

BH MACRO LIMITED



INTERIM REPORT AND UNAUDITED FINANCIAL  
STATEMENTS 2020

30 June 2020

---

---

## Contents

1	Chairman's Statement
4	Board Members
5	Disclosure of Directorships in Public Companies Listed on Recognised Stock Exchanges
6	Directors' Report
14	Statement of Directors' Responsibility in Respect of the Interim Report and Unaudited Financial Statements
15	Directors' Remuneration Report
17	Manager's Report
21	Independent Review Report to BH Macro Limited
22	Unaudited Statement of Assets and Liabilities
23	Unaudited Statement of Operations
24	Unaudited Statement of Changes in Net Assets
25	Unaudited Statement of Cash Flows
26	Notes to the Interim Unaudited Financial Statements
38	Historic Performance Summary
	IBC Company Information



## CHAIRMAN'S STATEMENT

I am delighted to present to Shareholders this report on another period of strong performance by your Company. As you will find in greater detail elsewhere in this report, the operating procedures and contingency plans of the Company and its key service providers have proved robust in the face of the challenges arising from the COVID-19 pandemic, whilst the turbulent conditions of financial markets have again presented opportunities for the Manager's trading strategies.

I must begin, however, by expressing the concern which the Board and I share for the well-being of all the Company's stakeholders in these disconcerting and unpredictable times. That the environment has favoured our investment approach does not in any way diminish our consciousness of the distress which the pandemic has caused to many millions, including inevitably amongst our shareholders, service providers and those who work with and for them. We wish you well.

Over the first half of 2020, the Net Asset Value ("NAV") per Sterling share in the Company increased by 21.59% and the NAV per US Dollar share increased by 21.97%. The share price total return on a Sterling share was 34.48% over the period and on a US Dollar share was 40.15%.

The Company's performance is directly related to the performance of Brevan Howard Master Fund Limited (the "Master Fund") into which the Company invests substantially all its assets. In the first six months of 2020 the Master Fund has maintained the strong performance seen in 2018 and 2019, against a background in which market conditions have offered favourable opportunities for its macro-directional trading focus.

The past performance of the Master Fund and the Company has shown correlation with market volatility. In particular, volatility or unstable expectations in foreign exchange and interest rate markets can provide fertile environments for the Manager's trading strategies. Such has been the case in 2020. Evolving perceptions of the pandemic, its economic consequences and the reactions of the monetary and fiscal authorities, have given unusual force to market instability, but many of the underlying sources of market tension have been building over several years. Fluctuating expectations for US Dollar interest rates, both short- and long-term, uncertainty in Sterling markets over the consequences of Brexit, political and economic stresses in the Eurozone and in several important emerging economies have all contributed to this environment of greater opportunity for the Master Fund and the Company. As the market environment changes, the Company offers Shareholders the opportunity to benefit from the Master Fund's long-term track record of preserving capital and achieving positive returns.

As part of the Tender Offer which completed in May 2017, the Board agreed that the Company would not engage in market purchases of its own shares before 1 April 2019, but committed to hold a discontinuation vote for either class of share if that class traded at an average discount of 8% or more to the monthly NAV over the whole of 2018 or any subsequent calendar year. In the event, during 2019 the Company's shares traded at an average premium in relation to monthly NAV, 0.44% for the Sterling class and 1.15% for the US Dollar class and, consequently, no discontinuation votes were to be held in 2020.

During the first six months of 2020 the Sterling class has traded at an average premium of 0.86% in relation to monthly NAV, and USD class has traded at an average premium of 2.67%.

Prior to the Tender Offer, the Company used share buy-backs as one mechanism to reduce the discount at which the shares traded to NAV. For much of 2020 to date, the Company's shares have traded at a premium or minimal discount to NAV. However, if the Company's shares were again to trade at wide or volatile discounts to NAV in the future, it would be the Board's intention to consider resuming this process. During the period under review the Company sold 438,449 Sterling shares and 81,000 US Dollar shares held in Treasury following previous buy-backs and tender offers.

During 2018, the Manager implemented several significant changes to its internal structure. On the trading side, the Manager launched a number of separate funds, supporting individual traders or groups of traders who had been managing money for the Master Fund. Through its investment into these new funds, the Master Fund continues to access the expertise of these traders. This new approach has increased the ability of the Manager to retain its key traders at a time when the market for such individuals is very competitive. The Manager also restructured its middle and back office operations into a separately constituted and regulated entity which is now offering its services to select third party clients as well as in respect of the Master Fund and the other funds managed by the Manager.

Against this background, the Board has continued its regular dialogue with the Manager, reviewing the Master Fund's trading strategies and risk exposures and satisfying itself that the Manager's analytical, trading and risk management capabilities continue to be maintained at a high standard. We remain reassured that these continuing developments in the Manager's operations have no negative implications for the Manager's core activities or the services which the Manager provides to your Company.

## CHAIRMAN'S STATEMENT CONTINUED

The Company and its Manager have continued to pursue an active programme for public communication and investor relations. There has been particular interest from the press following the Company's strong performance in 2018, 2019 and the first six months of 2020. Up-to-date performance information is provided through NAV data published monthly on a definitive basis and weekly on an estimated basis, as well as through monthly risk reports and shareholder reports. All these reports and further information about the Company are available on its website ([www.bhmacro.com](http://www.bhmacro.com)).

The Board is independent of the Brevan Howard group. The Directors are very closely focused on safeguarding the interests of Shareholders and believe that the Company observes high standards of corporate governance. In 2018 the Board commissioned an external evaluation of its performance which confirmed that the Board works in a collegiate, harmonious and effective manner. We expect to commission a further review during 2021. The Board instigated in early 2019 a recruitment process to continue its renewal, with the professional assistance of Cornforth Consulting Limited. I am delighted that Richard Horlick and Bronwyn Curtis were able to join us in May 2019 and January 2020 respectively and that both were re-elected as non-executive Directors at the recent AGM.

The Board recognises that the performance of the Master Fund will continue to be important in justifying the future of the Company. There are now clear signs that investors are focusing closely on the global political and economic uncertainties lying ahead. The benign investment environment which has prevailed for several years appears, finally, to have come to an end and the increased volatility arising from this should continue to present further opportunities for the Master Fund's macro-trading strategies.

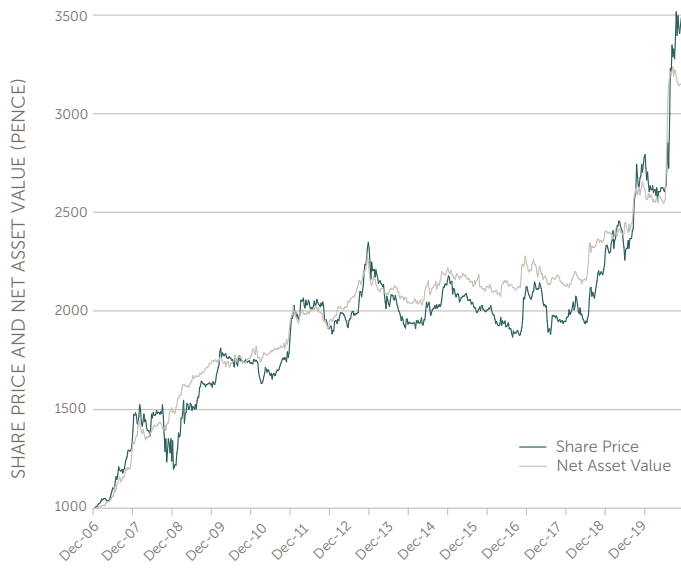
Shareholders will be aware that the United Kingdom left the European Union on 31 January 2020 and that as matters currently stand there is no agreement governing the future relationship between the UK and the EU. Such is the uncertainty still surrounding the outcome that the consequent risks and potential opportunities for the Company are difficult to assess. Since your Company does not operate directly within the EU and invests substantially all of its assets into a Cayman master fund, it may be that the impact of Brexit will be felt principally through the consequences for the London financial markets, in which the Master Fund is a participant and where the Company's shares are traded on the London Stock Exchange.

The Board continues to regularly review the potential risks to the Company arising from the COVID-19 pandemic. That which could have the greatest potential impact would be a failure of the business continuity arrangements at a key service provider. To date these arrangements have proved resilient and robust, and we have no reason to believe that they will not remain so. The Board is satisfied that, notwithstanding the global impact of the pandemic on business and society, it does not represent a major business risk for the Company.

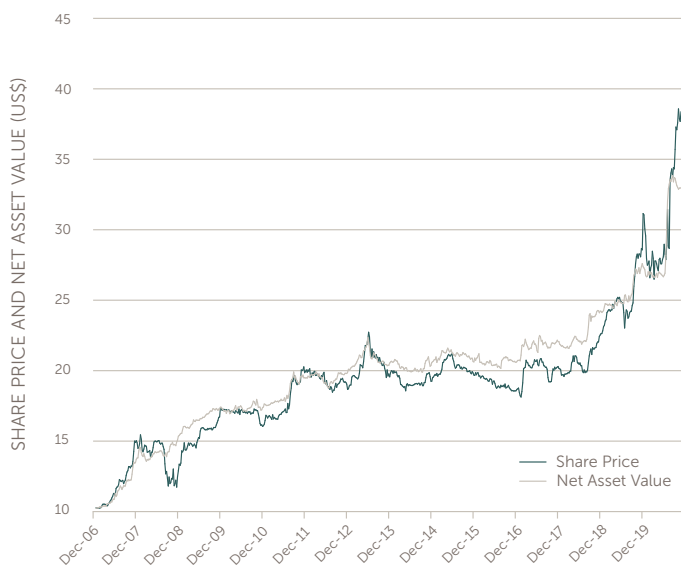
The events of the past year support the hypothesis that the Company's investment in the Master Fund provides a listed vehicle whose performance is uncorrelated with other asset classes. Through the narrowing of the discount in the second half of 2018 and the subsequent emergence of a premium valuation, shareholders have demonstrated that they find the shares in the Company a valuable tool for portfolio diversification and I would like to take this opportunity to thank Shareholders for their continuing support.

Colin Maltby  
Chairman  
25 August 2020

**STERLING SHARES  
SHARE PRICE VS NET ASSET VALUE**



**US DOLLAR SHARES  
SHARE PRICE VS NET ASSET VALUE**



## BOARD MEMBERS

The Directors of the Company, all of whom are non-executive, are listed below:

### **Colin Maltby (Chairman), age 69**

Colin Maltby is a resident of Switzerland. His career in investment management began in 1975 with NM Rothschild & Sons and included 15 years with the Kleinwort Benson Group, of which he was a Group Chief Executive at the time of its acquisition by Dresdner Bank AG in 1995. Mr Maltby was Chief Executive of Kleinwort Benson Investment Management from 1988 to 1995, Chief Investment Officer of Equitas Limited from its formation in 1996, and Head of Investments at BP from August 2000 to June 2007. He has served as a non-executive Director of various public companies and agencies and as an adviser to numerous institutional investors, including pension funds and insurance companies, and to private equity and venture capital funds in both Europe and the United States. He holds a Double First Class Honours degree in Physics from the University of Oxford and also studied at the Stanford University Graduate School of Business. He is a Fellow of Wolfson College, Oxford and of the Royal Society of Arts and a member of the Institut National Genevois. Mr Maltby was appointed to the Board in June 2015.

### **Bronwyn Curtis, age 71 (appointed 1 January 2020)**

Bronwyn Curtis is a UK resident and Senior Executive with 30 years leadership in finance, commodities, consulting and the media. She is currently chairman of JPMorgan Asia Growth and Income Plc and a non-executive director of Pershing Square Holdings Plc, the Scottish American Investment Company Plc and the UK Office of Budget Responsibility. Her executive roles included Head of Global at HSBC Bank Plc, Managing Editor and Head of European Broadcast at Bloomberg LP, Chief Economist of Nomura International, and Global Head of Foreign Exchange and Fixed Income Strategy at Deutsche Bank. She has also worked as a consultant for the World Bank and UNCTAD. Her other current appointments include the Advisory Board at Imperial College Business School, trustee of the Centre for Economic and Policy Research, the Australia-UK Chamber of Commerce and The Times shadow MPC. She is a graduate of the London School of Economics and La Trobe University in Australia where she received a Doctor of Letters in 2017. Bronwyn was awarded an OBE in 2008 for her services to business economics.

### **Richard Horlick, age 61**

Richard Horlick is UK resident. He is currently the non-executive chairman of CCLA Investment Management which manages £11.5bn of assets for over 38,000 charities and church and local authority funds. He has served on a number of closed end fund boards most recently Pacific Assets Trusts Plc from December 2005 until June 2014 and Tau Capital Plc from May 2007 to January 2014. He was a partner and non-executive chairman of

Pensato Capital LLP until its successful sale to RWC Partners in 2017. He has had a long and distinguished career in investment management graduating from Cambridge University in 1980 with an MA in Modern History. After 3 years in the corporate finance department of Samuel Montagu he joined Newton Investment Management in January 1984, where he became a Director and portfolio manager. In 1994, he joined Fidelity International as President of their institutional business outside the US and in 2001 became President and CEO of Fidelity Management Trust Company in Boston which was the Trust Bank for the US Fidelity Mutual fund range and responsible for their defined benefit pension business. In 2003, he joined Schroders Plc as a main board director and head of investment worldwide. In January 2006, he established Spencer House Capital Management with Lord Jacob Rothschild. In addition, he has been a business angel investing in a wide range of private companies. He became a limited partner in CBE Capital Limited, a property development group.

### **John Le Poidevin, age 50**

John Le Poidevin is Guernsey resident and has over 25 years' business experience. Mr Le Poidevin is a graduate of Exeter University and Harvard Business School, a Fellow of the Institute of Chartered Accountants in England and Wales and a former partner of BDO LLP in London where, as Head of Consumer Markets, he developed an extensive breadth of experience and knowledge of listed businesses in the UK and overseas. He is an experienced non-executive who sits on several Plc boards and chairs a number of Audit Committees. He therefore brings a wealth of relevant experience in terms of corporate governance, audit, risk management and financial reporting. Mr Le Poidevin was appointed to the Board in June 2016.

### **Claire Whittet, age 65**

Claire Whittet is Guernsey resident and has over 40 years' experience in the financial services industry. After obtaining a MA (Hons) in Geography from the University of Edinburgh, Mrs Whittet joined the Bank of Scotland for 19 years and undertook a wide variety of roles. She moved to Guernsey in 1996 and was Global Head of Private Client Credit for Bank of Bermuda before joining Rothschild & Co Bank International Limited in 2003, initially as Director of Lending and latterly as Managing Director and Co-Head until May 2016 when she became a non-executive Director. She is an ACIB member of the Chartered Institute of Bankers in Scotland, a Chartered Banker, a member of the Chartered Insurance Institute and holds an IoD Director's Diploma in Company Direction. She is an experienced non-executive director of a number of listed investment and private equity funds one of which she chairs and a number of which she is Senior Independent Director. Mrs Whittet was appointed to the Board in June 2014.

## DISCLOSURE OF DIRECTORSHIPS IN PUBLIC COMPANIES LISTED ON RECOGNISED STOCK EXCHANGES

The following summarises the Directors' directorships in other public companies:

	EXCHANGE
<b>COLIN MALTBY</b>	
Ocean Wilsons Holdings Limited	London and Bermuda
<b>BRONWYN CURTIS</b>	
JPMorgan Asia Growth and Income Plc	London
Pershing Square Holdings Limited	London and Euronext Amsterdam
Scottish American Investment Company Plc	London
<b>JOHN LE POIDEVIN</b>	
Episode Inc.	Euronext Dublin
International Public Partnerships Limited	London
<b>CLAIRE WHITTET</b>	
Eurocastle Investment Limited	Euronext Amsterdam
International Public Partnerships Limited	London
Riverstone Energy Limited	London
Third Point Offshore Investors Limited	London
TwentyFour Select Monthly Income Fund Limited	London

Colin Maltby was a director of BBGI SICAV SA, a company listed on the London Stock Exchange, until 31 July 2020.

Richard Horlick does not hold any directorships in other public companies.

# DIRECTORS' REPORT

30 June 2020

The Directors submit their Interim Report together with the BH Macro Limited (the "Company") Unaudited Statement of Assets and Liabilities, Unaudited Statement of Operations, Unaudited Statement of Changes in Net Assets, Unaudited Statement of Cash Flows and the related notes for the period ended 30 June 2020. The Directors' Report together with the Interim Unaudited Financial Statements and their related notes (the "Financial Statements") give a true and fair view of the financial position of the Company. They have been prepared properly, in conformity with United States Generally Accepted Accounting Principles ("US GAAP") and are in agreement with the accounting records.

## THE COMPANY

BH Macro Limited is a limited liability closed-ended investment company which was incorporated in Guernsey on 17 January 2007 and then admitted to the Official List of the London Stock Exchange ("LSE") later that year.

Currently, ordinary shares are issued in Sterling and US Dollars..

## INVESTMENT OBJECTIVE AND POLICY

The Company is organised as a feeder fund that invests all of its assets (net of short-term working capital requirements) directly in Brevan Howard Master Fund Limited (the "Master Fund"), a hedge fund in the form of a Cayman Islands open-ended investment company, which has as its investment objective the generation of consistent long-term appreciation through active leveraged trading and investment on a global basis. The Master Fund is managed by Brevan Howard Capital Management LP, the Company's Manager.

The Master Fund has flexibility to invest in a wide range of instruments including, but not limited to, debt securities and obligations (which may be below investment grade), bank loans, listed and unlisted equities, other collective investment schemes, currencies, commodities, futures, options, warrants, swaps and other derivative instruments. The underlying philosophy is to construct strategies, often contingent in nature, with superior risk/return profiles, whose outcome will often be crystallised by an expected event occurring within a pre-determined period of time.

The Master Fund employs a combination of investment strategies that focus primarily on economic change and monetary policy and market inefficiencies.

The Company may employ leverage for the purposes of financing share purchases or buy backs, satisfying working capital requirements or financing further investment into the Master Fund, subject to an aggregate borrowing limit of 20% of the Company's NAV, calculated as at the time of borrowing.

Borrowing by the Company is in addition to leverage at the Master Fund level, which has no limit on its own leverage.

## RESULTS AND DIVIDENDS

The results for the period are set out in the Interim Unaudited Statement of Operations on page 23. The Directors do not recommend the payment of a dividend.

## SHARE CAPITAL

The number of shares in issue at the period end is disclosed in note 5 of the Notes to the Interim Unaudited Financial Statements.

## GOING CONCERN

The Directors, having considered the Principal Risks and Uncertainties to which the Company is exposed which are listed on page 11 and on the assumption that these are managed or mitigated as noted, are not aware of any material uncertainties which may cast significant doubt upon the Company's ability to continue as a going concern and, accordingly, consider that it is appropriate that the Company continues to adopt the going concern basis of accounting for these Interim Unaudited Financial Statements.

The Board continues to monitor the ongoing impacts of the COVID-19 pandemic and has concluded that the biggest threat to the Company with regards to this pandemic is the failure for a key service provider to maintain business continuity and resiliency while maintaining work from home and social distancing practices. The Board has assessed the measures in place by key service providers to produce business continuity and so far has not identified any significant issues that affect the Company. The financial impact of the Company has not been negatively impacted by the pandemic either. For these reasons, the Board is confident that the outbreak of COVID-19 has not impacted the going concern assessment of the Company.

## THE BOARD

The Board of Directors has overall responsibility for safeguarding the Company's assets, for the determination of the investment policy of the Company, for reviewing the performance of the service providers and for the Company's activities. The Directors, all of whom are non-executive, are listed on page 4.

The Articles provide that, unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two. The Company's policy on Directors' Remuneration, together with details of the remuneration of each Director who served during the period, is detailed in the Directors' Remuneration Report on pages 15 and 16.



## THE BOARD (CONTINUED)

The Board meets at least four times a year and between these formal meetings there is regular contact with the Manager and the Administrator. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company are brought to the attention of the Directors. The Directors also have access to the Administrator and, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

For each Director, the tables below set out the number of Board and Audit Committee meetings they were entitled to attend during the period ended 30 June 2020 and the number of such meetings attended by each Director.

SCHEDULED BOARD MEETINGS	HELD	ATTENDED
Colin Maltby	2	2
Bronwyn Curtis	2	2
Richard Horlick	2	2
John Le Poidevin	2	2
Claire Whittet	2	2

AUDIT COMMITTEE MEETINGS	HELD	ATTENDED
John Le Poidevin	2	2
Bronwyn Curtis	2	2
Richard Horlick	2	2
Claire Whittet	2	2

In addition to these scheduled meetings, seven ad hoc committee meetings were held during the period ended 30 June 2020, which were attended by those Directors available at the time.

The Board has reviewed the composition, structure and diversity of the Board, succession planning, the independence of the Directors and whether each of the Directors has sufficient time available to discharge their duties effectively. The Board confirms that it believes that it has an appropriate mix of skills and backgrounds, that all of the Directors are considered to be independent in accordance with the provisions of the AIC Code and that all Directors have the time available to discharge their duties effectively.

The Chairman's and Directors' tenures are limited to nine years, which is consistent with the principles listed in the UK Corporate Governance Code.

Notwithstanding that some of the Directors sit on the boards of a number of other listed investment companies, the Board notes that each appointment is non-executive and that listed investment companies generally have a lower level of complexity and time commitment than trading companies. Furthermore, the Board notes that attendance of all Board and Committee meetings during the period is high and that each Director has always shown the time commitment necessary to discharge fully and effectively their duties as a Director.

## DIRECTORS' INTERESTS

The Directors had the following interests in the Company, held either directly or beneficially:

	STERLING SHARES		
	30.06.20	31.12.19	30.06.19
Colin Maltby	3,500	3,000	3,000
Bronwyn Curtis	Nil	N/A	N/A
Richard Horlick	Nil	Nil	Nil
John Le Poidevin	3,222	3,222	3,222
Claire Whittet	Nil	Nil	Nil

	US DOLLAR SHARES		
	30.06.20	31.12.19	30.06.19
Colin Maltby	1,000	500	500
Bronwyn Curtis	Nil	N/A	N/A
Richard Horlick	Nil	Nil	Nil
John Le Poidevin	Nil	Nil	Nil
Claire Whittet	Nil	Nil	Nil

## DIRECTORS' INDEMNITY

Directors' and Officers' liability insurance cover is in place in respect of the Directors.

The Directors entered into indemnity agreements with the Company which provide for, subject to the provisions of the Companies (Guernsey) Law, 2008, an indemnity for Directors in respect of costs which they may incur relating to the defence of proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court. The agreement does not provide for any indemnification for liability which attaches to the Directors in connection with any negligence, unfavourable judgements and breach of duty or trust in relation to the Company.

## DIRECTORS' REPORT CONTINUED

### CORPORATE GOVERNANCE

To comply with the UK Listing Regime, the Company must comply with the requirements of the UK Corporate Governance Code. The Company is also required to comply with the Code of Corporate Governance issued by the Guernsey Financial Services Commission.

The Company is a member of the Association of Investment Companies (the "AIC") and by complying with the AIC Code is deemed to comply with both the UK Corporate Governance Code and the Guernsey Code of Corporate Governance.

To ensure ongoing compliance with the principles and the recommendations of the AIC Code, the Board receives and reviews a report from the Secretary, at each quarterly meeting, identifying whether the Company is in compliance and recommending any changes that are necessary.

The Company has complied with the requirements of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function; and
- whistle-blowing policy.

For the reasons explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company as it is an externally managed investment company with a Board formed exclusively of non-executive Directors. The Company has therefore not reported further in respect of these provisions. The Company does not have employees, hence no whistle-blowing policy is necessary. However, the Directors have satisfied themselves that the Company's service providers have appropriate whistle-blowing policies and procedures and seek regular confirmation from the service providers that nothing has arisen under those policies and procedures which should be brought to the attention of the Board.

The Company has adopted a policy that the composition of the Board of Directors is at all times such that (i) a majority of the Directors are independent of the Manager and any company in the same group as the Manager (the "Manager's Group"); (ii) the Chairman of the Board of Directors is free from any conflicts of interest and is independent of the Manager's Group; and (iii) no more than one director, partner, employee or professional adviser to the Manager's Group may be a Director of the Company at any one time.

The Company has adopted a Code of Directors' dealings in securities.

The Company's risk exposure and the effectiveness of its risk management and internal control systems are reviewed by the Audit Committee and by the Board at their meetings. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed.

In view of its non-executive and independent nature, the Board considers that it is not necessary for there to be a Nomination Committee or a Remuneration Committee as anticipated by the AIC Code. The Board as a whole fulfils the functions of the Nomination and Remuneration Committees, although the Board has included a separate Directors' Remuneration Report on pages 15 and 16 of these Interim Unaudited Financial Statements. The Board has adopted a Nomination Policy covering procedures for nominations to the Board and to Board committees.

For new appointments to the Board, nominations are sought from the Directors and from other relevant parties and candidates are then interviewed by the Directors. The Board utilised the services of an independent, specialist company, Cornforth Consulting Ltd prior to appointing Richard Horlick and Bronwyn Curtis. The current Board has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. An induction programme is provided for newly-appointed Directors.

In line with the AIC Code, Section 21.3 of the Company's Articles requires all Directors to retire at each Annual General Meeting. At the Annual General Meeting of the Company on 25 June 2020, Shareholders re-elected all the Directors of the Company.

The Board regularly reviews its composition and believes that the current appointments provide an appropriate range of skill, experience and diversity.

## CORPORATE GOVERNANCE (CONTINUED)

The Board, Audit Committee and Management Engagement Committee undertake an evaluation of their own performance and that of individual Directors on an annual basis. In order to review their effectiveness, the Board and its Committees carry out a process of formal self-appraisal. The Board and Committees consider how they function as a whole and also review the individual performance of their members. This process is conducted by the respective Chairman reviewing the Directors' performance, contribution and commitment to the Company.

Claire Whittet has been Senior Independent Director since 20 June 2019 and takes the lead in evaluating the performance of the Chairman.

The most recent external evaluation of the Board's performance was completed in February 2018 and is scheduled to take place every three years. The evaluation confirmed that the Board works in a collegiate, harmonious and effective manner and made a number of recommendations for the medium term structure of the Board which have been adopted.

The Board needs to ensure that the Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's performance, business model and strategy. In seeking to achieve this, the Directors have set out the Company's investment objective and policy and have explained how the Board and its delegated Committees operate and how the Directors review the risk environment within which the Company operates and set appropriate risk controls. Furthermore, throughout the Interim Report, the Board has sought to provide further information to enable Shareholders to better understand the Company's business and financial performance.

## POLICY TO COMBAT FRAUD, BRIBERY AND CORRUPTION

The Board has adopted a formal policy to combat fraud, bribery and corruption. The policy applies to the Company and to each of its Directors. Further, the policy is shared with each of the Company's service providers.

In respect of the UK Criminal Finances Act 2017 which introduced a new Corporate Criminal Offence of 'failing to take reasonable steps to prevent the facilitation of tax evasion', the Board confirms that it is committed to preventing the facilitation of tax evasion and takes all reasonable steps to do so.

## ONGOING CHARGES

The ongoing charges represent the Company's management fee and all other operating expenses, excluding finance costs, performance fees, share issue or buyback costs and non-recurring legal and professional fees, expressed as a percentage of the average of the daily net assets during the period.

Ongoing charges for six month period ended 30 June 2020, year ended 31 December 2019 and six month period ended 30 June 2019 have been prepared in accordance with the AIC's recommended methodology.

The following table presents the Ongoing Charges for each share class:

### 30.06.20

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	0.52%	0.50%
Master Fund – Ongoing Charges	0.60%	0.62%
Performance fees	4.58%	4.64%
Ongoing Charges plus performance fees	5.70%	5.76%

### 31.12.19

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	0.59%	0.61%
Master Fund – Ongoing Charges	0.65%	0.61%
Performance fees	1.89%	2.18%
Ongoing Charges plus performance fees	3.13%	3.40%

### 30.06.19

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	0.60%	0.59%
Master Fund – Ongoing Charges	0.61%	0.61%
Performance fees	2.20%	2.27%
Ongoing Charges plus performance fees	3.41%	3.47%

## DIRECTORS' REPORT CONTINUED

### ONGOING CHARGES (CONTINUED)

The Master Fund's Ongoing Charges represent the portion of the Master Fund's operating expenses which have been allocated to the Company. The Company invests substantially all of its investable assets in ordinary Sterling and US Dollar denominated Class B shares issued by the Master Fund. These shares are not subject to management fees and performance fees within the Master Fund. The Master Fund's operating expenses include an operational services fee payable to the Manager of 1/12 of 0.5% per month of the NAV.

### PERFORMANCE GRAPHS

The graphs shown on page 3 detail the performance of the Company's NAV and share prices over the period.

### AUDIT COMMITTEE

The Company's Audit Committee conducts formal meetings at least three times a year for the purpose, amongst others, of considering the appointment, independence, effectiveness of the audit and remuneration of the auditors and to review and recommend the annual statutory accounts and interim report to the Board of Directors. It is chaired by John Le Poidevin and comprises Richard Horlick, Bronwyn Curtis, who was appointed on 1 January 2020 and Claire Whittet. The Terms of Reference of the Audit Committee are available from the Administrator.

### MANAGEMENT ENGAGEMENT COMMITTEE

The Board has established a Management Engagement Committee with formal duties and responsibilities. The Management Engagement Committee meets formally at least once a year, is chaired by Claire Whittet and comprises all members of the Board.

The function of the Management Engagement Committee is to ensure that the Company's Management Agreement is competitive and reasonable for the Shareholders, along with the Company's agreements with all other third party service providers (other than the Independent Auditors). The Management Engagement Committee also monitors the performance of all service providers on an annual basis and at the onset of COVID-19 wrote to each service provider regarding their Business Continuity Plans and the effect of the pandemic on their working practices. To date, all services have proved to be robust and there has been no disruption to the Company. The Terms of Reference of the Management Engagement Committee are available from the Administrator.

The details of the Manager's fees and notice period are set out in note 4 to the Interim Unaudited Financial Statements.

The Board continuously monitors the performance of the Manager and a review of the Manager is conducted by the Management Engagement Committee annually.

The Manager has wide experience in managing and administering investment companies and has access to extensive investment management resources.

At its meeting on 5 September 2019, the Management Engagement Committee concluded that the continued appointment of the Manager, Administrator, UK and Guernsey Legal Advisers, Registrar and Corporate Broker on the terms agreed was in the interests of the Company's Shareholders as a whole. At the date of this report, the Board continues to be of the same opinion.

### INTERNAL CONTROLS

Responsibility for the establishment and maintenance of an appropriate system of internal control rests with the Board and to achieve this, a process has been established which seeks to:

- Review the risks faced by the Company and the controls in place to address those risks;
- Identify and report changes in the risk environment;
- Identify and report changes in the operational controls;
- Identify and report on the effectiveness of controls and errors arising; and
- Ensure no override of controls by its service providers, the Manager and Administrator.

A report is tabled and discussed at each Audit Committee meeting, and reviewed once a year by the Board, setting out the Company's risk exposure and the effectiveness of its risk management and internal control systems. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed.

In order to recognise any new risks that could impact the Company and ensure that appropriate controls are in place to manage those risks, the Audit Committee undertakes a regular review of the Company's Risk Matrix. This review took place on two occasions during the period.

## INTERNAL CONTROLS (CONTINUED)

The Board has delegated the management of the Company, the administration, corporate secretarial and registrar functions including the independent calculation of the Company's NAV and the production of the Annual Report and Financial Statements, which are independently audited. Whilst the Board delegates these functions, it remains responsible for the functions it delegates and for the systems of internal control. Formal contractual agreements have been put in place between the Company and the providers of these services. On an ongoing basis, Board reports are provided at each quarterly Board meeting from the Manager, Administrator and Company Secretary and Registrar. A representative from the Manager is asked to attend these meetings.

In common with most investment companies, the Company does not have an internal audit function. All of the Company's management functions are delegated to the Manager, Administrator and Company Secretary and Registrar which have their own internal audit and risk assessment functions.

Further reports are received from the Administrator in respect of compliance, London Stock Exchange continuing obligations and other matters. The reports were reviewed by the Board. No material adverse findings were identified in these reports.

## PACKAGED RETAIL AND INSURANCE BASED INVESTMENT PRODUCTS ("PRIIPS")

The Company is subject to European Union Regulation (2017/653) (the "Regulation") which deems it to be a PRIIP. In accordance with the requirements of the Regulation, the Manager published the latest standardised three-page Key Information Documents ("KIDs") on the Company on 30 April 2020. The KIDs are available on the Company's website [www.bhmacro.com](http://www.bhmacro.com) and are updated at least every 12 months.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The Board is satisfied that by using the Company's risk matrix in establishing the Company's system of internal controls, while monitoring the Company's investment objective and policy, the Board has carried out a robust assessment of the principal risks and uncertainties facing the Company. The principal risks and uncertainties which have been identified and the steps which are taken by the Board to mitigate them are as follows:

- **Investment Risks:** The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objectives if it is inappropriately invested or markets move adversely. The Board reviews reports from the Manager, which has total discretion over portfolio allocation, at each quarterly Board

meeting, paying particular attention to this allocation and to the performance and volatility of underlying investments;

- **Operational Risks:** The Company is exposed to the risks arising from any failure of systems and controls in the operations of the Manager or the Administrator. The Board receives reports annually from each of the Manager and the Administrator on their respective internal controls;
- **Accounting, Legal and Regulatory Risks:** The Company is exposed to risk if it fails to comply with the regulations of the UK Listing Authority or if it fails to maintain accurate accounting records. The Administrator provides the Board with regular reports on changes in regulations and accounting requirements;
- **Financial Risks:** The financial risks faced by the Company include market, credit and liquidity risk. These risks and the controls in place to mitigate them are reviewed at each quarterly Board meeting;
- **Brexit Risk:** Whilst noting that the Company is based in Guernsey and that it invests substantially all of its assets into a Caymanian master fund, the Company may nevertheless be exposed to risks arising from the UK's departure from the European Union. In conjunction with the Manager, the Board will monitor the potential impact on the Company and on the Company's performance. In the event of a "No Deal Brexit" at the end of the transition period on 31 December 2020, the Board will seek to ensure that all agreements remain compliant; and
- **Coronavirus Risk:** Despite the reported increased impact of COVID-19 on businesses, the Board believes that this is not a major business risk for the Company. The Company uses a number of service providers for its day to day operations. These providers have established and regularly tested Business Resiliency Policies in place, to cover various possible scenarios whereby staff cannot turn up for work at the designated office and conduct business as usual (such as work from home facilities and/or different regions covering work for other regions). The Board continues to engage with all service providers on a regular basis and has received confirmation that their resiliency policies have proved to be effective and the Board has no reason to believe that this is likely to change in the foreseeable future.

## DIRECTORS' REPORT CONTINUED

### BOARD DIVERSITY

When appointing new directors and reviewing the Board composition, the Board considers, amongst other factors, diversity, balance of skills, knowledge, gender and experience. The Board however does not consider it appropriate to establish targets or quotas in this regard. As at the date of this report, the Board comprised two female and three male non-executive directors.

### INTERNATIONAL TAX REPORTING

For purposes of the US Foreign Account Tax Compliance Act, the Company registered with the US Internal Revenue Services ("IRS") as a Guernsey reporting Foreign Financial Institution ("FFI"), received a Global Intermediary Identification Number (5QHZVI.99999.SL.831), and can be found on the IRS FFI list.

The Common Reporting Standard ("CRS") is a global standard for the automatic exchange of financial account information developed by the Organisation for Economic Co-operation and Development ("OECD"), which was adopted by Guernsey and came into effect on 1 January 2016. The CRS replaced the intergovernmental agreement between the UK and Guernsey to improve international tax compliance that had previously applied in respect of 2014 and 2015. The Company made its latest report for CRS to the Director of Income Tax on 25 June 2020.

### RELATIONS WITH SHAREHOLDERS

The Board welcomes Shareholders' views and places great importance on communication with the Company's Shareholders. The Board receives regular reports on the views of Shareholders and the Chairman and other Directors are available to meet Shareholders, with a number of such meetings taking place during the year. The Annual General Meeting of the Company provides a forum for Shareholders to meet and discuss issues with the Directors of the Company. The Company provides weekly unaudited estimates of NAV, month end unaudited estimates and unaudited final NAVs. The Company also provides a monthly newsletter. These are published via RNS and are also available on the Company's website. Risk reports of the Master Fund are also available on the Company's website.

The Manager maintains regular dialogue with institutional Shareholders, the feedback from which is reported to the Board. Shareholders who wish to communicate with the Board should contact the Administrator in the first instance.

Having reviewed the Financial Conduct Authority's restrictions on the retail distribution of non-mainstream pooled investments, the Company, after taking legal advice, announced on 15 January 2014 that it is outside the scope of those restrictions, so that its shares can continue to be recommended by UK authorised persons to ordinary retail investors.

Following the publication of the updated AIC Code in February 2019, when 20 per-cent or more of Shareholder votes have been cast against a Board recommendation for a resolution, the Company should explain, when announcing voting results, what actions it intends to take to consult Shareholders in order to understand the reasons behind the result. An update on the views received from shareholders and actions taken should be published no later than six months after the shareholder meeting. The Board should then provide a final summary in the annual report and, if applicable, in the explanatory notes to resolutions at the next shareholder meeting, on what impact the feedback has had on the decisions the Board has taken and any actions or resolutions now proposed. During the period, no resolution recommended by the Board received more than 20% of votes against it.

### SIGNIFICANT SHAREHOLDERS

As at 30 June 2020, the following Shareholders had significant shareholdings in the Company:

	TOTAL SHARES HELD	% HOLDING IN CLASS
<b>SIGNIFICANT SHAREHOLDERS</b>		
<b>STERLING SHARES</b>		
Ferlim Nominees Limited	2,695,241	18.26%
Rathbone Nominees Limited	1,625,817	11.01%
HSBC Global Custody Nominee (UK) Limited	1,443,027	9.77%
Pershing Nominees Limited	995,338	6.74%
Smith & Williamson Nominees Limited	745,149	5.05%
Lion Nominees Limited	732,188	4.96%
Roy Nominees Limited	556,560	3.77%
Nortrust Nominees Limited	479,678	3.25%

	TOTAL SHARES HELD	% HOLDING IN CLASS
<b>SIGNIFICANT SHAREHOLDERS</b>		
<b>US DOLLAR SHARES</b>		
Vidacos Nominees Limited	643,563	25.70%
Hero Nominees Limited	487,235	19.45%
The Bank of New York (Nominees) Limited	223,630	8.93%
Luna Nominees Limited	139,317	5.56%
Pershing Nominees Limited	89,042	3.56%

Signed on behalf of the Board by:

Colin Maltby  
Chairman

John Le Poidevin  
Director

25 August 2020



## STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS

We confirm to the best of our knowledge that:

- these Interim Unaudited Financial Statements have been prepared in conformity with United States Generally Accepted Accounting Principles and give a true and fair view of the assets, liabilities, financial position and profit or loss; and
- these Interim Unaudited Financial Statements include information detailed in the Chairman's Statement, the Directors' Report, the Manager's Report and the Notes to the Interim Unaudited Financial Statements, which provides a fair review of the information required by:
  - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on these Interim Unaudited Financial Statements and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last Annual Audited Financial Statements that could materially affect the financial position or performance of the Company.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board by:

**Colin Maltby**  
Chairman

**John Le Poidevin**  
Director

25 August 2020



# DIRECTORS' REMUNERATION REPORT

30 June 2020

## INTRODUCTION

An ordinary resolution for the approval of the Directors' Remuneration Report was passed by the Shareholders at the Annual General Meeting held on 25 June 2020.

## REMUNERATION POLICY

All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration. No advice or services were provided by any external person in respect of its consideration of the Directors' remuneration.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate Directors of a quality required to run the Company successfully. The Chairman of the Board is paid a higher fee in recognition of his additional responsibilities, as are the Chairs of the Audit Committee, the Management Engagement Committee and the Senior Independent Director. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to Directors of comparable companies.

There are no long term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. The Directors were appointed to the Board for an initial term of three years and Section 21.3 of the Company's Articles requires, as does the AIC Code, that all of the Directors retire at each Annual General Meeting. At the Annual General Meeting of the Company on 25 June 2020, Shareholders re-elected all the Directors. Director appointments can also be terminated in accordance with the Articles. Should Shareholders vote against a Director standing for re-election, the Director affected will not be entitled to any compensation. There are no set notice periods and a Director may resign by notice in writing to the Board at any time.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally.

No other remuneration or compensation was paid or payable by the Company during the period to any of the Directors apart from the reimbursement of allowable expenses.

## DIRECTORS' FEES

The Company's Articles limit the fees payable to Directors in aggregate to £400,000 per annum. Until 19 June 2019, the annual fees were £65,000 for Huw Evans, the Chairman, £47,500 for John Le Poidevin, the Chair of the Audit Committee, £45,000 for Claire Whittet, the Chair of the Management Engagement Committee, £45,000 for Colin Maltby as Senior Independent Director and £40,000 for all other Directors.

Between 20 June 2019 and 30 September 2019, annual fee levels remained the same as above, except for Colin Maltby, who was paid at the rate of £65,000 per annum after succeeding Huw Evans as Chairman and £47,500 per annum for Claire Whittet, who was appointed Senior Independent Director.

On 5 September 2019, the Board agreed to changes to the annual Director's fees, effective from 1 October 2019 onward. They were changed to £70,000 for Colin Maltby, the Chairman, £55,000 for John Le Poidevin, the Chair of the Audit Committee, £50,000 for Claire Whittet, as Chair of the Management Engagement Committee and the Senior Independent Director and £45,000 for all other Directors.

## DIRECTORS' REMUNERATION REPORT CONTINUED

### DIRECTORS' FEES (CONTINUED)

The fees payable by the Company in respect of each of the Directors who served during the period ended 30 June 2020, the year ended 31 December 2019 and the period ended 30 June 2019, were as follows:

	PERIOD ENDED 30.06.20 £	YEAR ENDED 31.12.19 £	PERIOD ENDED 30.06.19 £
Colin Maltby	35,000	56,854	23,104
Huw Evans*	N/A	*30,714	*30,714
Bronwyn Curtis**	**22,500	N/A	N/A
Richard Horlick***	22,500	***27,953	***6,703
John Le Poidevin	27,500	49,375	23,750
Claire Whittet	25,000	46,950	22,575
<b>TOTAL</b>	<b>132,500</b>	<b>211,846</b>	<b>106,846</b>

\* Huw Evans served as Chairman at a fee of £65,000 pa until his retirement from the Board on 20 June 2019.

\*\*Bronwyn Curtis was appointed on 1 January 2020 at a fee of £45,000 p.a.

\*\*\*Richard Horlick was appointed on 1 May 2019 at a fee of £40,000 p.a. until 30 September 2019 and £45,000 from 1 October 2019.

Signed on behalf of the Board by:

**Colin Maltby**  
Chairman

**John Le Poidevin**  
Director

25 August 2020

## MANAGER'S REPORT

Brevan Howard Capital Management LP ("BHCM" or the "Manager") is the manager of BH Macro Limited (the "Company") and of Brevan Howard Master Fund Limited (the "Master Fund"). The Company invests all of its assets (net of short-term working capital) in the ordinary shares of the Master Fund.

### PERFORMANCE REVIEW

The NAV per share of the USD shares of the Company appreciated by 21.97% in the first half of the year, while the NAV per share of the GBP shares appreciated by 21.59%.

The month-by-month NAV performance of each currency class of the Company since it commenced operations in 2007 is set out below.

GBP	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	–	–	0.11	0.83	0.17	2.28	2.55	3.26	5.92	0.04	3.08	0.89	20.67
2008	10.18	6.85	(2.61)	(2.33)	0.95	2.91	1.33	1.21	(2.99)	2.84	4.23	(0.67)	23.25
2009	5.19	2.86	1.18	0.05	3.03	(0.90)	1.36	0.66	1.55	1.02	0.40	0.40	18.00
2010	(0.23)	(1.54)	0.06	1.45	0.36	1.39	(1.96)	1.23	1.42	(0.35)	(0.30)	(0.45)	1.03
2011	0.66	0.52	0.78	0.51	0.59	(0.56)	2.22	6.24	0.39	(0.73)	1.71	(0.46)	12.34
2012	0.90	0.27	(0.37)	(0.41)	(1.80)	(2.19)	2.38	1.01	1.95	(0.35)	0.94	1.66	3.94
2013	1.03	2.43	0.40	3.42	(0.08)	(2.95)	(0.80)	(1.51)	0.06	(0.55)	1.36	0.41	3.09
2014	(1.35)	(1.10)	(0.34)	(0.91)	(0.18)	(0.09)	0.82	0.04	4.29	(1.70)	0.96	(0.04)	0.26
2015	3.26	(0.58)	0.38	(1.20)	0.97	(0.93)	0.37	(0.74)	(0.63)	(0.49)	2.27	(3.39)	(0.86)
2016	0.60	0.70	(1.78)	(0.82)	(0.30)	3.31	(0.99)	(0.10)	(0.68)	0.80	5.05	0.05	5.79
2017	(1.54)	1.86	(2.95)	0.59	(0.68)	(1.48)	1.47	0.09	(0.79)	(0.96)	0.09	(0.06)	(4.35)
2018	2.36	(0.51)	(1.68)	1.01	8.19	(0.66)	0.82	0.79	0.04	1.17	0.26	0.31	12.43
2019	0.52	(0.88)	2.43	(0.60)	3.53	3.82	(0.78)	1.00	(1.94)	0.47	(1.22)	1.52	7.98
2020	(1.42)	5.49	18.31	0.19	(0.85)	(0.53)							21.59

USD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2007	–	–	0.10	0.90	0.15	2.29	2.56	3.11	5.92	0.03	2.96	0.75	20.27
2008	9.89	6.70	(2.79)	(2.48)	0.77	2.75	1.13	0.75	(3.13)	2.76	3.75	(0.68)	20.32
2009	5.06	2.78	1.17	0.13	3.14	(0.86)	1.36	0.71	1.55	1.07	0.37	0.37	18.04
2010	(0.27)	(1.50)	0.04	1.45	0.32	1.38	(2.01)	1.21	1.50	(0.33)	(0.33)	(0.49)	0.91
2011	0.65	0.53	0.75	0.49	0.55	(0.58)	2.19	6.18	0.40	(0.76)	1.68	(0.47)	12.04
2012	0.90	0.25	(0.40)	(0.43)	(1.77)	(2.23)	2.36	1.02	1.99	(0.36)	0.92	1.66	3.86
2013	1.01	2.32	0.34	3.45	(0.10)	(3.05)	(0.83)	(1.55)	0.03	(0.55)	1.35	0.40	2.70
2014	(1.36)	(1.10)	(0.40)	(0.81)	(0.08)	(0.06)	0.85	0.01	3.96	(1.73)	1.00	(0.05)	0.11
2015	3.14	(0.60)	0.36	(1.28)	0.93	(1.01)	0.32	(0.78)	(0.64)	(0.59)	2.36	(3.48)	(1.42)
2016	0.71	0.73	(1.77)	(0.82)	(0.28)	3.61	(0.99)	(0.17)	(0.37)	0.77	5.02	0.19	6.63
2017	(1.47)	1.91	(2.84)	3.84	(0.60)	(1.39)	1.54	0.19	(0.78)	(0.84)	0.20	0.11	(0.30)
2018	2.54	(0.38)	(1.54)	1.07	8.41	(0.57)	0.91	0.90	0.14	1.32	0.38	0.47	14.16
2019	0.67	(0.70)	2.45	(0.49)	3.55	3.97	(0.66)	1.12	(1.89)	0.65	(1.17)	1.68	9.38
2020	(1.25)	5.39	18.40	0.34	(0.82)	(0.54)							21.97

Source: Master Fund NAV data is provided by the administrator of the Master Fund, International Fund Services (Ireland) Limited ("IFS"). The Company's NAV and NAV per Share data is provided by the Company's administrator, Northern Trust International Fund Administration Services (Guernsey) Limited. Company NAV per Share % monthly change is calculated by the Manager. Company NAV data is unaudited and net of all investment management and all other fees and expenses payable by the Company. In addition, the Master Fund is subject to an operational services fee.

With effect from 1 April 2017, the management fee is 0.5% per annum. The Company's investment in the Fund is subject to an operational services fee of 0.5% per annum. No management fee or operational services fee is charged in respect of performance related growth of NAV for each class of share in excess of its level on 1 April 2017 as if the tender offer commenced by the Company on 27 January 2017 had completed on 1 April 2017.

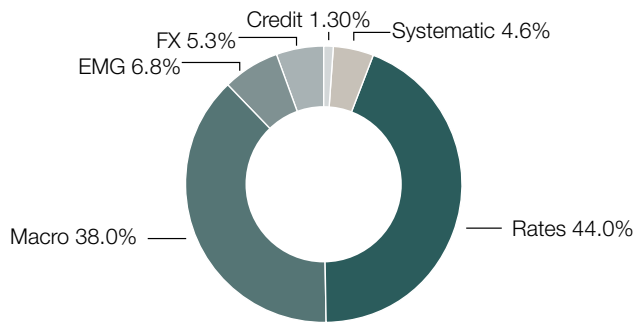
NAV performance is provided for information purposes only. Shares in the Company do not necessarily trade at a price equal to the prevailing NAV per Share.

Data as at 30 June 2020.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

## MANAGER'S REPORT CONTINUED

### Strategy Group Exposure (% of capital allocation\*)



Source: BHCM, as at 30 June 2020. Data may not sum to 100% due to rounding.

\* Capital allocations are subject to change.

The above strategies are categorised as follows:

“Systematic”: rules-based futures trading

“Rates”: developed interest rates markets

“Macro”: multi-asset global markets, mainly directional (for the Master Fund, the majority of risk in this category is in rates)

“EMG”: global emerging markets

“FX”: global FX forwards and options

**PERFORMANCE REVIEW (CONTINUED)**

Quarterly and annual contribution (%) to the performance of the Company's USD Shares (net of fees and expenses) by asset class\*

	RATES	FX	COMMODITY	CREDIT	EQUITY	DISCOUNT MANAGEMENT	TOTAL
Q1 2020	19.04	0.12	0.26	1.62	2.11	0.00	23.22
Q2 2020	(0.27)	(2.18)	0.70	0.82	(0.16)	0.10	(1.01)
YTD 2020	18.71	(2.07)	0.96	2.46	1.94	0.10	21.97

\* Data as at 30 June 2020

Quarterly and annual figures are calculated by BHCM as at 30 June 2020, based on performance data for each period provided by the Company's administrator, Northern Trust. Figures rounded to two decimal places.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

**Methodology and Definition of Contribution to Performance:**

Attribution by asset class is produced at the instrument level, with adjustments made based on risk estimates.

The above asset classes are categorised as follows:

"Rates": interest rates markets

"FX": FX forwards and options

"Commodity": commodity futures and options

"Credit": corporate and asset-backed indices, bonds and CDS

"Equity": equity markets including indices and other derivatives

"Discount Management": buyback activity or sales of shares from treasury

**PERFORMANCE AND ECONOMIC OUTLOOK COMMENTARY**

Global growth had been on a slowing trajectory through 2019 and, as we entered 2020, the Master Fund was positioned in anticipation of potential easing by the U.S. Federal Reserve ("Fed") with the view that the market was underappreciating the potential for policy action. As the COVID-19 crisis began to unfold in February, we anticipated that it would cause unprecedented economic devastation and equally unprecedented fiscal and monetary policy responses. In the event, the global economy is estimated to have contracted by as much as in the first year of the Great Depression and by more than in the Great Financial Crisis. In response, most countries delivered sizable fiscal relief, while most central banks cut rates to nearly zero, restarted quantitative easing, and rolled out a wide variety of ambitious lending programs — measures that provided a safety net for stocks and credit. During this period, the Master Fund added to directional and relative value strategies across a range of global interest rate markets. The Fed was forced into making two emergency cuts totalling 150bps and risk markets fell sharply. Gains over this period came from a range of strategies including directional trading of US and global interest rates, spread trading in European government bonds, LIBOR-basis and option volatility positioning as well as from directional and option strategies in equity, credit, oil and precious metals. Moving into the second quarter, gains were crystallised, risk levels reduced, and the Master Fund adopted a less directional and more tactical approach. Some gains were generated from recovery trades in credit markets and commodities although these were offset by modest losses in rates and FX.

## MANAGER'S REPORT CONTINUED

### PERFORMANCE AND ECONOMIC OUTLOOK COMMENTARY (CONTINUED)

Looking forward, financial assets are expensive by many standard metrics. So long as a V-shaped recovery in risky assets fails to create a V-shaped recovery in economic activity, this tension is a recipe for increased volatility. In the past, a gap like this between ebullient market pricing and sobering fundamentals has sometimes presaged abrupt non-linear adjustments. But since interest rates are constrained by the zero lower bound and credit spreads have been explicitly underwritten by major central banks, volatility will have to show up in other asset classes. Currencies and traditional hedges like precious metals may act as a barometer of the success or failure of policy responses to restore economic normalcy. The November presidential election is one specific focus. Joe Biden recently declared that "it's way past time to put an end to the era of shareholder capitalism." If the Democrats sweep the White House and Congress, the outlook for US Dollar assets will come under increased scrutiny.

Brevan Howard wishes to thank shareholders once again for their continued support.

Brevan Howard Capital Management LP,  
acting by its sole general partner,  
Brevan Howard Capital Management Limited.

25 August 2020

# INDEPENDENT REVIEW REPORT TO BH MACRO LIMITED

## CONCLUSION

We have been engaged by BH Macro Limited (the "Company") to review the Interim Unaudited Financial Statements in the half-yearly financial report for the six months ended 30 June 2020 of the Company which comprises the Unaudited Statement of Assets and Liabilities, the Unaudited Statement of Operations, the Unaudited Statement of Changes in Net Assets, the Unaudited Statement of Cash Flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the financial statements for the period ended 30 June 2020 do not give a true and fair view of the financial position of the Company as at 30 June 2020 and of its financial performance and its cash flows for the six month period then ended in conformity with U.S generally accepted accounting principles and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the unaudited financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## DIRECTORS' RESPONSIBILITIES

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The Financial Statements included in this half-yearly financial report have been prepared in conformity with U.S generally accepted accounting principles.

## OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the Interim Unaudited Financial Statements included in the half-yearly financial report based on our review.

## THE PURPOSE OF OUR REVIEW WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company in accordance with the terms of our engagement letter to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

**Barry Ryan**

for and on behalf of KPMG Channel Islands Limited  
Chartered Accountants, Guernsey

25 August 2020

# UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

As at 30 June 2020

	30.06.20 (UNAUDITED) US\$'000	31.12.19 (AUDITED) US\$'000	30.06.19 (UNAUDITED) US\$'000
<b>ASSETS</b>			
Investment in the Master Fund	685,908	558,606	556,516
Share issue proceeds receivable	2,050	–	–
Master Fund redemption proceeds receivable	–	11,433	–
Prepaid expenses	74	46	87
Cash and bank balances denominated in Sterling	940	522	511
Cash and bank balances denominated in US Dollars	169	172	140
<b>TOTAL ASSETS</b>	<b>689,141</b>	<b>570,779</b>	<b>557,254</b>
<b>LIABILITIES</b>			
Performance fees payable (note 4)	28,347	10,505	11,389
Management fees payable (note 4)	189	394	187
Accrued expenses and other liabilities	122	91	119
Directors' fees payable	–	–	29
Administration fees payable (note 4)	28	24	23
<b>TOTAL LIABILITIES</b>	<b>28,686</b>	<b>11,014</b>	<b>11,747</b>
<b>NET ASSETS</b>	<b>660,455</b>	<b>559,765</b>	<b>545,507</b>
<b>NUMBER OF SHARES IN ISSUE (NOTE 5)</b>			
Sterling shares	14,764,356	14,310,040	14,353,937
US Dollar shares	2,504,557	2,442,057	2,391,955
<b>NET ASSET VALUE PER SHARE (NOTES 7 AND 9)</b>			
Sterling shares	£31.68	£26.06	£26.32
US Dollar shares	US\$32.92	US\$26.99	US\$27.07

See accompanying Notes to the Interim Unaudited Financial Statements.

Signed on behalf of the Board by:

**Colin Maltby**  
Chairman

**John Le Poidevin**  
Director

25 August 2020



## UNAUDITED STATEMENT OF OPERATIONS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 30.06.20 (UNAUDITED) US\$'000	01.01.19 31.12.19 (AUDITED) US\$'000	01.01.19 30.06.19 (UNAUDITED) US\$'000
<b>NET INVESTMENT LOSS ALLOCATED FROM THE MASTER FUND</b>			
Interest income	737	22,303	11,740
Dividend and other income (net of withholding tax: 30 June 2020 US\$52,917; 31 December 2019: US\$34,677; 30 June 2019: US\$11,223)	13	88	1,972
Expenses	(3,434)	(27,628)	(15,603)
<b>NET INVESTMENT LOSS ALLOCATED FROM THE MASTER FUND</b>	<b>(2,684)</b>	<b>(5,237)</b>	<b>(1,891)</b>
<b>COMPANY INCOME</b>			
Fixed deposit income	–	1	1
Foreign exchange gains (note 3)	–	18,544	–
<b>TOTAL COMPANY INCOME</b>	<b>–</b>	<b>18,545</b>	<b>1</b>
<b>COMPANY EXPENSES</b>			
Performance fees (note 4)	29,029	10,196	11,551
Management fees (note 4)	1,151	2,281	1,142
Other expenses	239	469	231
Directors' fees	157	271	138
Administration fees (note 4)	53	94	47
Foreign exchange losses (note 3)	35,867	–	1,074
<b>TOTAL COMPANY EXPENSES</b>	<b>66,496</b>	<b>13,311</b>	<b>14,183</b>
<b>NET INVESTMENT LOSS</b>	<b>(69,180)</b>	<b>(3)</b>	<b>(16,073)</b>
<b>NET REALISED AND UNREALISED GAIN ON INVESTMENTS ALLOCATED FROM THE MASTER FUND</b>			
Net realised gain on investments	61,798	8,371	54
Net unrealised gain on investments	88,201	51,094	61,223
<b>NET REALISED AND UNREALISED GAIN ON INVESTMENTS ALLOCATED FROM THE MASTER FUND</b>	<b>149,999</b>	<b>59,465</b>	<b>61,277</b>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>80,819</b>	<b>59,462</b>	<b>45,204</b>

See accompanying Notes to the Interim Unaudited Financial Statements.

## UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 30.06.20 (UNAUDITED) US\$'000	01.01.19 31.12.19 (AUDITED) US\$'000	01.01.19 30.06.19 (UNAUDITED) US\$'000
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>			
Net investment loss	(69,180)	(3)	(16,073)
Net realised gain on investments allocated from the Master Fund	61,798	8,371	54
Net unrealised gain on investments allocated from the Master Fund	88,201	51,094	61,223
	80,819	59,462	45,204
<b>SHARE CAPITAL TRANSACTIONS</b>			
<b>PROCEEDS ON ISSUE OF SHARES FROM TREASURY</b>			
Sterling shares	17,098	–	–
US Dollar shares	2,773	–	–
<b>TOTAL SHARE CAPITAL TRANSACTIONS</b>	<b>19,871</b>	<b>–</b>	<b>–</b>
<b>NET INCREASE IN NET ASSETS</b>	<b>100,690</b>	<b>59,462</b>	<b>45,204</b>
<b>NET ASSETS AT THE BEGINNING OF THE PERIOD/YEAR</b>	<b>559,765</b>	<b>500,303</b>	<b>500,303</b>
<b>NET ASSETS AT THE END OF THE PERIOD/YEAR</b>	<b>660,455</b>	<b>559,765</b>	<b>545,507</b>

See accompanying Notes to the Interim Unaudited Financial Statements.

## UNAUDITED STATEMENT OF CASH FLOWS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 30.06.20 (UNAUDITED) US\$'000	01.01.19 31.12.19 (AUDITED) US\$'000	01.01.19 30.06.19 (UNAUDITED) US\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net increase in net assets resulting from operations	80,819	59,462	45,204
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:			
Net investment loss allocated from the Master Fund	2,684	5,237	1,891
Net realised gain on investments allocated from the Master Fund	(61,798)	(8,371)	(54)
Net unrealised gain on investments allocated from the Master Fund	(88,201)	(51,094)	(61,223)
Decrease/(increase) in Master Fund redemption proceeds receivable	11,433	(11,433)	–
Purchase of investment in the Master Fund	(16,771)	–	–
Proceeds from sale of investment in the Master Fund	125	15,055	2,237
Foreign exchange losses/(gains)	35,867	(18,544)	1,074
(Increase)/decrease in prepaid expenses	(28)	18	(23)
Increase in performance fees payable	17,842	4,821	5,705
(Decrease)/increase in management fees payable	(205)	191	(16)
Increase/(decrease) in accrued expenses and other liabilities	31	(2)	26
Increase in Directors' fees payable	–	–	29
Increase/(decrease) in administration fees payable	4	–	(1)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(18,198)</b>	<b>(4,660)</b>	<b>(5,151)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issue	17,821	–	–
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>17,821</b>	<b>–</b>	<b>–</b>
<b>CHANGE IN CASH</b>	<b>(377)</b>	<b>(4,660)</b>	<b>(5,151)</b>
<b>CASH, BEGINNING OF THE PERIOD/YEAR</b>	<b>694</b>	<b>5,676</b>	<b>5,676</b>
Effect of exchange rate fluctuations	792	(322)	126
<b>CASH, END OF THE PERIOD/YEAR</b>	<b>1,109</b>	<b>694</b>	<b>651</b>
<b>CASH, END OF THE PERIOD/YEAR</b>			
Cash and bank balances denominated in Sterling <sup>1</sup>	940	522	511
Cash and bank balances denominated in US Dollars	169	172	140
	<b>1,109</b>	<b>694</b>	<b>651</b>
<sup>1</sup> Cash and bank balances in Sterling (GBP'000)	761	394	403

See accompanying Notes to the Interim Unaudited Financial Statements.

# NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2020 to 30 June 2020

## 1. THE COMPANY

BH Macro Limited is a limited liability closed-ended investment company which was incorporated in Guernsey on 17 January 2007 and then admitted to the Official List of the London Stock Exchange ("LSE") later that year.

Currently, ordinary shares are issued in Sterling and US Dollars.

## 2. ORGANISATION

The Company is organised as a feeder fund and seeks to achieve its investment objective by investing all of its investable assets, net of short-term working capital requirements, in the ordinary Sterling and US Dollar denominated Class B shares issued by Brevan Howard Master Fund Limited (the "Master Fund") and, as such, the Company is directly and materially affected by the performance and actions of the Master Fund.

The Master Fund is an open-ended investment company with limited liability formed under the laws of the Cayman Islands on 22 January 2003. The investment objective of the Master Fund is to generate consistent long-term appreciation through active leveraged trading and investment on a global basis. The Master Fund employs a combination of investment strategies that focus primarily on economic change and monetary policy and market inefficiencies. The underlying philosophy is to construct strategies, often contingent in nature with superior risk/return profiles, whose outcome will often be crystallised by an expected event occurring within a pre-determined period of time. New trading strategies will be added as investment opportunities present themselves.

As such, the Interim Unaudited Financial Statements of the Company should be read in conjunction with the Interim Unaudited Financial Statements of the Master Fund which can be found on the Company's website, [www.bhmacro.com](http://www.bhmacro.com).

At the date of these Interim Unaudited Financial Statements, there were two other feeder funds in operation in addition to the Company that invest all of their assets (net of working capital) in the Master Fund. Furthermore, Brevan Howard Multi-Strategy Master Fund Limited, another fund managed by the Manager, invests some of its assets in the Master Fund as at the date of these Financial Statements.

Off-Balance Sheet, market and credit risks of the Master Fund's investments and activities are discussed in the notes to the Master Fund's Interim Unaudited Financial Statements. The Company's investment in the Master Fund exposes it to various types of risk, which are associated with the financial instruments and markets in which the Brevan Howard underlying funds invest.

Market risk represents the potential loss in value of financial instruments caused by movements in market factors including, but not limited to, market liquidity, investor sentiment and foreign exchange rates.

### The Manager

Brevan Howard Capital Management LP (the "Manager") is the Manager of the Company. The Manager is a Jersey Limited Partnership, the general partner of which is Brevan Howard Capital Management Limited, a Jersey Limited Company (the "General Partner"). The General Partner is regulated in the conduct of fund services business by the Jersey Financial Services Commission pursuant to the Financial Services (Jersey) Law 1998 and the Orders made thereunder.

The Manager also manages the Master Fund and in that capacity, as at the date of these Financial Statements, has delegated the function of investment management of the Master Fund to Brevan Howard Asset Management LLP, Brevan Howard (Hong Kong) Limited, Brevan Howard Investment Products Limited, Brevan Howard US Investment Management LP, Brevan Howard Private Limited, DW Partners, LP and BH-DG Systematic Trading LLP.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The Interim Unaudited Financial Statements, which give a true and fair view, are prepared in conformity with United States Generally Accepted Accounting Principles and comply with the Companies (Guernsey) Law, 2008. The functional and reporting currency of the Company is US Dollars.

As further described in the Directors' Report, these Interim Unaudited Financial Statements have been prepared using the going concern basis of accounting.

The Board continues to monitor the ongoing impacts of the COVID-19 pandemic and has concluded that the biggest threat to the Company with regards to this pandemic is the failure for a key service provider to maintain business continuity and resiliency while maintaining work from home and social distancing practices. The Board has assessed the measures in place by key service providers to produce business continuity and so far has not identified any significant issues that affect the Company. The financial impact of the Company has not been negatively impacted by the pandemic either. For these reasons, the Board is confident that the outbreak of COVID-19 has not impacted the going concern assessment of the Company.

The Company is an Investment Entity which has applied the provisions of Accounting Standards Codification ("ASC") 946.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following are the significant accounting policies adopted by the Company:

#### Valuation of investments

The Company records its investment in the Master Fund at fair value. Fair value is determined as the Company's proportionate share of the Master Fund's capital, which approximates fair value. At 30 June 2020, the Company is the sole investor in the Master Fund's ordinary Sterling and US Dollar Class B shares as disclosed below. Within the table below, the investment in each share class in the Master Fund is included, with the overall total investment shown in the Interim Unaudited Statement of Assets and Liabilities.

	PERCENTAGE OF MASTER FUND'S CAPITAL	NAV PER SHARE (CLASS B)	SHARES HELD IN THE MASTER FUND (CLASS B)	INVESTMENT IN MASTER FUND CCY '000	INVESTMENT IN MASTER FUND US\$'000
<b>30 JUNE 2020</b>					
Sterling	15.54%	£4,679.89	103,758	£485,575	600,001
US Dollar	2.23%	\$4,640.27	18,511	\$85,907	85,907
					<b>685,908</b>
<b>31 DECEMBER 2019</b>					
Sterling	16.27%	£3,674.06	101,291	£372,147	492,872
US Dollar	2.17%	\$3,635.03	18,082	\$65,734	65,734
					<b>558,606</b>
<b>30 JUNE 2019</b>					
Sterling	19.21%	£3,708.11	103,903	£385,282	490,368
US Dollar	2.59%	\$3,638.71	18,179	\$66,148	66,148
					<b>556,516</b>

ASC Topic 820 defines fair value as the price that the Company would receive upon selling a security in an orderly transaction to an independent buyer in the principal or most advantageous market of the security.

The valuation and classification of securities held by the Master Fund is discussed in the notes to the Master Fund's Interim Unaudited Financial Statements which are available on the Company's website, [www.bhmacro.com](http://www.bhmacro.com).

#### Income and expenses

The Company records monthly its proportionate share of the Master Fund's income, expenses and realised and unrealised gains and losses. In addition, the Company accrues its own income and expenses.

#### Use of estimates

The preparation of Financial Statements in conformity with United States Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of those Financial Statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

# NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Leverage

The Manager has discretion, subject to the prior approval of a majority of the independent Directors, to employ leverage for and on behalf of the Company by way of borrowings to effect share purchases or share buy-backs, to satisfy working capital requirements and to finance further investments in the Master Fund.

The Company may borrow up to 20% of its NAV, calculated as at the time of borrowing. Additional borrowing over 20% of NAV may only occur if approved by an ordinary resolution of the Shareholders.

### Foreign exchange

Investment securities and other assets and liabilities of the Sterling share class are translated into US Dollars, the Company's reporting currency, using exchange rates at the reporting date. Transactions reported in the Interim Unaudited Statement of Operations are translated into US Dollar amounts at the date of such transactions. The share capital and other capital reserve accounts are translated at the historic rate ruling at the date of the transaction. Exchange differences arising on translation are included in the Interim Unaudited Statement of Operations. This adjustment has no effect on the value of net assets allocated to the individual share classes.

### Cash and bank balances

Cash and bank balances comprise demand deposits.

### Allocation of results of the Master Fund

Net realised and unrealised gains/losses of the Master Fund are allocated to the Company's share classes based upon the percentage ownership of the equivalent Master Fund class.

### Treasury shares

Where the Company has purchased its own share capital, the consideration paid, which includes any directly attributable costs, has been recognised as a deduction from equity Shareholders' funds through the Company's reserves.

If such shares were to be subsequently sold or reissued to the market, any consideration received, net of any directly attributable incremental transaction costs, would be recognised as an increase in equity Shareholders' funds through the share capital account. Where the Company cancels treasury shares, no further adjustment is required to the share capital account of the Company at the time of cancellation. Shares held in treasury are excluded from calculations when determining NAV per share as detailed in note 7 and in the Financial Highlights in note 9.

Refer to note 8 for details of the purchases by the Company of its share capital.

### New Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-13, Fair Value Measurements (Topic 820): Changes to the Disclosure Requirements for Fair Value Measurements. ASU 2018-13 eliminates the requirement to disclose (i) transfers between Level 1 and Level 2 of the fair value hierarchy, (ii) the policy for timing of transfers between levels, (iii) valuation processes and (iv) for non public entities, changes in unrealised gains/losses for the year included in earnings for recurring Level 3 fair value measurements. The ASU also modifies existing disclosure requirements for the roll forward of Level 3 fair value measurements as well as disclosures of the timing of liquidating distributions from portfolio investments. The amendments are effective for annual periods beginning after 15 December 2019 with early adoption permitted. The Company has adopted ASU 2018-13 and it has not had a material impact on the Interim Unaudited Financial Statements.

#### 4. MANAGEMENT, PERFORMANCE AND ADMINISTRATION AGREEMENTS

##### Management and performance fee

The Company has entered into a Management Agreement with the Manager to manage the Company's investment portfolio. The management fee charged by the Company is reduced by the Company's share of management fees incurred by the Master Fund through any underlying investments of the Master Fund that share the same manager as the Company. The management fee charged is 1/12 of 0.5% per month of the NAV. The investment in the Class B shares of the Master Fund is not subject to management fees, but is subject to an operational services fee payable to the Manager of 1/12 of 0.5% per month of the NAV.

The Manager does not charge the Company a management fee in respect of any increase in the NAV of each class of shares in excess of its level on 1 April 2017, as if the Company's 2017 tender offer had completed on that date, resulting from performance or any own share purchases or redemptions. The Company's investment in the Master Fund also does not bear an operational services fee in respect of performance related growth in its investment in the Master Fund.

During the period ended 30 June 2020, US\$1,151,380 (31 December 2019: US\$2,281,263 and 30 June 2019: US\$1,142,073) was earned by the Manager as net management fees. At 30 June 2020, US\$189,460 (31 December 2019: US\$394,432 and 30 June 2019: US\$186,656) of the fee remained outstanding.

The Manager is also entitled to an annual performance fee for both share classes. The performance fee is equal to 20% of the appreciation in the NAV per share of that class during that calculation period which is above the base NAV per share of that class, other than that arising to the remaining shares of the relevant class from any repurchase, redemption or cancellation of any share in the calculation period. The base NAV per share is the greater of the NAV per share of the relevant class at the time of issue of such share and the highest NAV per share achieved as at the end of any previous calculation period.

The Manager will be paid an estimated performance fee on the business day preceding the last business day of each calculation period. Within 5 business days of the publication of the final NAV of each class of shares as at the end of the calculation period, any difference between the actual performance fee and the estimated amount will be paid to or refunded by the Manager, as appropriate. Any accrued performance fee in respect of shares which are converted into another share class prior to the date on which the performance fee would

otherwise have become payable in respect of those shares will crystallise and become payable on the date of such conversion. The performance fee is accrued on an ongoing basis and is reflected in the Company's published NAV. During the period ended 30 June 2020, US\$29,028,694 (31 December 2019: US\$10,196,480 and 30 June 2019: US\$11,551,492) was earned by the Manager as performance fees. At 30 June 2020, US\$28,346,851 (31 December 2019: US\$10,504,617 and 30 June 2019: US\$11,389,377) of the fee remained outstanding.

The Master Fund may hold investments in other funds managed by the Manager. To ensure that Shareholders of the Company are not subject to two tiers of fees, the fees paid to the Manager as outlined above are reduced by the Company's share of any fees paid to the Manager by the underlying Master Fund investments, managed by the Manager.

The Management Agreement may be terminated by either party giving the other party not less than 3 months' written notice. In certain circumstances, the Company will be obliged to pay compensation to the Manager of the aggregate management fees which would otherwise have been payable during the 3 months following the date of such notice and the aggregate of any accrued performance fee in respect of the current calculation period. Compensation is not payable if more than 3 months' notice of termination is given.

The notice period for termination of the Management Agreement without cause by both the Company and the Manager was reduced from 24 months to 3 months, with effect from 1 April 2019.

##### Administration fee

The Company has appointed Northern Trust International Fund Administration Services (Guernsey) Limited as Administrator and Corporate Secretary. The Administrator is paid fees based on the NAV of the Company, payable quarterly in arrears. The fee is at a rate of 0.015% of the average month end NAV of the Company, subject to a minimum fee of £67,500 per annum. In addition to the NAV based fee, the Administrator is also entitled to an annual fee of £6,000 (31 December 2019 and 30 June 2019: £6,000) for certain additional administration services. The Administrator is entitled to be reimbursed for out-of-pocket expenses incurred in the course of carrying out its duties as Administrator. During the period ended 30 June 2020, US\$53,119 (31 December 2019: US\$94,049 and 30 June 2019: US\$ 47,171) was earned by the Administrator as administration fees. The amounts outstanding are disclosed on the Unaudited Statement of Assets and Liabilities.

## NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

### 5. SHARE CAPITAL

#### Issued and authorised share capital

The Company has the power to issue an unlimited number of ordinary shares with no par value and an unlimited number of shares with a par value. Shares may be divided into at least two classes denominated in Sterling and US Dollar. Further issue of shares may be made in accordance with the Articles. Shares may be issued in differing currency classes of ordinary redeemable shares including C shares. The treasury shares have arisen as a result of the discount management programme as described in note 8. The tables below show the movement in ordinary and treasury shares.

For the period from 1 January 2020 to 30 June 2020

	STERLING SHARES	US DOLLAR SHARES
<b>NUMBER OF ORDINARY SHARES</b>		
In issue at 1 January 2020	14,310,040	2,442,057
Share conversions	15,867	(18,500)
Sale of shares from Treasury	438,449	81,000
<b>IN ISSUE AT 30 JUNE 2020</b>	<b>14,764,356</b>	<b>2,504,557</b>
<b>NUMBER OF TREASURY SHARES</b>		
In issue at 1 January 2020	1,450,652	331,228
Sale of shares from Treasury	(438,449)	(81,000)
In issue at 30 June 2020	1,012,203	250,228
<b>PERCENTAGE OF CLASS</b>	<b>6.42%</b>	<b>9.08%</b>

For the year ended to 31 December 2019

	STERLING SHARES	US DOLLAR SHARES
<b>NUMBER OF ORDINARY SHARES</b>		
In issue at 1 January 2019	14,136,242	2,664,541
Share conversions	173,798	(222,484)
<b>In issue at 31 December 2019</b>	<b>14,310,040</b>	<b>2,442,057</b>
<b>NUMBER OF TREASURY SHARES</b>		
In issue at 1 January 2019 and 31 December 2019	1,450,652	331,228
<b>PERCENTAGE OF CLASS</b>	<b>9.20%</b>	<b>11.94%</b>



**5. SHARE CAPITAL (CONTINUED)**

For the period from 1 January 2019 to 30 June 2019

	STERLING SHARES	US DOLLAR SHARES
<b>NUMBER OF ORDINARY SHARES</b>		
In issue at 1 January 2019	14,136,242	2,664,541
Share conversions	217,695	(272,586)
In issue at 30 June 2019	14,353,937	2,391,955
<b>NUMBER OF TREASURY SHARES</b>		
In issue at 1 January 2019 and 30 June 2019	1,450,652	331,228
<b>PERCENTAGE OF CLASS</b>	<b>9.18%</b>	<b>12.16%</b>

**Share classes**

In respect of each class of shares, a separate class account has been established in the books of the Company. An amount equal to the aggregate proceeds of issue of each share class has been credited to the relevant class account. Any increase or decrease in the NAV of the Master Fund US Dollar shares and Master Fund Sterling shares as calculated by the Master Fund is allocated to the relevant class account in the Company. Each class account is allocated those costs, prepaid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to a particular class.

**Voting rights of shares**

Ordinary shares carry the right to vote at general meetings of the Company and to receive any dividends attributable to the ordinary shares as a class declared by the Company and, in a winding-up will be entitled to receive, by way of capital, any surplus assets of the Company attributable to the ordinary shares as a class in proportion to their holdings remaining after settlement of any outstanding liabilities of the Company.

As prescribed in the Company's Articles, the different classes of ordinary shares have different values attributable to their votes. The attributed values have been calculated on the basis of the Weighted Voting Calculation (as described in the Articles) which takes into account the prevailing exchange rates on the date of initial issue of ordinary shares. On a vote, a single US Dollar ordinary share has 0.7606 votes and a single Sterling ordinary share has 1.4710 votes.

Treasury shares do not have any voting rights.

**Repurchase of ordinary shares**

Under the Company's Articles, Shareholders of a class of shares have the ability to call for repurchase of that class of shares in certain circumstances. See note 8 for further details.

**Further issue of shares**

As approved by the Shareholders at the Annual General Meeting held on 25 June 2020, the Directors have the power to issue further shares totalling and 1,476,952 Sterling shares and 249,841 US Dollar shares, respectively and, as described in the Company's announcement. This power expires fifteen months after the passing of the resolution or on the conclusion of the next Annual General Meeting of the Company, whichever is earlier, unless such power is varied, revoked or renewed prior to that Meeting by a resolution of the Company in general meeting.

**Distributions**

The Master Fund has not previously paid dividends to its investors. This does not prevent the Directors of the Company from declaring a dividend at any time in the future if the Directors consider payment of a dividend to be appropriate in the circumstances. If the Directors declare a dividend, such dividend will be paid on a per class basis.

# NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

## 5. SHARE CAPITAL (CONTINUED)

As announced on 15 January 2014, the Company intends to be operated in such a manner to ensure that its shares are not categorised as non-mainstream pooled investments. This may mean that the Company may pay dividends in respect of any income that it receives or is deemed to receive for UK tax purposes so that it would qualify as an investment trust if it were UK tax-resident.

Further, the Company will first apply any such income in payment of its management and performance fees.

Treasury shares are not entitled to distributions.

### Share conversion scheme

The Company has implemented a share conversion scheme. The scheme provides Shareholders with the ability to convert some or all of their ordinary shares in the Company of one class into ordinary shares of the other class. Shareholders are able to convert ordinary shares on the last business day of every month. Each conversion will be based on the NAV (note 7) of the shares of the class to be converted.

## 6. TAXATION

### Overview

The Company is exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989.

### Uncertain tax positions

The Company recognises the tax benefits of uncertain tax positions only where the position is more-likely-than-not (i.e. greater than 50%), to be sustained assuming examination by a tax authority based on the technical merits of the position. In evaluating whether a tax position has met the recognition threshold, the Company must presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognise in the Company's Interim Unaudited Financial Statements. Income tax and related interest and penalties would be recognised by the Company as tax expense in the Unaudited Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold.

The Company analyses all open tax years for all major taxing jurisdictions. Open tax years are those that are open for examination by taxing authorities, as defined by the Statute of Limitations in each jurisdiction. The Company identifies its major tax jurisdictions as: Guernsey; the Cayman Islands; and foreign

jurisdictions where the Company makes significant investments. The Company has no examinations by tax authorities in progress.

The Directors have analysed the Company's tax positions, and have concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, the Directors are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

## 7. PUBLICATION AND CALCULATION OF NET ASSET VALUE ("NAV")

The NAV of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class will be calculated by dividing the NAV of the relevant class account by the number of shares of the relevant class in issue on that day.

The Company publishes the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by the Master Fund, monthly in arrears, as at each month-end.

The Company also publishes an estimate of the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by the Master Fund, weekly in arrears.

## 8. DISCOUNT MANAGEMENT PROGRAMME

The Company has previously implemented a number of methods in order to seek to manage any discount to NAV at which the Company's shares trade.

### Market purchases

Until October 2016, the Company regularly utilised its ability to make market purchases of its shares as part of the discount management programme. The purchase of these shares was funded by the Company redeeming underlying shares in the Master Fund. The number of shares held in treasury as at 30 June 2020 is disclosed in note 5.

However, following the completion of the Tender Offer in April 2017, the Company was not permitted to redeem its investment in the Master Fund to finance own-share purchases before 1 April 2019. For much of the period since that date, the Company's shares have traded at a premium or minimal discount to NAV. However, if the Company's shares were again to trade at wide or volatile discounts to NAV in the future, it would be the Board's intention to consider resuming market purchases of shares.

**8. DISCOUNT MANAGEMENT PROGRAMME (CONTINUED)**

The following table shows the total number of shares sold from treasury during the period.

DATE	STERLING SHARES NUMBER OF SHARES SOLD	STERLING SHARES PRICE PER SHARE £	US DOLLAR SHARES NUMBER OF SHARES SOLD	US DOLLAR SHARES PRICE PER SHARE US\$
20 February 2020	25,000	26.21	–	–
13 March 2020	125,000	29.43	–	–
22 April 2020	44,235	33.02	81,000	34.30
23 April 2020	24,884	33.02	–	–
27 April 2020	12,330	33.02	–	–
4 May 2020	50,000	33.24	–	–
6 May 2020	50,000	32.77	–	–
7 May 2020	80,000	32.77	–	–
13 May 2020	27,000	33.08	–	–
<b>TOTAL</b>	<b>438,449</b>		<b>81,000</b>	

**Annual offer of partial return of capital**

Under the Company's Articles of Incorporation, once in every calendar year the Directors have discretion to determine that the Company make an offer of a partial return of capital in respect of such number of shares of the Company in issue as they determined, provided that the maximum amount distributed did not exceed 100% of the increase in NAV of the Company in the prior calendar year.

The Directors have discretion to determine the particular class or classes of shares in respect of which a partial return of capital would be made, the timetable for that partial return of capital and the price at which the shares of each relevant class were returned.

The decision to make a partial return of capital in any particular year and the amount of the return depended, among other things, on prevailing market conditions, the ability of the Company to liquidate its investments to fund the capital return, the success of prior capital returns and applicable legal, regulatory and tax considerations.

**Class closure resolutions**

If any class of shares trades at an average discount at or in excess of 8% of the monthly NAV in any year from 1 January to 31 December, the Company will hold a class closure vote of the relevant class. For the period ending 30 June 2020, the average monthly premium was 0.86% for the Sterling class and 2.67% for the US Dollar class.

The average premiums to NAV for the Sterling and US Dollar shares for the year ended 31 December 2019 were 0.44% and 1.15% respectively and consequently no closure vote will be held in 2020.

The arrangements are described more fully in the Company's principal documents which were approved at the EGM on 24 February 2017.

## NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

### 9. FINANCIAL HIGHLIGHTS

The following tables include selected data for a single ordinary share of each of the ordinary share classes in issue at 30 June 2020 and other performance information derived from the Financial Statements.

The per share amounts and ratios which are shown reflect the income and expenses of the Company for each class of ordinary share.

	30.06.20 STERLING SHARES £	30.06.20 US DOLLAR SHARES US\$
<b>PER SHARE OPERATING PERFORMANCE</b>		
Net asset value at beginning of the period	26.06	26.99
<b>INCOME FROM INVESTMENT OPERATIONS</b>		
Net investment loss*	(1.59)	(1.65)
Net realised and unrealised gain on investment	7.04	7.42
Other capital items**	0.17	0.16
<b>TOTAL GAIN</b>	<b>5.62</b>	<b>5.93</b>
<b>NET ASSET VALUE, END OF THE PERIOD</b>		
	<b>31.68</b>	<b>32.92</b>
Total gain before performance fees	26.89%	27.34%
Performance fees	(5.30%)	(5.37%)
<b>TOTAL GAIN AFTER PERFORMANCE FEES</b>	<b>21.59%</b>	<b>21.97%</b>

An individual Shareholder's return may vary from these returns based on the timing of their purchase or sale of shares. All figures contained herein in respect of the period ended 30 June 2020 are not annualised.

	30.06.20 STERLING SHARES £'000	30.06.20 US DOLLAR SHARES US\$'000
<b>SUPPLEMENTAL DATA</b>		
Net asset value, end of the period	467,778	82,447
Average net asset value for the period	437,535	77,338

## 9. FINANCIAL HIGHLIGHTS (CONTINUED)

	30.06.20 STERLING SHARES	30.06.20 US DOLLAR SHARES
<b>RATIO TO AVERAGE NET ASSETS</b>		
<b>Operating expenses</b>		
Company expenses***	0.26%	0.25%
Master Fund expenses****	0.47%	0.45%
Master Fund interest expenses*****	0.08%	0.08%
Performance fees	4.58%	4.64%
	<b>5.39%</b>	<b>5.42%</b>
<b>Net investment loss before performance fees*</b>	<b>(0.68%)</b>	<b>(0.64%)</b>
<b>Net investment loss after performance fees*</b>	<b>(5.26%)</b>	<b>(5.28%)</b>
	31.12.19 STERLING SHARES £	31.12.19 US DOLLAR SHARES US\$
<b>PER SHARE OPERATING PERFORMANCE</b>		
Net asset value at beginning of the year	24.13	24.67
<b>INCOME FROM INVESTMENT OPERATIONS</b>		
Net investment loss*	(0.89)	(0.94)
Net realised and unrealised gain on investment	2.81	3.32
Other capital items**	0.01	(0.06)
<b>TOTAL GAIN</b>	<b>1.93</b>	<b>2.32</b>
<b>NET ASSET VALUE, END OF THE YEAR</b>	<b>26.06</b>	<b>26.99</b>
Total gain before performance fees	9.97%	11.69%
Performance fees	(1.99%)	(2.31%)
<b>TOTAL GAIN AFTER PERFORMANCE FEES</b>	<b>7.98%</b>	<b>9.38%</b>

Total return reflects the net return for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the year from 1 January 2019 to 31 December 2019. An individual Shareholder's return may vary from these returns based on the timing of their purchase or sale of shares.

	31.12.19 STERLING SHARES £'000	31.12.19 US DOLLAR SHARES US\$'000
<b>SUPPLEMENTAL DATA</b>		
Net asset value, end of the year	372,893	65,907
Average net asset value for the year	362,275	66,034

# NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

## 9. FINANCIAL HIGHLIGHTS (CONTINUED)

	31.12.19 STERLING SHARES	31.12.19 US DOLLAR SHARES
<b>RATIO TO AVERAGE NET ASSETS</b>		
<b>Operating expenses</b>		
Company expenses***	0.59%	0.61%
Master Fund expenses****	1.73%	1.71%
Master Fund interest expenses*****	3.49%	3.43%
Performance fees	1.89%	2.18%
	<b>7.70%</b>	<b>7.93%</b>
<b>Net investment loss before performance fees*</b>	<b>(1.59%)</b>	<b>(1.43%)</b>
<b>Net investment loss after performance fees*</b>	<b>(3.48%)</b>	<b>(3.61%)</b>
	30.06.19 STERLING SHARES £	30.06.19 US DOLLAR SHARES US\$
<b>PER SHARE OPERATING PERFORMANCE</b>		
Net asset value at beginning of the period	24.13	24.67
<b>INCOME FROM INVESTMENT OPERATIONS</b>		
Net investment loss*	(0.71)	(0.74)
Net realised and unrealised gain on investment	2.89	3.25
Other capital items**	0.01	(0.11)
<b>TOTAL GAIN</b>	<b>2.19</b>	<b>2.40</b>
<b>Net asset value, end of the period</b>	<b>26.32</b>	<b>27.07</b>
<b>Total gain before performance fees</b>	<b>11.32%</b>	<b>12.03%</b>
Performance fees	(2.28%)	(2.31%)
<b>TOTAL GAIN AFTER PERFORMANCE FEES</b>	<b>9.04%</b>	<b>9.72%</b>

An individual Shareholder's return may vary from these returns based on the timing of their purchase or sale of shares. All figures contained herein in respect of the period ended 30 June 2020 are not annualised.

	30.06.19 STERLING SHARES £'000	30.06.19 US DOLLAR SHARES US\$'000
<b>SUPPLEMENTAL DATA</b>		
Net asset value, end of the period	377,726	64,757
Average net asset value for the period	352,439	66,350

**9. FINANCIAL HIGHLIGHTS (CONTINUED)**

	30.06.19 STERLING SHARES	30.06.19 US DOLLAR SHARES
<b>RATIO TO AVERAGE NET ASSETS</b>		
Operating expenses		
Company expenses***	0.30%	0.30%
Master Fund expenses****	1.19%	1.17%
Master Fund interest expenses*****	1.80%	1.80%
Performance fees	2.20%	2.27%
	<b>5.49%</b>	<b>5.54%</b>
<b>Net investment loss before performance fee*</b>	<b>(0.66%)</b>	<b>(0.66%)</b>
<b>Net investment loss after performance fees*</b>	<b>(2.86%)</b>	<b>(2.93%)</b>

## Notes

\* The net investment loss figures disclosed above, does not include net realised and unrealised gains/losses on investments allocated from the Master Fund.

\*\* Included in other capital items are the discounts and premiums on conversions between share classes and on the sale of treasury shares as well as any partial capital return effected in the relevant year as compared to the NAV per share at the beginning of the period/year.

\*\*\* Company expenses are as disclosed in the Interim Unaudited Statement of Operations excluding the performance fee and foreign exchange gains/losses.

\*\*\*\* Master Fund expenses are the operating expenses of the Master Fund excluding the interest and dividend expenses of the Master Fund.

\*\*\*\*\* Master Fund interest expenses include interest and dividend expenses on investments sold short.

**10. RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Management and performance fees are disclosed in note 4.

The Company's Articles limit the fees payable to Directors in aggregate to £400,000 per annum. Until 19 June 2019, the annual fees were £65,000 for Huw Evans, the Chairman, £47,500 for John Le Poidevin, the Chair of the Audit Committee, £45,000 for Claire Whittet, the Chair of the Management Engagement Committee, £45,000 for Colin Maltby as Senior Independent Director and £40,000 for all other Directors.

Between 20 June 2019 and 30 September 2019, annual fees remained the same as above, except for Colin Maltby, who was paid at a rate of £65,000 per annum after succeeding Huw Evans as Chairman and £47,500 per annum for Claire Whittet, who was appointed Senior Independent Director.

From 1 October 2019, the annual Director's fees were £70,000 for Colin Maltby, the Chairman, £55,000 for John Le Poidevin, the Chair of the Audit Committee, £50,000 for Claire Whittet, as Chair of the Management Engagement Committee and the Senior Independent Director and £45,000 for all other Directors.

On 27 March 2020, Colin Maltby purchased 500 Sterling Class Shares and 500 US Dollar Class Shares.

**11. SUBSEQUENT EVENTS**

The Directors have evaluated subsequent events up to 25 August 2020, which is the date that the Interim Unaudited Financial Statements were available to be issued, and have concluded there are no further items that require disclosure or adjustment to the Interim Unaudited Financial Statements.

## HISTORIC PERFORMANCE SUMMARY

As at 30 June 2020

	30.06.20 US\$'000	31.12.19 US\$'000	31.12.18 US\$'000	31.12.17 US\$'000	31.12.16 US\$'000
Net increase/(decrease) in net assets resulting from operations	80,819	59,462	34,985	4,725	(150,245)
<b>TOTAL ASSETS</b>	<b>689,141</b>	<b>570,779</b>	<b>506,307</b>	<b>465,787</b>	<b>866,740</b>
<b>TOTAL LIABILITIES</b>	<b>(28,686)</b>	<b>(11,014)</b>	<b>(6,004)</b>	<b>(469)</b>	<b>(1,897)</b>
<b>NET ASSETS</b>	<b>660,455</b>	<b>559,765</b>	<b>500,303</b>	<b>465,318</b>	<b>864,843</b>
<b>NUMBER OF SHARES IN ISSUE</b>					
Sterling shares	14,764,356	14,310,040	14,136,242	14,046,048	22,371,669
US Dollar shares	2,504,557	2,442,057	2,664,541	2,782,034	9,975,524
Euro shares	–	–	–	–	1,514,872
<b>NET ASSET VALUE PER SHARE</b>					
Sterling shares	£31.68	£26.06	£24.13	£21.47	£22.44
US Dollar shares	US\$32.92	US\$26.99	US\$24.67	US\$21.62	US\$21.68
Euro shares	–	–	–	–	€21.87



## NOTES

## NOTES

---

# COMPANY INFORMATION

---

## Directors

Colin Maltby (Chairman)

Bronwyn Curtis (appointed 1 January 2020)

Richard Horlick

John Le Poidevin

Claire Whittet

*(All Directors are non-executive and independent for the purpose of Listing Rule 15.2.12-A)*

---

## Registered Office

PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey  
Channel Islands GY1 3QL

---

## Manager

Brevan Howard Capital Management LP  
6th Floor  
37 Esplanade  
St Helier  
Jersey  
Channel Islands JE2 3QA

---

## Administrator and Corporate Secretary

Northern Trust International Fund  
Administration Services (Guernsey) Limited  
PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey  
Channel Islands GY1 3QL

---

## Independent Auditor

KPMG Channel Islands Limited  
Gategny Court  
Gategny Esplanade  
St Peter Port  
Guernsey  
Channel Islands GY1 1WR

---

## Registrar and CREST Service Provider

Computershare Investor Services (Guernsey) Limited  
1st Floor  
Tudor House  
Le Bordage  
St Peter Port  
Guernsey GY1 1DB

---

## Legal Advisors (Guernsey Law)

Carey Olsen  
Carey House  
Les Banques  
St Peter Port  
Guernsey  
Channel Islands GY1 4BZ

---

## Legal Advisors (UK Law)

Hogan Lovells International LLP  
Atlantic House  
Holborn Viaduct  
London EC1A 2FG

---

## Corporate Broker

JPMorgan Cazenove  
25 Bank Street  
Canary Wharf  
London E14 5JP

---

## Tax Adviser

Deloitte LLP  
PO Box 137  
Regency Court  
Gategny Esplanade  
St Peter Port  
Guernsey  
Channel Islands GY1 3HW

For the latest information  
[www.bhmacro.com](http://www.bhmacro.com)

Designed and produced by  
Fin International



1128941  
Printed on Green Recycled paper

