civil Code and Dutch Accounting Standard 394. The interim financial statements have also been prepared in accordance with the requirements of the Dutch Financial Supervision Act (“FSA”), which came into force on 1 January 2007.

The interim financial statements are prepared on a fair value basis for financial investments, except those for which a reliable measure of fair value is not available. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost.

Below and overleaf is a summary of the accounting policies of the Fund.

Functional currency

The interim financial statements are presented in Euro (“EUR”), which is the Fund’s functional currency.

Recognition and measurement

An asset is recognised in the balance sheet when it is probable that future economic benefits of the asset will flow to the Fund and the amount of the asset can be reliably measured. A liability is recognised in the balance sheet when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Income is recognised in the income statement when an increase in future economic benefit related to an increase in an asset or decrease in a liability has arisen that can be measured reliably.

Notes to the interim financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

Recognition and measurement (*continued*)

Expenses (including value added tax (“VAT”), where applicable) are recognised in the income statement when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Foreign exchange

Assets and liabilities denominated in currencies other than the EUR are converted to EUR at the exchange rates prevailing on the balance sheet date. Transactions in foreign currency are converted at the rates prevailing on the date of the transaction. Foreign currency exchange differences arising on translation and realised gains and losses on disposal or settlement of monetary assets and liabilities are recognised in the income statement.

Classification of participations

The participations of the Fund are classified as equity. These participations are recognised and measured at the redemption amount. Any distribution of equity is recognised through equity.

Basis of valuation - policies in preparing the balance sheet

Financial investments and financial derivatives are initially measured at fair value which is the fair value of the consideration given or received. Financial investments are subsequently re-measured at fair value.

Gains and losses arising from fair value changes are calculated based on historical cost and recognised in the income statement as ‘realised gains on investment in investment funds’ and ‘realised losses on derivative financial instruments’ or ‘unrealised gains on investment in investment funds’ and ‘unrealised gains/(losses) on derivative financial instruments’.

The Fund’s investment in investment funds are valued based on the reporting received from the administrators of those funds. As at 30 June 2019, the value of investment in investment funds is the aggregate of the Fund’s attributable share of the latest available (unaudited) NAV of the investment funds.

The profit or loss of the Fund on its investment in investment funds is the aggregate of the Fund’s attributable share of the result of the investment funds. The Fund Manager may, if it thinks fit, make adjustments as a result of the different bases of determination of results applied by the investment funds.

Where an up-to-date value of an underlying investment fund is not available, or the valuation date does not coincide with that of the Fund, the Fund Manager will use an estimated value. As at 31 December 2018, there were differences between the estimated and final valuations of certain underlying investment funds held by the Fund. The differences resulted in insignificant valuation differences as at 31 December 2018 of EUR 46,346 respectively in these interim financial statements. These immaterial valuation differences were not adjusted in these interim financial statements. The 31 December 2018 figures are reported under the accounting treatment as per the Prospectus and reflect the net asset value reported to shareholders as at 31 December 2018.

Forward currency contracts

The Fund may use forward currency contracts to hedge the currency exposure. Details of hedging, if any, are disclosed in the financial investments and associated risk note. A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward currency contracts are valued by reference to the forward price at which a new forward currency contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price.

Receivables

The value of accounts receivable will be deemed to be the full amount unless it is unlikely to be paid or received in full. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. Cash is carried at face value.

Notes to the interim financial statements

2. SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES (*CONTINUED*)

Basis of valuation - policies in preparing the balance sheet (*continued*)

Dividend income

Dividend income relating to investment in investment funds are recognized in the statements of comprehensive income on the ex-dividend date. Dividend income is presented net of any non-recoverable withholding taxes in the statement of comprehensive income.

Interest income and interest expense

Interest income and interest expense are recognised in the statement of comprehensive income as they accrue, using the historical effective interest rate of the asset. Interest income includes the amortisation of any discount or premium, transaction costs (in the case of financial instruments other than those classified at fair value through profit or loss) or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Payables and accruals

Payables and accruals are included at fair value.

Cash

Cash comprises cash on hand and demand deposits. Cash also includes short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Statement of cash flows

The statement of cash flows is prepared according to the direct method. The statement of cash flows shows the Fund's cash flows for the period divided into cash flows from operations and financing activities and how the cash flows have affected cash funds.

For the purposes of the statement of cash flows, financial instruments at fair value through profit or loss are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of shares of the Fund. As the nature of the Fund is to invest in financial instruments, all cash flows related to investments are classified as cash flows from operating activities.

Principles for determining the result

The Fund recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase and sale of investments is recognised using trade date accounting.

The changes in value of investment in investment funds are accounted for in the income statement. The Fund uses forward currency contracts to limit the exchange rate risk. Forward currency contracts are accounted for as currency transactions. The change in value of forward currency contracts are also accounted for in the income statement.

Income and expenses are accounted for in the income statement on the accrual basis. Transaction costs in relation to investment funds are capitalised while transaction costs in relation to forward currency contracts are expensed immediately.

Tax position

The Dutch tax authorities have granted a ruling confirming that the Fund is tax transparent. This implies that the Fund is not subject to corporate income tax. Distributions made by the Fund (for example in case of redemption by a participant) are not subject to dividend withholding tax.

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS

3. Investments

Movement in schedule of investments

(All amounts in EUR)

	1 January to 30 June 2019	1 January to 30 June 2018
Investment in investment funds		
As at 1 January	33,349,335	35,906,263
Purchases	12,337,123	4,948,349
Sales	(17,835,954)	(3,103,624)
Realised	871,659	385,104
Unrealised	1,671,401	916,485
As at 30 June	30,393,564	39,052,577
Derivative financial instruments		
As at 1 January	58,609	278,686
Purchases	640,594	421,554
Realised	(640,594)	(421,554)
Unrealised	56,036	(697,278)
As at 30 June	114,645	(418,592)
Total investments		
As at 1 January	33,407,944	36,184,949
Purchases	12,977,717	5,369,903
Sales	(17,835,954)	(3,103,624)
Realised	231,065	(36,450)
Unrealised	1,727,437	219,207
As at 30 June	30,508,209	38,633,985

The table below provides an analysis of the forward currency contracts as at 30 June 2019:

(All amounts in EUR)

Expiration date	Contract currency	Bought	Contract currency	Sold	Contract rate*	Current rate*	Unrealised EUR
31/07/2019	EUR	6,999,929	USD	7,908,809	1.12984	1.13949	59,278
31/07/2019	EUR	1,408,381	USD	1,591,191	1.12980	1.13949	11,976
30/08/2019	EUR	3,442,540	USD	3,865,000	1.12272	1.14207	58,322
30/09/2019	EUR	6,726,373	USD	7,717,000	1.14728	1.14473	(14,931)
Total unrealised gain on open forward currency contracts							114,645

* Showing the equivalent of 1 Euro.

The table below provides an analysis of the forward currency contracts as at 30 June 2018:

(All amounts in EUR)

Expiration date	Contract currency	Bought	Contract currency	Sold	Contract rate*	Current rate*	Unrealised EUR
31/07/2018	EUR	8,673,393	USD	10,645,500	1.22737	1.17061	(420,567)
31/08/2018	EUR	9,766,602	USD	11,500,000	1.17748	1.17333	(34,596)
28/09/2018	EUR	1,999,983	USD	2,341,162	1.17059	1.17592	9,056
28/09/2018	EUR	6,065,223	USD	7,099,838	1.17058	1.17592	27,515
Total unrealised loss on open forward currency contracts							(418,592)

* Showing the equivalent of 1 Euro.

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

4. Cash and due from/to broker/credit facility

As at 30 June 2019, cash comprises of balances held with ABN AMRO Bank N.V. amounting to EUR 8,216 (31 December 2018: EUR Nil). As at 30 June 2019 and 31 December 2018, no restrictions in the use of these balances exist.

As at 30 June 2019, balances due from ABN AMRO Clearing Bank N.V., amounts to EUR 1,448,806 (31 December 2018: EUR 373,997), which includes unsettled trades of EUR 92,562 (31 December 2018: EUR 227,892).

As at 30 June 2019, balances owed to ABN AMRO Clearing Bank N.V. of EUR (40,791) (31 December 2018: EUR (1,825,511)).

ABN AMRO Clearing Bank N.V. has made available a credit facility for a total maximum amount of EUR 4.5 million (previously it was EUR 6.0 million until March 2017). The total credit facility drawdown may at no time exceed 15% of the financial instruments pledged by the Fund. The credit facility is interest bearing for debit balances in EUR at EONIA interest rate plus 145 basis points, and for USD debit balances at LIBOR plus 145 basis points. The Fund also pays ABN AMRO Clearing Bank N.V. a commitment fee per annum of 10 basis points over the approved credit facility, payable quarterly in arrears.

ABN AMRO Clearing Bank N.V. has made available to the Fund a treasury product facility. The treasury product facility may be used to enter into foreign exchange contracts and/or over the counter financial derivative transactions in order to cover foreign exchange risks and/or interest rate risks. The Fund may enter transactions in various currencies as agreed upon between the Fund and ABN AMRO Clearing Bank N.V. in a case by case basis. The maximum treasury product limit for foreign exchange contracts is EUR 2 million and the maximum transaction limit is EUR 20 million.

5. Accrued expenses and other payables

As at 30 June 2019 and 31 December 2018, accrued expenses and other payables consist of the following:

<i>(All amounts in EUR)</i>	30 June 2019	31 December 2018
Management fee payable	(49,108)	(52,670)
Other payables	(25,207)	(45,512)
Administration fee payable	(16,449)	(13,733)
Regulatory fees payable	(11,694)	(13,525)
Audit fee payable	(9,478)	(17,545)
Legal fee payable	(2,975)	(12,500)
Commitment fee payable	(1,107)	(1,125)
Interest payable	(923)	(3,316)
Custody fee payable	(731)	(2,340)
Total accrued expenses and other payables	<u>(117,672)</u>	<u>(162,266)</u>

Notes to the interim financial statements

NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

6. Participations of the Fund

The movement of equity in the participations during the periods is as follows:

<i>(All amounts in EUR)</i>	1 January to 30 June 2019	1 January to 30 June 2018
<i>Contributions of participants</i>		
Balance at the beginning of the period	33,917,016	35,578,477
Issue of participations - Class A	-	48,996
Redemption of participations - Class A	<u>(1,803,503)</u>	<u>(244,033)</u>
Total contributions at the end of the period	<u>32,113,513</u>	<u>35,383,440</u>
<i>Unappropriated (loss)/gain</i>		
Balance at the beginning of the period	(2,122,128)	464,144
Net profit	<u>1,815,442</u>	<u>9,378</u>
Total undistributed (loss)/gain at the end of the period	<u>(306,686)</u>	<u>473,522</u>
Equity at the end of the period	<u>31,806,827</u>	<u>35,856,962</u>

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

7. Interest income

Interest income relates to the interest on broker balances.

8. Dividend income

Dividend income relating to investment in investment funds is recognised in the income statement on the ex-dividend date. Dividend income is presented net of any non-recoverable withholding taxes in the income statement.

9. Investment return

<i>(All amounts in EUR)</i>	2019		2019	2018
	Profit	Loss	Total	Total
Investment funds				
Realised result	976,815	(105,156)	871,659	385,104
Unrealised result	<u>2,211,490</u>	<u>(540,089)</u>	<u>1,671,401</u>	<u>916,485</u>
	<u>3,188,305</u>	<u>(645,245)</u>	<u>2,543,060</u>	<u>1,301,589</u>
Derivative financial instruments				
Realised result	-	(640,594)	(640,594)	(421,554)
Unrealised result	<u>-</u>	<u>56,036</u>	<u>56,036</u>	<u>(697,278)</u>
	<u>-</u>	<u>(584,558)</u>	<u>(584,558)</u>	<u>(1,118,832)</u>
Total result	<u>3,188,305</u>	<u>(1,229,803)</u>	<u>1,958,502</u>	<u>182,757</u>

Notes to the interim financial statements

NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

10. Foreign currency gains/(losses) on translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains and losses on assets and liabilities other than investment assets and liabilities. For the period ended 30 June 2019, this amounted to gains of EUR 17,239 (2018: losses of EUR 12,407). The following average and closing rates have been applied in the preparation of these interim financial statements (the equivalent of one Euro is shown):

	2019		2018	
	Average	Closing	Average	Closing
<i>Showing the equivalent of 1 Euro</i>				
United States Dollar	1.1296	1.1368	1.1809	1.1469

11. Costs

The Fund makes use of various parties for management, administration and custody services. The table below provides a breakdown of expenses for the periods ended 30 June 2019 and 2018.

<i>(All amounts in EUR)</i>	2019	2018
Expenses accruing to the Fund Manager		
Management fee	(97,678)	(110,829)
Other expenses		
Administration fee	(22,812)	(24,653)
Other operational costs*	(20,783)	(13,397)
Interest expense	(14,895)	(16,982)
Regulatory and compliance fees	(14,010)	(13,991)
Depositary fee	(13,889)	(13,501)
Audit fee	(11,172)	(8,701)
Custody fee	(7,978)	(10,332)
Listing fee	(5,130)	(5,127)
Transfer agency fee	(1,750)	(850)
Legal fee	8,805	(7,439)
Bank charges	6,026	(10,424)
Liquidity provider fee	-	(12,397)
Total	<u>(195,266)</u>	<u>(248,623)</u>

* Other operational costs include professional fees of EUR Nil (2018: EUR 7,439), commitment fees of EUR 2,232 (2018: EUR 2,232), Euronext fees of EUR Nil (2018: EUR 1,388), brokerage fee of EUR Nil (2018: EUR 1,284) and operating costs of EUR 18,551 (2018: EUR 1,054).

The basis on which various costs are charged to the Fund are disclosed in detail in the Prospectus. It is a Dutch regulatory requirement to disclose any differences between actual costs and the costs disclosed in the Prospectus. During the financial periods ended 30 June 2019 and 2018, all costs actually charged to the Fund were in accordance with the costs disclosed in the Prospectus.

During the period, the Fund also incurred costs such as custody fees of EUR 7,978 (2018: EUR 10,332), legal fees of EUR (8,805) (2018: EUR 7,439), depositary fees of EUR 13,889 (2018: EUR 13,501), bank charges of EUR 6,026 (2018: EUR 10,424) and other operational costs of EUR 20,783 (2018: EUR 13,397) which are not detailed in the Prospectus.

Notes to the interim financial statements

12. RELEVANT CONTRACTS

Fund Manager

Management agreement

Theta Fund Management B.V. acts as the Fund Manager to the Fund. The Fund Manager is entitled to an annual management fee of 0.625% of the total NAV of a Class. The management fee accrues on each business day by reference to the NAV on that day and is paid quarterly in arrears on the last business day of March, June, September and December.

Details of management fees charged for the periods are disclosed in the income statement.

The Fund Manager is also entitled to an annual incentive fee calculated per Class equal to 5% of the amount by which the NAV at the end of the financial year of the Fund exceeds the High Water Mark (the "HWM").

HWM means the highest NAV that the Fund has reached at the end of any previous financial year.

In calculating the incentive fee in an absolute amount:

- 1) an equitable adjustment is made for participations subscribed and redeemed during the financial year; and
- 2) any distributions paid to participants during the financial year are added back.

The incentive fee is payable to the Fund Manager as to 90% of the estimated amount thereof one month after the end of the relevant financial year. The balance is payable within 14 days following completion of the audit of the accounts for the relevant financial year. On redemption of participations during the year an amount equal to the incentive fee accrued to the date of redemption in respect of such participations shall be due to the Fund Manager. No incentive fee is charged when the NAV, including distributions, at the end of a financial year is below the HWM.

Administrator

The Fund has entered into an administration agreement with the Administrator. The Administrator charges a fee based on 0.12% of the NAV of the Fund up to EUR 100 million, 0.10% of the NAV between 100 million and 200 million and 0.08% on the NAV above EUR 200 million. There is a minimum fee of EUR 40,000 per year. All fees are excluding VAT. Details of administration fees charged for the periods are disclosed in the income statement.

Custody services

The current annual fee charged by ABN AMRO Clearing Bank N.V. equals 0.04% per annum. The Fund will be subject to a minimum fee of EUR 6,000 (excluding VAT) per annum.

Depositary

The Fund has entered into a depositary agreement with Darwin Depositary Services B.V. The Depositary charges an annual fee of EUR 22,500 (excluding VAT), payable quarterly in advance, for depositary services provided to the Fund. Details of depositary fees charged for the periods are disclosed in the income statement.

Notes to the interim financial statements

13. RELATED PARTY TRANSACTIONS

Related party transactions are transfers of resources, services or obligations between related parties and the Fund, regardless of whether a price has been charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or is part of key management of the Fund. The following provides details on the related parties of the Fund and transactions with the related parties.

The Fund Manager is considered a related party.

The following transactions occurred between the Fund and the Fund Manager during the reporting periods.

Transactions from 1 January 2019 – 30 June 2019 and balances as at 30 June 2019

	Paid EUR	Balance EUR
Management fee	101,240	49,108

Transactions from 1 January 2018 – 30 June 2018 and balances as at 31 December 2018

	Paid EUR	Balance EUR
Management fee	108,956	52,670

As at 30 June 2019, one of the Directors of the Fund Manager holds 10,690 (31 December 2018: 10,690) shares in the Fund.

14. SCHEDULE OF INVESTMENTS BY INVESTMENT STRATEGY

Strategy	30 June 2019 EUR	% of participants' equity	31 December 2018 EUR	% of participants' equity
Relative Value & Credit	12,956,006	40.73	14,233,325	44.8
Global Macro	7,971,903	25.06	9,370,127	29.5
Event Driven	4,807,953	15.12	4,361,315	13.7
Long/Short Equity	4,657,702	14.64	5,384,568	16.9
	<u>30,393,564</u>	<u>95.55</u>	<u>33,349,335</u>	<u>104.9</u>

15. PROVISION OF INFORMATION

The interim financial statements and the Prospectus of the Fund are available free of charge from the Fund Manager or available for download free of charge from the Fund's website: <http://www.legendfund.nl>.

16. EVENTS AFTER THE BALANCE SHEET DATE

No material events occurred after the balance sheet date that could influence the transparency of the interim financial statements.

17. DATE OF AUTHORISATION

The interim financial statements have been authorised for issue by the Fund Manager in Amsterdam on 29 August 2019.