

# Legends Fund

The Netherlands

UNAUDITED INTERIM FINANCIAL STATEMENTS

**for the period from 1 January 2020 to 30 June 2020**

## **Table of contents**

	<b>Page(s)</b>
General information	1 - 2
Profile	3
Interim financial statements	
Balance sheet	4
Income statement	5
Statement of cash flows	6
Notes to the interim financial statements	7 - 16

## 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 N.V. Daalsesingel 71 3511SW Utrecht The Netherlands
Listing Agent and Liquidity Provider	NIBC Bank N.V. ( <i>until 1 March 2020</i> ) Carnegieplein 4 2517 KJ The Hague The Netherlands  Munnik Opties & Futures B.V. ( <i>from 1 March 2020</i> ) Beursplein 5 1012 JW Amsterdam The Netherlands

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

## General information *(continued)*

Depository

Darwin Depository Services B.V.  
Barbara Strozilaan 101  
1083 HN Amsterdam  
The Netherlands

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 2020 and 31 December 2019 are as follows:

	<b>30 June 2020</b>	<b>31 December 2019</b>
<b>Participants’ equity per participation (in EUR)</b>		
Class A participations	94.39	94.65
Class B participations Afbouwfase	99.59	99.86*

\*Class B participations Afbouwfase were issued at €100.00 on 30 December 2019 to the holders of the previous Class B participations by way of an exchange at market value to facilitate distributions to the holders of those participations in future years.

## Interim financial statements

### BALANCE SHEET

		<b>30 June*</b>	<b>31 December*</b>
		<b>2020</b>	<b>2019</b>
	<i>Note(s)</i>	<b>EUR</b>	<b>EUR</b>
<b>Assets</b>			
<b>Investments</b>			
Investment in investment funds		19,349,853	25,576,485
Derivative financial assets		121,909	40,146
	3	<u>19,471,762</u>	<u>25,616,631</u>
<b>Current assets</b>			
Due from broker	4	866,936	-
Cash at bank	4	241	100,439
Receivable for investment funds sold	5	6,496	10,309
Other receivables		3,955	-
		<u>877,628</u>	<u>110,748</u>
<b>Total assets</b>		<u>20,349,390</u>	<u>25,727,379</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Due to custodian (credit facility)	4	(837,328)	(1,354,654)
Accrued expenses and other payables	6	(119,701)	(128,157)
Derivative financial liabilities		-	(15,205)
		<u>(957,029)</u>	<u>(1,498,016)</u>
<b>Total liabilities</b>		<u>(957,029)</u>	<u>(1,498,016)</u>
<b>Total assets minus total liabilities</b>		<u>19,392,361</u>	<u>24,229,363</u>
<b>Equity</b>			
Participants' equity		20,594,408	24,970,647
Unappropriated loss		(1,202,047)	(741,284)
<b>Total equity</b>	7	<u>19,392,361</u>	<u>24,229,363</u>

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

## Interim financial statements

### INCOME STATEMENT

(For the periods ended 30 June 2020 and 2019)

	Note(s)	2020* EUR	2019* EUR
<b>Investment result</b>			
<i>Direct investment result</i>			
Interest income	8	2	3,629
Dividend income	9	18,976	31,338
		<u>18,978</u>	<u>34,967</u>
<i>Indirect investment result</i>			
Realised gains on investment in investment funds	3, 10	620,517	871,659
Realised losses on derivative financial instruments	3, 10	(325,031)	(640,594)
Unrealised (losses)/gains on investment in investment funds	3, 10	(743,640)	1,671,401
Unrealised gains on derivative financial instruments	3, 10	96,968	56,036
Foreign currency gains on translation	11	42,788	17,239
		<u>(308,398)</u>	<u>1,975,741</u>
<b>Total investment (loss)/income</b>		<u>(289,420)</u>	<u>2,010,708</u>
<b>Expenses</b>			
Management fee	12, 13	(66,180)	(97,678)
Other operational costs		(24,695)	(27,663)
Administration fee	12, 13	(22,929)	(22,812)
Depositary fee	12, 13	(13,815)	(13,889)
Regulatory and compliance fees		(12,664)	(14,010)
Audit fee		(9,964)	(11,172)
Interest expense		(7,207)	(14,895)
Custody fee	12, 13	(5,738)	(7,978)
Bank charges		(5,168)	6,026
Legal fee		(2,983)	8,805
<b>Total expenses</b>	12	<u>(171,343)</u>	<u>(195,266)</u>
<b>Net (loss)/profit</b>		<u>(460,763)</u>	<u>1,815,442</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 2020 and 2019)

	Note(s)	2020* EUR	2019* EUR
<b>Cash flows from operating activities</b>			
Net payments from non-derivative financial assets		6,107,322	5,498,831
Net payments for derivative financial instruments		(325,031)	(640,594)
Interest received		2	4,294
Interest paid		(8,112)	(13,972)
Dividend received		15,469	31,338
Management fee paid		(74,642)	(101,240)
Administration fee paid		(25,306)	(20,096)
Depositary fee paid		(14,263)	(13,889)
Audit fee paid		(20,008)	(19,239)
Custody fee paid		(7,214)	(9,587)
Bank charges paid		(5,168)	2,710
Regulatory and compliance fees paid		(4,415)	165
Other general expenses paid		(21,119)	(63,992)
Legal fee paid		-	(720)
<b>Net cash flows provided by operating activities</b>		<b>5,617,515</b>	<b>4,654,009</b>
<b>Cash flows from financing activities</b>			
Payments on redemptions of participations		(4,376,239)	(1,803,503)
<b>Net cash flows used in financing activities</b>		<b>(4,376,239)</b>	<b>(1,803,503)</b>
<b>Net (decrease)/increase in cash</b>			
		<b>1,241,276</b>	<b>2,850,506</b>
Cash at the beginning of the period		(1,254,215)	(1,451,514)
Foreign currency translation of cash positions		42,788	17,239
<b>Cash at the end of the period</b>	4	<b>29,849</b>	<b>1,416,231</b>
<b>Analysis of cash</b>			
Due to custodian (credit facility)		(837,328)	(40,791)
Cash at bank		241	8,216
Due from custodian		866,936	1,448,806
<b>Total cash</b>	4	<b>29,849</b>	<b>1,416,231</b>

\*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 2020 and 31 December 2019, Class A, Class B participations and Class B participations Afbouwfase have been issued by the Fund. The Class A, Class B participations and Class B participations Afbouwfase 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 and Class B participations Afbouwfase 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 hedge funds (collective investment vehicles) and other investment structures, which employ diverse investment styles and strategies. The Fund focuses on hedge 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 2020 and the year ended 31 December 2019.

The interim financial statements have been authorised for issue by the Fund Manager on 27 August 2020.

### 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”).

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 (losses)/gains on investment in investment funds’ and ‘unrealised gains 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 2020, 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. No adjustments were made during the periods.

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 2019, 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 2019 of EUR 25,346 in these interim financial statements. These immaterial valuation differences were not adjusted in these interim financial statements. The 31 December 2019 figures are reported under the accounting treatment as per the Prospectus and reflect the net asset value reported to shareholders as at 31 December 2019.

#### *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 statement 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 Fund is an exempt investment institution (*Vrijgestelde Beleggingsinstelling*) or "VBI" and as such Dutch tax authorities have issued a ruling confirming that VBI entities are tax exempt. 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 2020	1 January to 30 June 2019
<b>Investment in investment funds</b>		
As at 1 January	25,576,485	33,349,335
Purchases	758,773	12,337,123
Sales	(6,862,282)	(17,835,954)
Realised	620,517	871,659
Unrealised	(743,640)	1,671,401
<b>As at 30 June</b>	<b>19,349,853</b>	<b>30,393,564</b>
<b>Derivative financial instruments</b>		
As at 1 January	24,941	58,609
Purchases	325,031	640,594
Realised	(325,031)	(640,594)
Unrealised	96,968	56,036
<b>As at 30 June</b>	<b>121,909</b>	<b>114,645</b>
<b>Total investments</b>		
As at 1 January	25,601,426	33,407,944
Purchases	1,083,804	12,977,717
Sales	(6,862,282)	(17,835,954)
Realised	295,486	231,065
Unrealised	(646,672)	1,727,437
<b>As at 30 June</b>	<b>19,471,762</b>	<b>30,508,209</b>

The table below provides an analysis of the forward currency contracts as at 30 June 2020:

(All amounts in EUR)

Expiration date	Contract currency	Bought	Contract currency	Sold	Contract rate*	Current rate*	Unrealised EUR
31/07/2020	EUR	99,732	USD	108,699	1.08992	1.12410	3,033
31/07/2020	EUR	300,011	USD	326,987	1.08992	1.12410	9,123
31/07/2020	EUR	1,999,981	USD	2,179,814	1.08992	1.12410	60,818
31/08/2020	EUR	3,892,020	USD	4,340,000	1.11510	1.12486	33,769
30/09/2020	EUR	1,400,000	USD	1,571,572	1.12255	1.12564	3,844
30/09/2020	EUR	627,135	USD	703,991	1.12255	1.12564	1,722
30/09/2020	EUR	1,999,982	USD	2,245,082	1.12255	1.12564	5,492
30/09/2020	EUR	816,000	USD	916,002	1.12255	1.12564	2,241
30/09/2020	EUR	680,000	USD	763,335	1.12255	1.12564	1,867
30/09/2020	EUR	17	USD	19	1.12235	1.12564	-
<b>Total unrealised gain on open forward currency contracts</b>							<b>121,909</b>

\* Showing the equivalent of 1 Euro.

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

#### 3. Investments (continued)

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)
<b>Total unrealised gain on open forward currency contracts</b>							<b>114,645</b>

\* Showing the equivalent of 1 Euro.

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

As at 30 June 2020, cash comprises of balances held with ABN AMRO Bank N.V. amounting to EUR 241 (31 December 2019: EUR 100,439). As at 30 June 2020 and 31 December 2019, this account is restricted as to its use, which purpose is for the payment of Fund operating expenses.

As at 30 June 2019, balances owed to ABN AMRO Clearing Bank N.V. amount to EUR 837,328 (31 December 2019: EUR 1,354,654).

As at 30 June 2019, balances due from ABN AMRO Clearing Bank N.V. amount to EUR 866,936 (31 December 2019: EUR Nil) which includes unsettled cash of EUR 648.

ABN AMRO Clearing Bank N.V. has made available a credit facility for a total maximum amount of EUR 4.5 million. The total credit facility drawdown may at no time exceed 15% of the financial instruments pledged by the Fund. From 29 May 2020 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. Prior to 29 May 2020, the credit facility was interest bearing for debit balances in EUR at EONIA interest rate plus 140 basis points, and for USD debit balances at LIBOR plus 135 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. Receivable for investment funds sold

During 2017 and 2018 the Fund redeemed shares from investment funds that only make full final payment of redemptions upon completion of their audit of their fiscal year. On these redemptions the Fund received partial payment. Depending on the investment funds the partial payment represents generally 90% to 95% of the estimated redemption proceeds. The remaining proceeds will be paid to the Fund during 2020. As at 30 June 2020, receivable for shares redeemed from investment funds sold amounts to EUR 6,496 (31 December 2019: EUR 10,309).

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL BALANCE SHEET ITEMS (CONTINUED)

#### 6. Accrued expenses and other payables

As at 30 June 2020 and 31 December 2019, accrued expenses and other payables consist of the following:

<i>(All amounts in EUR)</i>	<b>30 June 2020</b>	<b>31 December 2019</b>
Other payables	(33,878)	(20,506)
Management fee payable	(29,164)	(37,626)
Legal fee payable	(17,983)	(15,000)
Administration fee payable	(12,955)	(15,332)
Audit fee payable	(9,921)	(19,965)
Regulatory fees payable	(8,599)	(15,350)
Listing fee payable	(5,215)	-
Commitment fee payable	(1,114)	(1,125)
Interest payable	(667)	(1,572)
Custody fee payable	(205)	(1,681)
<b>Total accrued expenses and other payables</b>	<b><u>(119,701)</u></b>	<b><u>(128,157)</u></b>

#### 7. Participations of the Fund

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

<i>(All amounts in EUR)</i>	<b>1 January to 30 June 2020</b>	<b>1 January to 30 June 2019</b>
<i>Contributions of participants</i>		
Balance at the beginning of the period	24,970,647	33,917,016
Redemption of participations - Class A	(4,374,645)	(1,803,503)
Redemption of participations - Class B Afbouwfase	(1,594)	-
<b>Total contributions at the end of the period</b>	<b><u>20,594,408</u></b>	<b><u>32,113,513</u></b>
<i>Unappropriated loss</i>		
Balance at the beginning of the period	(741,284)	(2,122,128)
Net (loss)/profit	(460,763)	1,815,442
<b>Total undistributed loss at the end of the period</b>	<b><u>(1,202,047)</u></b>	<b><u>(306,686)</u></b>
<b>Equity at the end of the period</b>	<b><u>19,392,361</u></b>	<b><u>31,806,827</u></b>

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS

#### 8. Interest income

Interest income relates to the interest on bank deposits.

#### 9. Dividend income

Dividend income relates to dividends received or receivable from the investments in investment funds.

#### 10. Investment return

<i>(All amounts in EUR)</i>	<b>2020</b>		<b>2020</b>	<b>2019</b>
	<b>Profit</b>	<b>Loss</b>	<b>Total</b>	<b>Total</b>
<b>Investment funds</b>				
Realised result	1,058,492	(437,975)	620,517	871,659
Unrealised result	2,831,717	(3,575,357)	(743,640)	1,671,401
	<u>3,890,209</u>	<u>(4,013,332)</u>	<u>(123,123)</u>	<u>2,543,060</u>
<b>Derivative financial instruments</b>				
Realised result	-	(325,031)	(325,031)	(640,594)
Unrealised result	-	96,968	96,968	56,036
	<u>-</u>	<u>(228,063)</u>	<u>(228,063)</u>	<u>(584,558)</u>
<b>Total result</b>	<u>3,890,209</u>	<u>(4,241,395)</u>	<u>(351,186)</u>	<u>1,958,502</u>

#### 11. Foreign currency gains on translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains and losses on assets and liabilities other than financial assets and liabilities. For the period ended 30 June 2020, this amounted to gains of EUR 42,788 (2019: gains of EUR 17,239). The following average and closing rates have been applied in the preparation of these interim financial statements (the equivalent of one Euro is shown):

	<b>2020</b>		<b>2019</b>	
	<u>Average</u>	<u>Closing</u>	<u>Average</u>	<u>Closing</u>
<i>Showing the equivalent of 1 Euro</i>				
United States Dollar	1.1046	1.1234	1.1095	1.1214

## Notes to the interim financial statements

### NOTES FOR INDIVIDUAL INCOME STATEMENT ITEMS (CONTINUED)

#### 12. Expenses

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 2020 and 2019.

<i>(All amounts in EUR)</i>	<b>2020</b>	<b>2019</b>
<b>Expenses accruing to the Fund Manager</b>		
Management fee	(66,180)	(97,678)
<b>Other expenses</b>		
Administration fee	(22,929)	(22,812)
Other operational costs*	(17,080)	(20,783)
Depository fee	(13,815)	(13,889)
Regulatory and compliance fees	(12,664)	(14,010)
Audit fee	(9,964)	(11,172)
Interest expense	(7,207)	(14,895)
Custody fee	(5,738)	(7,978)
Listing fee	(5,215)	(5,130)
Bank charges	(5,168)	6,026
Legal fee	(2,983)	8,805
Transfer agency fee	(2,400)	(1,750)
<b>Total</b>	<b><u>(171,343)</u></b>	<b><u>(195,266)</u></b>

\* Other operational costs include commitment fees of EUR 2,239 (2019: EUR 2,232) and operating costs of EUR 14,841 (2019: EUR 18,551).

The basis on which various expenses are charged to the Fund are disclosed in detail in the Prospectus. It is a Dutch regulatory requirement to disclose any differences between actual expenses and the expenses disclosed in the Prospectus. During the financial periods ended 30 June 2020 and 2019, all expenses actually charged to the Fund were in accordance with the expenses disclosed in the Prospectus.

During the period, the Fund also incurred the following expenses which are not detailed in the Prospectus, such as custody fees of EUR 5,738 (2019: EUR 7,978), legal fees of EUR 2,983 (2019: EUR (8,805)), depository fees of EUR 13,815 (2019: EUR 13,889), bank charges of EUR 5,168 (2019: EUR (6,026)) and other operational costs of EUR 17,080 (2019: EUR 20,783).

#### 13. 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").



## Notes to the interim financial statements

### 13. RELEVANT CONTRACTS (CONTINUED)

#### Fund Manager (continued)

##### Management agreement (continued)

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 Apex Fund Services (Netherlands) B.V. 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. For the period from 1 January 2020 to 30 June 2020, the Fund was subject to a minimum fee of EUR 6,000 (excluding VAT) per annum. As of 1 July 2020, the minimum fee increased to EUR 4,000 (excluding VAT) per month.

#### 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.

### 14. 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.

#### Fund Manager

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

*Transactions from 1 January 2020 – 30 June 2020 and balances as at 30 June 2020*

	<b>Paid</b> EUR	<b>Balance</b> EUR
Management fee	74,642	29,164

*Transactions from 1 January 2019 – 30 June 2019 and balances as at 31 December 2019*

	<b>Paid</b> EUR	<b>Balance</b> EUR
Management fee	101,240	37,626

## Notes to the interim financial statements

### 14. RELATED PARTY TRANSACTIONS (*CONTINUED*)

#### Fund Manager (*continued*)

As at 30 June 2020, one of the Directors of the Fund Manager holds 10,690 (31 December 2019: 10,690) shares in the Fund.

### 15. SCHEDULE OF INVESTMENTS BY INVESTMENT STRATEGY

	30 June 2020 EUR	% of participants' equity	31 December 2019 EUR	% of participants' equity
<b>Strategy</b>				
Relative Value & Credit	11,099,723	57.2	13,601,881	56.1
Global Macro	5,444,032	28.1	5,971,477	24.7
Event Driven	1,651,699	8.5	3,796,660	15.7
Long/Short Equity	1,154,399	6.0	2,206,467	9.1
	<u>19,349,853</u>	<u>99.8</u>	<u>25,576,485</u>	<u>105.6</u>

### 16. 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>.

### 17. EVENTS AFTER THE BALANCE SHEET DATE

The Investment Manager is continuously monitoring the outbreak of the novel coronavirus ("COVID-19") and its potential impact on the Fund. The outbreak of COVID-19 has increased volatility in financial markets. While the extent and duration of the impact of COVID-19 on global and local economies, financial markets, and strategies in which the Fund may invest is uncertain at this point, the outbreak has the potential to adversely affect the value of the Fund's Portfolio. The consequences of the outbreak will be reflected as appropriate in the 31 December 2020 audited financial statements.

As of 1 July 2020, the minimum custody fee increased to EUR 4,000 (excluding VAT) per month from EUR 6,000 (excluding VAT) per annum.

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

### 18. DATE OF AUTHORISATION

The interim financial statements have been authorised for issue by the Fund Manager in Amsterdam on 27 August 2020.