

Theta Legends Fund

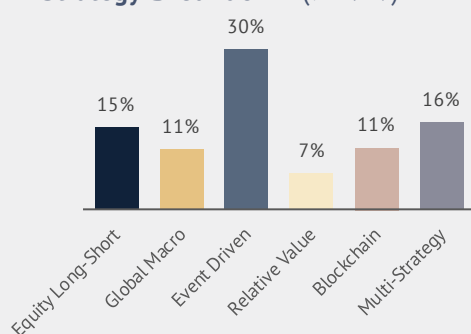
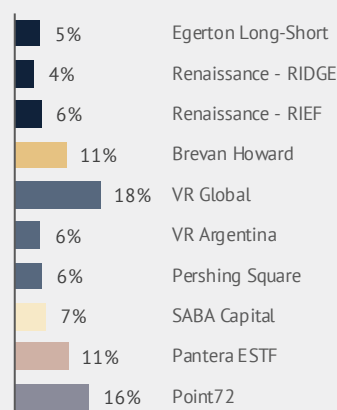
31 July 2023

Fund Characteristics

Fund AuM	€ 23,515,357
Strategy AuM (rounded) ¹	€ 250,000,000
Number of holdings	10
Top Holding	18%

Legends Performance (net of fees)

NAV	MTD	YTD
€ 139.04	0.70%	5.32%

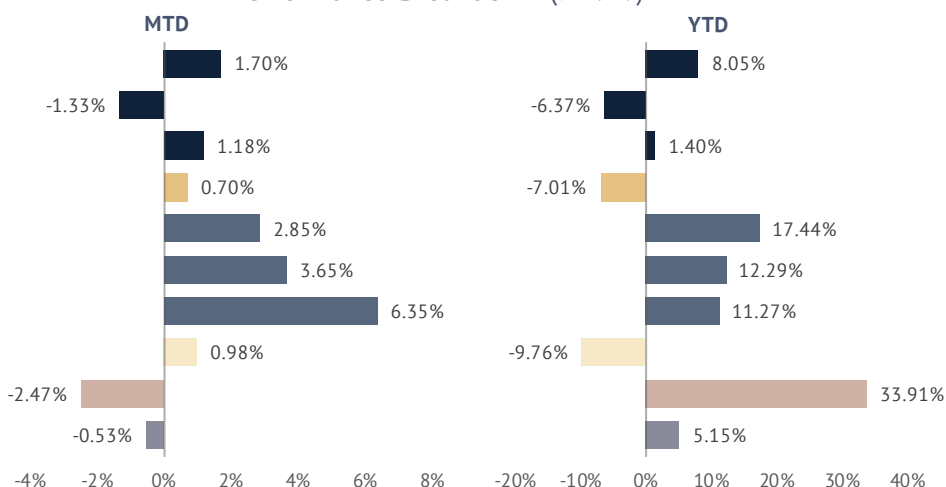
Strategy Breakdown (% NAV)²

Portfolio Breakdown (% NAV)²

Monthly Summary

Legends Fund returned +0.70% in July, bringing the year-to-date performance to +5.32%. The reference HFRX Global Hedge Fund EUR Index was up +0.38% and -0.17% year-to-date.

Over the past 36-month period, Legends has seen very strong outperformance, yielding +12.24% annualized versus +0.46% annualized for the HFRX Global EUR Index or +4.07% annualized for a 60/40 Stock-Bond portfolio (e.g. Vanguard 60/40 ETF). Going forward, we expect Legends to continue its outperformance given the uncertain and turbulent macroeconomic environment.

In July, the S&P500 gained +3.21% (+20.64% year-to-date) and the Bloomberg Global Aggregate Bond Index gained +0.69% (+2.13% year-to-date). Market sentiment was positive for the month as GDP (+2.4% QoQ annualized) and headline CPI (+3.0% YoY) figures both positively surprised consensus estimates, raising hopes for a soft landing. Still, we note persistently high default levels, even as spreads continue to tighten. This divergence might reflect an ongoing shake-out of over-leveraged firms or, more ominously, hint at a looming economic disruption. Adding to the complexity of the situation, oil prices surged by +15% in July, potentially jeopardizing the much-desired FED's inflation target of 2%.

Turning to the monetary policy in July, the FED raised rates to a target of 5.25%-5.50% and with every month passing by, we see the markets' US rate cut expectations being pushed further into the future. Present market sentiments suggest a rate cut might materialize in January 2024, forecasting a peak at 5.43%. A similar sentiment echoes in Europe, where rate cuts are anticipated for the same month, but with rates reaching a slightly lower 3.83%. Reflecting on the year so far, it's evident that macro hedge funds are being challenged in generating returns from in the current rate environment.

Performance Breakdown (% NAV)³

Fund & Index Return Statistics

Legends	Annualised returns	Annualised st. dev.	Risk-adjusted return ⁴	Best monthly return	Positive months	S&P500 Beta
YTD	9.30%	5.17%	1.80	3.41%	71.43%	0.27
1 Year	5.04%	4.16%	1.21	3.41%	58.33%	0.10
3 Year	12.24%	17.60%	0.70	19.06%	52.78%	0.43
5 Year	7.25%	15.05%	0.48	19.06%	55.00%	0.42
HFRX Global (EUR) ⁵	Annualised returns	Annualised st. dev.	Risk-adjusted return ⁴	Best monthly return	Positive months	S&P500 Beta
YTD	-0.28%	3.26%	0.09	1.43%	57.14%	0.17
1 Year	-1.08%	2.86%	0.38	1.43%	41.67%	0.06
3 Year	0.46%	3.67%	0.13	2.72%	47.22%	0.14
5 Year	-1.05%	4.96%	0.21	2.72%	51.67%	0.20

¹Rounded- includes assets in Theta Capital managed accounts.

²Managers that have a weighting of less than 5% due the building or exiting of a position are excluded.

³Returns gross of Theta Fees, net of underlying manager fees.

⁴Annualised returns divided by annualised standard deviation with data since inception.

⁵Reference index = HFRX Global Hedge Fund EUR Index.

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Positions Update

July was a strong month for our equity activist manager **Pershing Square** (+6.35%), who gained significantly through positions in Universal Media Group, Alphabet, Hilton, Lowe's and Starbucks. They also managed to gain an extra percent as PSH's discount to NAV decreased.

Event-driven EM Distressed Credit manager **VR with both its Global and Argentinean** strategies was up +2.85% and +3.85% respectively. Both strategies also show strong year-to-date gains, respectively up +17.44% and +12.29%. With gains across multiple strategies in Argentina, Ukraine, Sri Lanka, Pakistan, El Salvador, Greece and Cyprus. **Egerton Long-Short** (+1.70% and +8.05% YTD) was up driven by contributions from Schlumberger, Meta and Alphabet among others. Egerton slightly decreased their longs while increasing their short exposure during the month.

Other gainers were **Renaissance's** (long-biased quant) Equities Fund (+1.18%), while its market neutral strategy Renaissance Global Diversified Equities lost (-1.33%). Macro fund **Brevan Howard** won +0.70%, partly driven by long JPY 10Y rates and short 2Y GBP rates as well as long equities and vol which both ended the month higher.

July also marks the month where **Point72** (-0.53% and +5.13% YTD) posted its first negative after 7 consecutive months of positive results. July's losses were partially driven by longs in the UK, as well as shorts across the rate markets. **Pantera ESTF** lost -2.47% with largest detractors being Ethereum, Vega and Liquity.

Historical Net Returns

Returns (EUR)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	HRFX ⁵
2010		0.03%	2.91%	1.52%	-5.67%	-2.64%	1.77%	-0.54%	5.19%	2.53%	0.47%	4.58%	10.09%	4.69%
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%
2012	3.03%	0.00%	0.48%	-0.27%	-2.98%	-0.34%	0.75%	0.98%	1.74%	-1.36%	1.22%	0.98%	4.18%	3.05%
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%	11.71%	6.31%
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%
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%	-0.91%	-4.38%
2016	-2.78%	0.00%	-2.16%	-0.22%	-0.01%	-1.63%	2.36%	-0.68%	-0.28%	-1.71%	0.88%	1.23%	-5.00%	0.70%
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%	2.97%	3.49%
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%	-7.44%	-9.93%
2019	3.25%	1.99%	0.15%	-0.73%	-0.95%	2.20%	0.76%	-5.67%	0.42%	0.17%	-0.41%	3.36%	4.30%	3.44%
2020	0.41%	0.00%	-7.76%	4.91%	1.70%	2.35%	4.11%	6.96%	-3.02%	-2.08%	2.53%	7.31%	17.67%	3.00%
2021	3.78%	19.06%	9.79%	7.24%	-3.91%	-0.96%	2.42%	3.00%	-1.50%	7.15%	3.24%	-5.32%	50.68%	2.65%
2022	-6.64%	-2.19%	3.46%	-3.98%	-7.98%	-4.07%	-0.16%	0.36%	-0.52%	-0.06%	0.29%	-0.34%	-20.27%	-6.28%
2023	3.41%	0.77%	-0.44%	0.28%	-1.17%	1.72%	0.70%						5.32%	-0.17%

⁵HRFX Global Index EUR Hedged.

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About Theta Legends Fund

The Fund aims to provide individual and institutional investors with an investment vehicle which targets average returns of around €STR (€ Short Term Rate) + 5% per annum. The Manager will attempt 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. No guarantee is given as to the Fund achieving this objective. The Fund is suitable for investors with an investment horizon of 3-5 years. While volatility is expected by the Manager to be lower than equity markets, investors should be prepared to accept equity-like movements.

The Fund focuses on hedge funds that have an outstanding investment history and proven adaptiveness to changing market environments through various economic cycles. Many of these hedge funds have a minimum investment amount of more than EUR 10 million and therefore are not easily accessible for private investors. It is expected that a manager of an Investee Fund will have a track record of at least 10 years.

Theta Legends Fund is the successor fund to Legends Fund. Theta Legends Fund merged with Legends Fund on January 1st 2022. It follows exactly the same process and strategy, except that the fund vehicle is no longer listed, investors are registered directly in the share register and subscriptions are monthly and redemptions monthly with 90 days' notice.

Strategy & Implementation

The Fund aims to achieve consistent high absolute returns on investment, irrespective of the direction of comparable publicly traded securities, i.e. to have limited correlation to general market risks. The Fund's portfolio will contain participations in between 10 and 20 hedge funds with no single investment in a fund representing 20% or more of the book value of the Fund Assets at cost. Diversification is sought through the underlying markets, securities, investment strategies, trading styles and regions, rather than the number of hedge funds.

Product characteristics

Fund Terms		Management & Administration	
Fund Inception	February 2010	Fund Structure	Common Contractual Fund (Fonds voor Gemene Rekening (FGR))
Currency	EUR	Management Company	Theta Fund Management B.V.
Subscriptions	Monthly	Administrator	Apex Fund Services (Netherlands) B.V.
Redemptions	Monthly, 90 days' notice	Depository	Northern Trust Global Services SE
Management Fee	0.625%	Legal Owner	Stichting Bewaarbedrijf Legends XL Fund
Performance Fee	5%	Auditor	RSM Netherlands B.V.
High-Water Mark	Yes	Legal & Tax Counsel	Greenberg Traurig, LLP
Minimum Investment	EUR100k		
		Investor Relations	
		Email	investor@thetacapital.com
		Website	www.thetacapital.com
		Phone	+31 20 57 227 32
		Address	Concertgebouwplein 19, 1071 LM, Amsterdam

Disclaimer

Theta Legends Fund (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 (<https://thetacapital.com/>).

