

30 JUNE 2024

BH MACRO LIMITED

Interim Report and Unaudited
Financial Statements 2024

Contents

1	Chair's Statement
3	Board Members
4	Disclosure of Directorships in Public Companies Listed on Recognised Stock Exchanges
5	Directors' Report
14	Statement of Directors' Responsibility in respect of the Interim Report and Unaudited Financial Statements
15	Manager's Report
19	Independent Review Report to BH Macro Limited
21	Unaudited Statement of Assets and Liabilities
22	Unaudited Statement of Operations
23	Unaudited Statement of Changes in Net Assets
24	Unaudited Statement of Cash Flows
25	Notes to the Interim Unaudited Financial Statements
38	Historic Performance Summary
39	Glossary of Terms and Alternative Performance Measures
	IBC Company Information



CHAIR'S STATEMENT

Although we are far from alone in the closed-ended fund sector, 2024 remains a challenging year for BH Macro Limited (the "Company") on three fronts:

- Firstly, whilst investment returns have been within the expected range they remain slightly negative in the six month period to 30 June 2024 and this has been magnified by the relative returns of other assets until very recently. The Board retains the utmost confidence in Brevan Howard Capital Management LP (the "Manager") and the strategy of Brevan Howard Master Fund Limited (the "Master Fund"), both of which the Board continues to monitor closely.
- Secondly, whilst the discount in the prices of both the Sterling and US Dollar share classes to Net Asset Value ("NAV") per share have narrowed compared to the discounts seen last year, the respective discounts remain at levels that the Board and of course shareholders (the "Shareholders") would like to see narrow further. The Board has continued with its buyback programme and to liaise closely with our major shareholders, in particular the merged Rathbones-Investec entity. Earlier this year, the Company and the Manager agreed to increase the annual buyback allowance for buybacks and redemptions for the Sterling shares class (the "Annual Buyback Allowance") for 2024. The usual 2024 Annual Buyback Allowance (being 5% of the issued Sterling shares at the end of 2023 (excluding treasury shares)) was increased by an amount equal to the Sterling share class's unused 2023 Annual Buyback Allowance (i.e., approximately 16.3 million Sterling shares). This has increased the total amount available for Sterling share buybacks in 2024 before the Company incurs a fee of 2% (of the price paid by the Company), payable to the Manager, on any buybacks it makes in excess of the increased Annual Allowance.
- Thirdly, the entire closed-ended fund sector is subject to greater pressure than at any other time in my more than 40 years experience of it. The concentration of shareholder registers, the concentration of the wealth management market, the levels of discount to NAV per share and the regulatory pressure on fee disclosure have contributed to a very difficult background for the entire sector. As a Board, we are focusing on effective buybacks and working with Kepler and JP Morgan to expand the investor base, particularly in the retail market.

NAV per share performance in the six-month period to 30 June 2024 has been slightly negative, being -1.10% for the Sterling share class and -1.54% for the US Dollar share class. The discount at which the Company's two share classes traded to NAV continued to narrow during the period to 30 June 2024, assisted by the Company's share buyback programme that was initiated in December 2023. The discount narrowed from 10.71% (as at 31 December 2023) to 8.62% (as at 30 June 2024) for the Sterling share class, and similarly from 11.71% (as at 31 December 2023) to 9.29% (as at 30 June 2024) for the US Dollar share class.

The Board has maintained regular dialogue with the Manager in order to assure itself of the quality of the investment team and supporting systems, operations and infrastructure across the organisation. The Company and the Manager have continued to pursue an active programme of public communication and investor relations and have held investor webinars and meetings with many key shareholders in the period. Up-to-date performance information is provided through NAV per share data published monthly on a 'final' basis, after being published on an estimated basis in both weekly and monthly reports, and through monthly Shareholder performance reports. All these reports and further information about the Company are available on the Company's website (www.bhmacro.com).

The Board remains wholly independent of the Brevan Howard group of companies. The Directors are very closely focused on safeguarding the interests of shareholders and believe that the Company observes high standards of corporate governance. The Board continues to operate well with a high level of engagement and a close working relationship between the diverse members of the Board. We are pleased to say that we remain in compliance with all current regulations and recommendations relating to board composition.

The geopolitical background remains particularly concerning. In the US, President Biden withdrawing from the 2024 presidential election race and the assassination attempt on (former) President Trump appear to have amplified already deep divisions. The situation in the Middle East shows no signs of abating and, despite the prisoner exchange with Russia, tensions remain high in Europe. It remains difficult to see how the war in the Ukraine can be satisfactorily concluded. In the UK, Labour won a huge electoral majority in terms of seats and the early days of the new UK government have heralded the announcement of an "unexpected black hole" in public finances, which may be used to justify a range of potential tax increases coupled with significant settlements in public sector pay. Whether this paves the way for the foundations of a growth economy as claimed or merely increases inflation with continued slowing of productivity in the public sector remains to be seen. However, all these factors and many others contribute to a time of volatility and uncertainty.

The Board remains convinced of the value of the Company and its strategy and the quality of the Manager and look forward to delivering the highly diversifying positive returns, which the Company has delivered time and again over the past 17 years.

Richard Horlick
Chair

13 September 2024

CHAIR'S STATEMENT CONTINUED

STERLING SHARES SHARE PRICE VS NET ASSET VALUE



US DOLLAR SHARES SHARE PRICE VS NET ASSET VALUE



For illustrative purposes, all share prices and Net Asset Values from 7 February 2023 are adjusted by a factor of 10 to reflect the 10 for 1 share sub-division (approved at the EGM held on 6 February 2023) when dealings commenced on 7 February 2023.

BOARD MEMBERS

The Directors of the Company during the period and as at the date of signing, all of whom are non-executive, are listed below:

Richard Horlick (Chair)

Richard Horlick is UK resident. He is currently the non-executive chairman of CCLA Investment Management which manages assets for over 38,000 charities and church and local authority funds. He has served on a number of closed-ended fund boards. 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. Mr. Horlick was appointed to the Board in May 2019 and was appointed Chair in February 2021.

Caroline Chan

Caroline Chan is a Guernsey resident and has over 30 years' experience as a corporate lawyer, having retired from private practice in 2020. After studying law at Oxford University, Caroline qualified as an English solicitor with Allen & Overy, working in their corporate teams in London and Hong Kong. On returning to Guernsey in 1998, Caroline qualified as a Guernsey advocate and practised locally, including as a partner with law firms Ogier and Mourant Ozannes. Since retiring from private practice, Caroline has taken on non-executive directorship roles and is Chair of the Board of Governors of The Ladies' College, Guernsey. She was a member of the Guernsey Competition and Regulatory Authority until March 2023. Ms. Chan was appointed to the Board in December 2022.

Julia Chapman

Julia Chapman is a Jersey resident and a solicitor qualified in England & Wales and in Jersey with over 30 years' experience in the investment fund and capital markets sector. After working at Simmons & Simmons in London, she moved to Jersey and became a partner of Mourant du Feu & Jeune (now

Mourant) in 1999. She was then appointed general counsel to Mourant International Finance Administration (the firm's fund administration division). Following its acquisition by State Street in April 2010, Julia was appointed European Senior Counsel for State Street's alternative investment business. In July 2012, Julia left State Street to focus on the independent provision of directorship and governance services to a small number of investment fund vehicles. Mrs. Chapman was appointed to the Board in October 2021.

Bronwyn Curtis

Bronwyn Curtis is a UK resident and Senior Executive with 30 years leadership in finance, commodities, consulting and the media. Her executive roles included Head of Global Research at HSBC 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 non-executive member of the Oversight Board of the UK Office for Budget Responsibility, 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. Mrs. Curtis was appointed to the Board in January 2020 and was appointed Senior Independent Director on 13 September 2023.

John Le Poidevin

John Le Poidevin is Guernsey resident and has over 30 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.

DISCLOSURE OF DIRECTORSHIPS IN PUBLIC COMPANIES LISTED ON RECOGNISED STOCK EXCHANGES

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

	EXCHANGE
RICHARD HORLICK	
Riverstone Energy Limited	London
VH Global Sustainable Energy Opportunities Plc	London
CAROLINE CHAN	
NextEnergy Solar Fund Limited	London
JULIA CHAPMAN	
GCP Infrastructure Investments Limited	London
Henderson Far East Income Limited	London
The International Stock Exchange Group Limited	The International Stock Exchange
BRONWYN CURTIS	
Pershing Square Holdings Limited	London and Euronext Amsterdam
TwentyFour Income Fund Limited	London
JOHN LE POIDEVIN	
International Public Partnerships Limited	London
Super Group (SGHC) Limited	New York
TwentyFour Income Fund Limited	London

DIRECTORS' REPORT

30 June 2024

The Directors submit their Interim Report together with the Company's 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 2024. 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 in accordance 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.

The Company's 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 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, digital assets, 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 year are set out in the Unaudited Statement of Operations on page 22. The Directors do not recommend the payment of a dividend.

SHARE CAPITAL

On 23 January 2023, the Board announced the commencement of its initial issue (the "Initial Issue"), comprising of the initial placing (the "Placing"), intermediaries offer (the "Intermediaries Offer") and offer for subscription (the "Offer for Subscription"), together with an issuance programme for subsequent issues, which remained open until 23 January 2024 (the "Issuance Programme"), in respect of the issue of up to an aggregate of 220 million shares (based on a 10:1 share sub-division); the issue of circular for an EGM, which was held on 6 February 2023, in relation to the Initial Issue, Issuance Programme and share sub-division; and details of amendments to the Management Agreement, including terms of the Company's investment in the Master Fund, in order to reflect the increased investment of the Company in the Master Fund as a result of the Initial Issue and the Issuance Programme. Further details are disclosed in note 5 of these Interim Unaudited Financial Statements.

On 6 February 2023, following the EGM, the Company announced that (i) the Board was empowered to allot and issue, in aggregate, up to 220 million new shares of no par value in the Company designated as Sterling shares or US Dollar shares, as if the pre-emption provisions of the Company's articles of incorporation ("Articles") did not apply; and (ii) each existing share would be sub-divided into 10 shares of the same currency class and with the same rights and subject to the same restrictions as the then existing shares of the same currency class, in the capital of the Company, with the sub-divided shares to be admitted to listing the following day. These resolutions superseded the relevant resolutions adopted at the 2022 Annual General Meeting.

DIRECTORS' REPORT CONTINUED

SHARE CAPITAL (CONTINUED)

On 13 February 2023, the completion of the Initial Issue saw a total of 72,378,000 Sterling shares and 746,400 US Dollar shares issued at a price per share equal, respectively, to 431.5 pence per Sterling share and US\$4.47 per US Dollar share, raising gross proceeds of approximately £312.3m for the Sterling share class and US\$3.3m for the US Dollar share class.

At the Annual General Meeting held on 5 June 2024, Shareholders approved an Ordinary Resolution to allow the Directors to have the power to issue further shares totalling 119,634,098 Sterling shares and 9,820,829 US Dollar shares, respectively. Shareholders at the Annual General Meeting also approved a Special Resolution that authorised the maximum number of shares that may be purchased on-market by the Company until the next Annual General Meeting, being 53,804,834 Sterling shares and 4,416,869 US Dollar shares.

Since 13 December 2023 to 30 June 2024, the Company has bought back 18,208,099 Sterling class shares on the London Stock Exchange with prices ranging from £3.28 to £3.68 per share. The Company did not buy-back any US Dollar class shares in the period. The repurchased shares are held in Treasury.

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

GOING CONCERN

The Directors, having considered the Principal and Emerging Risks and Uncertainties to which the Company is exposed, which are listed on pages 11 and 12 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 impact of various geopolitical events, including economic volatility, recessionary risks and the ongoing conflicts in Ukraine and the Middle East. The Board has concluded that the biggest threat to the Company remains the failure of a key service provider to maintain business continuity and resiliency. The Board has assessed the measures in place by key service providers to maintain business continuity and, so far, has not identified any significant issues that affect the Company. The financial position of the Company has not been negatively impacted by geopolitical events either and the Board is confident that these events have not impacted the going concern assessment of the Company.

In December 2023 the Board commenced a share buy-back programme to manage any excess mis-match between buyers and sellers of the Company's shares in the public markets and this has led to a narrowing of the discount at which the Company's shares traded during the period. All share buy backs have been and will continue to be funded by specific cash allocated to them through the redemption of shares in the Master Fund and there is therefore no impact on the cash available to cover the Company's central operating costs. As announced on 17 June 2024, the Manager has temporarily waived the redemption fee on buy-backs that would normally apply above a certain level (by increasing the 2024 buyback allowance by 16,308,970 this being the unused Sterling Shares buyback allowance for 2023) and so there are no additional charges for effecting these buy backs other than the transaction fees paid to the Company's brokers.

The Directors have therefore concluded that there are no significant cash flow or other risks in relation to preparing the interim financial statements on a going concern basis.

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 3.

The Articles provide that, unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two.

The Board meets at least four times a year and between these formal meetings, there is regular contact with the Manager, JPMorgan Cazenove (the "Corporate Broker") and the Northern Trust International Fund Administration Services (Guernsey) Limited (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.

DIRECTORS' REPORT CONTINUED

THE BOARD (CONTINUED)

For each Director, the tables below set out the number of Board meetings and Audit Committee meetings they were entitled to attend during the six-month period ended 30 June 2024 and the number of such meetings attended by each Director.

SCHEDULED BOARD MEETINGS	HELD	ATTENDED
Richard Horlick	2	2
Caroline Chan	2	2
Julia Chapman	2	2
Bronwyn Curtis	2	2
John Le Poidevin	2	2

AUDIT COMMITTEE MEETINGS	HELD	ATTENDED
John Le Poidevin	2	2
Caroline Chan	2	2
Julia Chapman	2	2
Bronwyn Curtis	2	2

In addition to these scheduled meetings, ten ad-hoc committee meetings were held during the six-month period ended 30 June 2024, 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 Association of Investment Companies ("AIC") Code and that all Directors have the time available to discharge their duties effectively.

The Chair's and the other 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 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		
	30.06.24	31.12.23	30.06.23
Richard Horlick	200,000	200,000	200,000
Caroline Chan	11,587	11,587	11,587
Julia Chapman	6,260	6,260	6,260
Bronwyn Curtis	33,174	33,174	33,174
John Le Poidevin	116,940	75,620	75,620
Claire Whittet	N/A	N/A	23,111

	US DOLLAR SHARES		
	30.06.24	31.12.23	30.06.23
Richard Horlick	20,000	20,000	20,000
Caroline Chan	Nil	Nil	Nil
Julia Chapman	Nil	Nil	Nil
Bronwyn Curtis	Nil	Nil	Nil
John Le Poidevin	Nil	Nil	Nil
Claire Whittet	N/A	N/A	Nil

John Le Poidevin purchased 41,320 Sterling class shares on 8 January 2024.

Claire Whittet retired from the Board on 13 September 2023.

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, subject to the provisions of The Companies (Guernsey) Law, 2008, for 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 AIC and by complying with the AIC Code it 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 Corporate 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
- a 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.

All of the Directors are independent of the Manager and any company in the same group as the Manager (the "Manager's Group").

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

The Company's risk appetite and 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.

For new appointments to the Board, a specialist independent recruitment firm is engaged as and when appropriate, to source potential candidates who are then interviewed by the Directors. 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, Article 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 5 June 2024, Shareholders re-elected all the then incumbent Directors of the Company.

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

Each of the Board, the Audit Committee, the Management Engagement Committee and the Remuneration and Nomination Committee undertakes 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 the Committees consider how they function as a whole and review the individual performance of their members. This process is conducted by the Chair of each Committee reviewing the relevant Directors' performance, contribution and commitment to the Company.

Bronwyn Curtis, the Senior Independent Director, takes the lead in evaluating the performance of the Chair.

DIRECTORS' REPORT CONTINUED

BOARD PERFORMANCE

The performance of the Board and that of each individual Director is scheduled for external evaluation every three years, the most recent of which was completed in 2022.

The Board carries out an annual internal evaluation of its performance in years when an external evaluation is not taking place. There were no matters of note in the last annual internal evaluation.

The Board needs to ensure that the Interim Unaudited 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 sets 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. Furthermore, the policy is shared with each of the Company's service providers and confirmation from each of them is sought in relation to their own policies.

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.

SOCIAL AND ENVIRONMENTAL ISSUES

The Board also keeps under review developments involving other social and environmental issues, such as modern slavery, and reports on those to the extent they are considered relevant to the Company's operations. Further explanation of these issues is detailed on page 12 under 'Climate Change and ESG Risks'.

ONGOING CHARGES

The 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 each of the six-month period ended 30 June 2024, the year ended 31 December 2023 and the six-month period ended 30 June 2023 have been prepared in accordance with the AIC's recommended methodology.

The following table presents the Ongoing Charges for each share class of the Company for each of the six-month period ended 30 June 2024, the year ended 31 December 2023 and the six-month period ended 30 June 2023.

30.06.24

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	1.57%	1.57%
Master Fund – Ongoing Charges	0.61%	0.61%
Performance fees	0.00%	0.00%
Ongoing Charges plus performance fees	2.18%	2.18%

31.12.23

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	1.59%	1.56%
Master Fund – Ongoing Charges	0.57%	0.58%
Performance fees	0.00%	0.00%
Ongoing Charges plus performance fees	2.16%	2.14%

30.06.23

	STERLING SHARES	US DOLLAR SHARES
Company – Ongoing Charges	1.58%	1.58%
Master Fund – Ongoing Charges	0.55%	0.58%
Performance fees	0.00%	0.00%
Ongoing Charges plus performance fees	2.13%	2.16%

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 prevailing Master Fund NAV attributable to the Company's investment in the Master Fund.

DIRECTORS' REPORT CONTINUED

PERFORMANCE GRAPHS

The graphs shown on page 2 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 and 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 Bronwyn Curtis, Julia Chapman and Caroline Chan. The Terms of Reference of the Audit Committee are available on the Company's website (www.bhmacro.com) or from the Administrator.

During the period the Audit Committee conducted a tender process for the position of external auditor. The tender process was initiated due to the current external auditor, KPMG, having served since the Company's initial listing on the London Stock Exchange. The Audit Committee carried out the tender in line with the requirements of the Financial Reporting Council's Audit Committees and the External Audit: Minimum Standard (May 2023). Having considered a number of suitably qualified firms, requests for proposals were sent to two "Big 4" and one "Challenger" firm, who participated in a rigorous tender process. KPMG Channel Islands Limited will not stand for re-appointment at the 2025 AGM and a motion will be proposed to Shareholders to appoint the successful candidate, Ernst & Young LLP.

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 Julia Chapman 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 a review of the terms of the Company's agreements with all other third-party service providers (other than KPMG Channel Islands Limited (the "Independent Auditor")). The Management Engagement Committee also monitors the performance of all service providers on an annual basis and writes to each service provider regarding their Business Continuity Plans. 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 formal 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 13 September 2023, the Management Engagement Committee concluded that the continued appointment of each of the Manager, the Administrator, the Company's UK and Guernsey legal advisers, the Computershare Investor Services (Guernsey) Limited (the "Registrar") and the 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.

REMUNERATION AND NOMINATION COMMITTEE

The Board established a Remuneration and Nomination Committee with formal duties and responsibilities. The Remuneration and Nomination Committee meets formally at least once a year, is chaired by Caroline Chan and comprises all members of the Board.

The function of the Remuneration and Nomination Committee is to:

- regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes that are deemed necessary;
- identify, from a variety of sources, candidates to fill Board vacancies as and when they arise with a continued focus on Board diversity;
- assess and articulate the time needed to fulfil the role of the Chair and of a non-executive director, and undertake an annual performance evaluation to ensure that all the members of the Board have devoted sufficient time to their duties, and also to review their contribution to the work of the Board and the breadth of experience of the Board as a whole; and
- annually review the levels of remuneration of each of the Chair of the Board, the Chair of the Audit Committee, the Chair of each other Board committee and other non-executive directors having regard to the maximum aggregate remuneration that may be paid under the Company's Articles.

DIRECTORS' REPORT CONTINUED

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 the Manager, the Administrator and the Company's other service providers.

A report is tabled and discussed at each Audit Committee meeting, and reviewed at least 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.

The Board has delegated the management of the Company and the administration, corporate secretarial and registrar functions, including the independent calculation of the Company's NAV and the production of the Annual Report and Audited 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 by the Manager, the Corporate Broker, the Administrator and Corporate Secretary and the 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, the Administrator and Corporate Secretary and the Registrar which have their own internal audit and risk assessment functions.

Further reports are received from the Administrator in respect of compliance, LSE 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")

From 1 January 2021, the Company became subject to the UK version of Regulation (EU) No 1286/2014 on key information documents for PRIIPs, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time, including by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (the "UK PRIIPs Laws"), which superseded the EU regulation that previously applied to the Company. In accordance with the requirements of the UK PRIIPs Laws, the Manager published the latest standardised three-page Key Information Document (a "KID") for the Company's Sterling shares and another for its US Dollar shares on 25 April 2024 (based on data as at 29 December 2023). Each KID is available on the Company's website <https://www.bhmacro.com/regulatory-disclosures/> and will be updated at least every 12 months.

The Manager is the PRIIPs manufacturer for each KID and the Company is not responsible for the information contained in each KID. The process for calculating the risks, cost and potential returns is prescribed by regulation. The figures in the KID, relating to the relevant share class, may not reflect the expected returns for that share class of the Company and anticipated returns cannot be guaranteed.

PRINCIPAL AND EMERGING 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 and emerging risks and uncertainties facing the Company. The principal and emerging 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 receives reports presented by 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;

DIRECTORS' REPORT CONTINUED

PRINCIPAL AND EMERGING RISKS AND UNCERTAINTIES (CONTINUED)

- **Operational and Cyber Security Risks:** The Company is exposed to the risks arising from any failure of systems and controls in the operations each of the Manager, the Administrator and the Registrar, or from the unavailability of any of the Manager, the Administrator or the Registrar for whatever reason, including those arising from cyber security issues. The Board receives regular reports from each of those parties on cyber security and annual independent third-party reporting 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 the Guernsey Financial Services Commission and/or any other applicable regulatory and legislative matters, or if it fails to maintain accurate or timely accounting records and published financial information. The Administrator provides the Board with regular internal control and compliance reports and 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. 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. The average discount at which the Company's Sterling shares and US Dollar shares have traded in relation to monthly NAV per share so far this year has been approximately 12.66% for the Sterling share class and 12.63% for the US Dollar share class. Consequently, whilst the Company and its Corporate Broker have been in regular communication with Shareholders during the relevant period and subsequently, the Board has no reason to believe that there is any shareholder appetite to approve a class closure vote and return capital to Shareholders, there remains a residual risk that class closure votes will be held in early 2025 at which Shareholders may vote to liquidate one or both classes of shares;
- **Geopolitical Risks:** Economic volatility, recessionary risks and the current conflicts in Ukraine and the Middle East have led to greater global uncertainty. The Board has also made enquiries of key service providers in respect of any impact from such conflicts and the related instability in world markets and has been assured that none of the service providers have operations in the region or are in any way impacted in terms of their ability to continue to supply their services to the Company; and

- **Climate Change and ESG Risks:** The Company has no employees and does not own any physical assets and is therefore not directly exposed to climate change risk. The Manager monitors developments in this area and industry best practice on behalf of the Board, where appropriate, and also regularly assesses the trading activity of the underlying Master Fund and sub-funds to ascertain whether environmental, social and governance ("ESG") factors are appropriate or applicable to such funds. The Board has also made enquiries of key service providers in respect of their assessment of how climate change and ESG risk impacts their own operations and has been assured that this has no impact on their ability to continue to supply their services to the Company.

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. In the Annual Report for the year ended 31 December 2023, the Board noted that it believed it was fully compliant in terms of Listing Rules LR 9.8.6R(9) and LR 14.3.33R(1) in relation to board diversity. There have been no changes to board composition since that date. We have set out additional details in the table below:

NAME	GENDER IDENTITY	ETHNICITY
Richard Horlick	Male	White British
Caroline Chan	Female	White Asian British
Julia Chapman	Female	White British
Bronwyn Curtis	Female	White European
John Le Poidevin	Male	White British

INTERNATIONAL TAX REPORTING

For the 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"). The Company made its latest report for CRS to the Director of the Revenue Service on 27 June 2024.

DIRECTORS' REPORT CONTINUED

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 Chair and other Directors are available to meet Shareholders, with a number of such meetings taking place during the period. 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.

In accordance with the AIC Code, 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 Shareholders' 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 20 per cent or more votes against it.

SIGNIFICANT SHAREHOLDERS

As at 9 September 2024, the following Shareholders had significant shareholdings in the Company:

SIGNIFICANT SHAREHOLDERS	% HOLDING IN CLASS
Sterling Shares	
Ferlim Nominees Limited	13.1%
Smith & Williamson Nominees Limited	9.2%
Rathbone Nominees Limited	7.9%
BH Macro Limited	5.8%
Nortrust Nominees Limited	5.8%
Cheviot Capital (Nominees) Ltd	5.1%
Lion Nominees Limited	4.8%
Vidacos Nominees Limited	4.5%
Pershing Nominees Limited	4.3%
Vestra Nominees Limited	3.6%
HSBC Global Custody Nominee (UK) Limited	3.3%
The Bank Of New York (Nominees) Limited	3.3%
Brewin Nominees Limited	3.0%

SIGNIFICANT SHAREHOLDERS	% HOLDING IN CLASS
US Dollar Shares	
Vidacos Nominees Limited	16.6%
Hero Nominees Limited	14.8%
Euroclear Nominees Limited	13.5%
Luna Nominees Limited	6.4%
Aurora Nominees Limited	5.5%
Lynchwood Nominees Limited	4.5%
CGWL Nominees Limited	4.0%
Rathbone Nominees Limited	3.2%

Signed on behalf of the Board by:

Richard Horlick
Chair

John Le Poidevin
Director

13 September 2024

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 accordance 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 Chair'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:

Richard Horlick
Chair

John Le Poidevin
Director

13 September 2024

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 depreciated by -1.54% in the first half of 2024 and the NAV per share of the GBP shares depreciated by -1.10%.

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)	1.74	0.94	(1.16)	(0.02)	0.75	3.04	28.09
2021	1.20	0.32	0.81	0.15	0.25	(1.50)	(0.49)	0.87	0.40	0.27	0.00	0.47	2.76
2022	0.94	1.79	5.39	3.86	1.66	1.05	0.15	2.84	2.12	(0.40)	(1.15)	1.88	21.91
2023	1.20	(0.28)	(4.29)	(0.93)	(1.61)	(0.25)	0.90	0.34	1.12	0.86	(0.42)	1.69	(1.81)
2024	0.36	(3.08)	0.98	(0.98)	0.76	0.91							(1.10)

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)	1.84	0.97	(1.11)	(0.01)	0.76	3.15	28.89
2021	1.21	0.31	0.85	0.16	0.26	(1.47)	(0.47)	0.86	0.31	0.14	(0.09)	0.59	2.67
2022	0.74	1.77	5.27	3.80	1.09	0.76	0.12	3.11	2.46	(0.50)	(1.09)	2.01	21.17
2023	1.26	(0.30)	(4.11)	(0.88)	(1.54)	(0.15)	0.92	0.34	1.08	0.88	(0.40)	1.69	(1.33)
2024	0.24	(3.13)	0.86	(1.05)	0.73	0.87							(1.54)

Source: Master Fund NAV data is provided by the administrator of the Master Fund, State Street Fund Services (Ireland) Limited. The Company's NAV and NAV per Share data is provided by the Company's administrator, Northern Trust International Fund Administration Services (Guernsey) Limited.

The Company's NAV per Share % Monthly Change is calculated by BHCM.

The Company's NAV data is unaudited and net of all investment management and performance fees and all other fees and expenses payable by the Company. In addition, the Company's investment in the Master Fund is subject to an operational services fee.

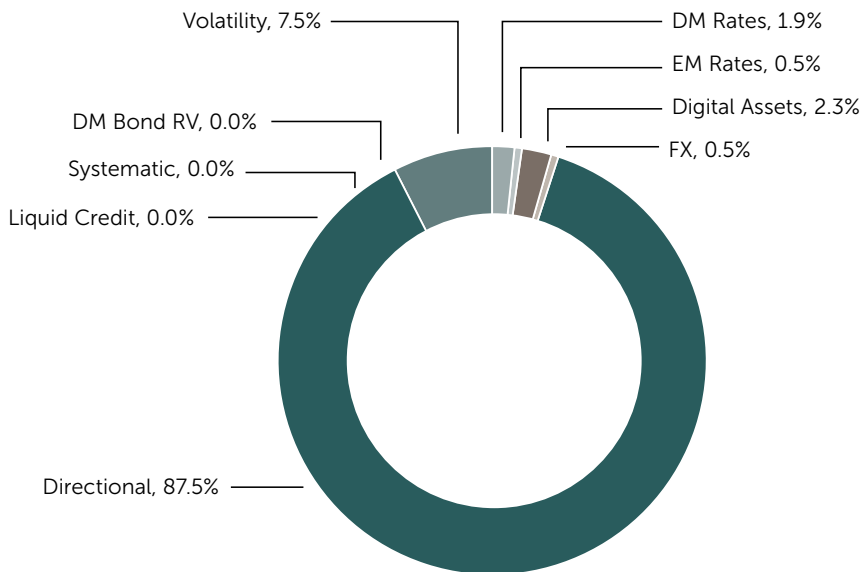
NAV performance is provided for information purposes only. Shares in the Company do not necessarily trade at a price equal to the prevailing NAV per Share.

Data as at 28 June 2024.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

MANAGER'S REPORT CONTINUED

BREAKDOWN BY INVESTMENT STYLE*



Source: BHCM, as at 28 June 2024. Data may not sum to 100% due to rounding.

* Capital allocations are subject to change.

DM Bond RV, Systematic and Liquid Credit strategies' contributions were 0.00%.

The above strategies are categorised as follows:

"Volatility": strategies that trade volatility as an asset class in its own right across interest rates, FX, equity and credit markets.

"DM Rates": relative value trading in developed interest rate markets, generally using derivative instruments.

"EM Rates": predominantly bottom up, fundamental trading of the more liquid CEEMEA, LATAM and Asian interest rate and FX markets.

"Digital Assets": liquid trading strategies across the digital asset universe, including crypto relative value, volatility relative value, event driven arbitrage and systematic strategies.

"FX": global FX forwards and options.

"Directional": multi-asset global markets, mainly directional (for the Master Fund, the majority of risk in this category is in rates).

"Systematic": rules-based futures trading.

"Liquid Credit": liquid credit trading strategies utilising liquid cash, CDS, standard tranches, agency-backed mortgages and credit options with a focus on developed markets and liquid emerging markets.

"DM Bond RV": relative value trading strategies in government bond markets.

MANAGER'S REPORT CONTINUED

QUARTERLY AND ANNUAL CONTRIBUTION (%) TO THE PERFORMANCE OF THE NAV PER SHARE OF THE COMPANY'S USD SHARES (NET OF FEES AND EXPENSES) BY ASSET CLASS*

This information is given in USD (\$)

	RATES	FX	COMMODITIES	CREDIT	EQUITY	DIGITAL ASSETS	DISCOUNT MANAGEMENT	TOTAL
Q1 2024	(3.73)	0.36	0.04	0.01	0.19	1.06	0.00	(2.07)
Q2 2024	0.27	0.77	0.13	0.04	(0.25)	(0.42)	0.00	0.54
YTD 2024	(3.46)	1.11	0.17	0.05	(0.06)	0.65	0.00	(1.54)

Data as at 28 June 2024.

Quarterly and YTD figures are calculated by BHCM as at 28 June 2024, 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

QUARTERLY AND ANNUAL CONTRIBUTION (%) TO THE PERFORMANCE OF THE NAV PER SHARE OF THE COMPANY'S GBP SHARES (NET OF FEES AND EXPENSES) BY ASSET CLASS*

This information is given in GBP (£)

	RATES	FX	COMMODITIES	CREDIT	EQUITY	DIGITAL ASSETS	DISCOUNT MANAGEMENT	TOTAL
Q1 2024	(3.79)	0.34	0.04	0.01	0.17	1.07	0.39	(1.78)
Q2 2024	0.25	0.74	0.13	0.04	(0.26)	(0.42)	0.21	0.68
YTD 2024	(3.55)	1.07	0.17	0.05	(0.08)	0.65	0.60	(1.10)

Data as at 28 June 2024.

Quarterly and YTD figures are calculated by BHCM as at 28 June 2024, 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

"Commodities": commodity futures and options

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

"Equity": equity markets including indices and other derivatives

"Digital Assets": crypto-currencies including derivatives

"Discount Management": buyback activity or shares from treasury.

MANAGER'S REPORT CONTINUED

PERFORMANCE AND ECONOMIC OUTLOOK COMMENTARY

Entering 2024, we looked for slowing US growth, better balance between supply and demand in the labour market, and continued moderation in wage and price inflation. In the event, growth and the labour market did slow as the first half of the year unfolded, but there was a widespread surge in inflation in Q1. Higher inflation pushed back the Federal Reserve's plans to dial back the degree of monetary policy restraint.

With the Federal Reserve ("Fed") unexpectedly on hold, the exchange value of the US dollar continued to appreciate. The Fed's surprisingly hawkish stance put the Bank of Japan ("BoJ") in an especially awkward position. If the BoJ maintains easy monetary policy, then there is less support for the exchange value of the Yen, which has steadily lost value. If the BoJ raises rates, there is more support for the Yen but higher interest rates make debt service more costly and slows the economy. Throughout the first half of the year, the BoJ and the Ministry of Finance tried to navigate the macro tensions by exiting negative interest-rate policy, providing hints of further rate hikes, and foreign exchange intervention.

China faces similar tensions. The exchange value of the Renminbi is closely pegged to the US dollar. As the US dollar appreciates, the People's Bank of China ("PBOC") must seek to defend the peg, which limits policymakers' flexibility to respond to weakness in the domestic economy with lower interest rates. Investors widely expect that the PBOC can defend the peg but that it may at some point revalue the Renminbi in order to stimulate the growth-oriented export sector.

After the first quarter's inflation shock in the US, inflation slowed noticeably across the board in Q2. Core Personal Consumption Expenditures ("PCE") inflation is on track to fall faster during the rest of the year than the Fed anticipated in its June Federal Open Market Committee ("FOMC") Summary of Economic Projections. The labour market is weakening by more than the Fed anticipated as well, with the unemployment rate currently at 4.1% compared with the Fed's median projection of 4.0% in Q4. Finally, growth is slowing from the torrid pace set last year to a trend-like pace.

The foundation for Fed rate cuts is being rebuilt on more solid ground. The Fed has been in wait-and-see/confidence-building mode all year. The shift toward confidence about a rate-cutting cycle appears to be taking hold around the July FOMC meeting. Policymakers are hinting that September will be the start of a recalibration in rates that dials back the degree of monetary policy restriction. The risks are two-sided. If the economy weakens further, then faster and more rate cuts are warranted. Alternatively, if inflation reappears, then a dramatic reversal in the stance of monetary policy is possible.

In summary, all three parts of the US macro outlook are moving in a consistent direction. Looking forward, this 'cross-validation' reinforces our confidence about the outlook. After several years of one-sided inflation risks, the risks to growth and inflation have moved into balance. That is a major strategic change in the macro landscape which necessitates a similarly major change in US monetary policy strategy with global implications.

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.

13 September 2024

INDEPENDENT REVIEW REPORT TO BH MACRO LIMITED

CONCLUSION

We have been engaged by BH Macro Limited (the "Company") to review the financial statements in the half-yearly financial report for the six months ended 30 June 2024 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 in the half-yearly financial report for the period ended 30 June 2024 do not give a true and fair view of the financial position of the Company as at 30 June 2024 and of its financial performance and its cash flows for the six month period then ended, in accordance 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) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued by the Financial Reporting Council 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 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.

CONCLUSIONS RELATING TO GOING CONCERN

Based on our review procedures, which are less extensive than those performed in an audit as described in the Scope of review section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However future events or conditions may cause the Company to cease to continue as a going concern, and the above conclusions are not a guarantee that the Company will continue in operation.

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 interim financial report in accordance with the DTR of the UK FCA.

The financial statements included in this interim report have been prepared in accordance with U.S. generally accepted accounting principles.

In preparing the half-yearly financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless liquidation is imminent.

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the scope of review paragraph of this report.

INDEPENDENT REVIEW REPORT TO BH MACRO LIMITED CONTINUED

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.

Deborah Smith

For and on behalf of KPMG Channel Islands Limited

Chartered Accountants

Guernsey

13 September 2024

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

As at 30 June 2024

	30.06.24 (UNAUDITED) US\$'000	31.12.23 (AUDITED) US\$'000	30.06.23 (UNAUDITED) US\$'000
ASSETS			
Investment in the Master Fund (note 3)	1,900,791	2,038,614	1,968,663
Master Fund redemption proceeds receivable	23,073	20,697	4,073
Prepaid expenses	99	47	122
Cash and bank balances denominated in Sterling	26,497	18,367	15,742
Cash and bank balances denominated in US Dollars	2,172	1,284	736
TOTAL ASSETS	1,952,632	2,079,009	1,989,336
LIABILITIES			
Performance fees payable (note 4)	–	2	2
Management fees payable (note 4)	2,522	2,771	2,580
Repurchases in respect of the tender offer payable	–	1,477	–
Accrued expenses and other liabilities	181	148	132
Directors' fees payable	103	–	–
Administration fees payable (note 4)	151	80	77
TOTAL LIABILITIES	2,957	4,478	2,791
NET ASSETS	1,949,675	2,074,531	1,986,545
NUMBER OF SHARES IN ISSUE (NOTE 5)			
Sterling shares	356,434,651	372,024,149	374,357,176
US Dollar shares	28,506,709	29,856,472	28,840,946
NET ASSET VALUE PER SHARE (NOTES 7 AND 9)			
Sterling shares	£4.06	£4.11	£3.93
US Dollar shares	US\$4.20	US\$4.27	US\$4.08

See accompanying Notes to the Interim Unaudited Financial Statements.

Signed on behalf of the Board by:

Richard Horlick
Chair

John Le Poidevin
Director

13 September 2024

UNAUDITED STATEMENT OF OPERATIONS

For the period from 1 January 2024 to 30 June 2024

	01.01.24 TO 30.06.24 (UNAUDITED) US\$'000	01.01.23 TO 31.12.23 (AUDITED) US\$'000	01.01.23 TO 30.06.23 (UNAUDITED) US\$'000
NET INVESTMENT GAIN ALLOCATED FROM THE MASTER FUND			
Interest income	56,146	99,983	39,647
Dividend and other income (net of withholding tax: 30 June 2024: US\$11,911; 31 December 2023: US\$94,653; 30 June 2023: US\$16,182)	306	5,176	862
Expenses	(39,288)	(91,827)	(31,170)
NET INVESTMENT GAIN ALLOCATED FROM THE MASTER FUND	17,164	13,332	9,339
COMPANY INCOME			
Bank interest income	274	792	496
Foreign exchange gains (note 3)	–	108,508	100,563
TOTAL COMPANY INCOME	274	109,300	101,059
COMPANY EXPENSES			
Performance fees (note 4)	–	2	2
Management fees (note 4)	14,705	29,579	14,393
Other expenses	324	969	314
Directors' fees	202	442	228
Administration fees (note 4)	151	303	148
Foreign exchange losses (note 3)	15,801	–	–
TOTAL COMPANY EXPENSES	31,183	31,295	15,085
NET INVESTMENT (LOSS)/GAIN	(13,745)	91,337	95,313
NET REALISED AND UNREALISED GAIN/(LOSS) ON INVESTMENTS ALLOCATED FROM THE MASTER FUND			
Net realised gain/(loss) on investments	3,641	188,681	(14,667)
Net unrealised loss on investments	(40,069)	(213,524)	(109,132)
NET REALISED AND UNREALISED LOSS ON INVESTMENTS ALLOCATED FROM THE MASTER FUND	(36,428)	(24,843)	(123,799)
NET (DECREASE)/INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	(50,173)	66,494	(28,486)

See accompanying Notes to the Interim Unaudited Financial Statements.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

For the period from 1 January 2024 to 30 June 2024

	01.01.24 TO 30.06.24 (UNAUDITED) US\$'000	01.01.23 TO 31.12.23 (AUDITED) US\$'000	01.01.23 TO 30.06.23 (UNAUDITED) US\$'000
NET (DECREASE)/INCREASE IN NET ASSETS RESULTING FROM OPERATIONS			
Net investment (loss)/gain	(13,745)	91,337	95,313
Net realised gain/(loss) on investments allocated from the Master Fund	3,641	188,681	(14,667)
Net unrealised loss on investments allocated from the Master Fund	(40,069)	(213,524)	(109,132)
	(50,173)	66,494	(28,486)
SHARE CAPITAL TRANSACTIONS			
ISSUE OF NEW SHARES			
Sterling shares	–	379,021	379,021
US Dollar shares	–	3,336	3,336
SHARE ISSUE COSTS			
Sterling shares	–	(7,761)	(7,707)
US Dollar shares	–	(67)	(67)
PURCHASE OF SHARES INTO TREASURY			
Sterling shares	(74,683)	(6,940)	–
US Dollar shares	–	–	–
TOTAL SHARE CAPITAL TRANSACTIONS	(74,683)	367,589	374,583
NET (DECREASE)/INCREASE IN NET ASSETS	(124,856)	434,083	346,097
NET ASSETS AT THE BEGINNING OF THE PERIOD/YEAR	2,074,531	1,640,448	1,640,448
NET ASSETS AT THE END OF THE PERIOD/YEAR	1,949,675	2,074,531	1,986,545

See accompanying Notes to the Interim Unaudited Financial Statements.

UNAUDITED STATEMENT OF CASH FLOWS

For the period from 1 January 2024 to 30 June 2024

	01.01.24 TO 30.06.24 (UNAUDITED) US\$'000	01.01.23 TO 31.12.23 (AUDITED) US\$'000	01.01.23 TO 30.06.23 (UNAUDITED) US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (decrease)/increase in net assets resulting from operations	(50,173)	66,494	(28,486)
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net cash generated from/(used in) operating activities:			
Net investment gain allocated from the Master Fund	(17,164)	(13,332)	(9,339)
Net realised (gain)/loss on investments allocated from the Master Fund	(3,641)	(188,681)	14,667
Net unrealised loss on investments allocated from the Master Fund	40,069	213,524	109,132
Purchase of investment in the Master Fund	–	(365,214)	(365,214)
Proceeds from sale of investment in the Master Fund	100,668	101,862	77,711
Foreign exchange losses/(gains)	15,801	(108,508)	(100,563)
Increase in prepaid expenses	(52)	(4)	(79)
Decrease in performance fees payable	(2)	(62,259)	(62,259)
Decrease in management fees payable	(249)	(1,453)	(1,644)
Increase/(decrease) in accrued expenses and other liabilities	33	(68)	(81)
Increase/(decrease) in Directors' fees payable	103	(14)	(14)
Increase in administration fees payable	71	14	11
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	85,464	(357,639)	(366,158)
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of own shares into treasury	(76,160)	(5,463)	–
Proceeds from share issue	–	382,357	382,357
Share issue costs	–	(7,828)	(7,773)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(76,160)	369,066	374,584
CHANGE IN CASH	9,304	11,427	8,426
CASH, BEGINNING OF THE PERIOD/YEAR	19,651	7,910	7,910
Effect of exchange rate fluctuations	(286)	314	142
CASH, END OF THE PERIOD/YEAR	28,669	19,651	16,478
CASH, END OF THE PERIOD/YEAR			
Cash and bank balances denominated in Sterling ¹	26,497	18,367	15,742
Cash and bank balances denominated in US Dollars	2,172	1,284	736
	28,669	19,651	16,478
SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES			
¹ Cash and bank balances in Sterling (GBP'000)	20,958	14,408	12,383

See accompanying Notes to the Interim Unaudited Financial Statements.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2024 to 30 June 2024

1. THE COMPANY

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

The Company's 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.

At the date of these Interim Unaudited Financial Statements, there were four 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, other funds managed by the Manager invest some of their assets in the Master Fund as at the date of these Interim Unaudited 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 Interim Unaudited 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, Brevan Howard (Tel Aviv) Limited and BH-DG Systematic Trading LLP.

In order to reflect the increased investment of the Company in the Master Fund as a result of the Initial Issue (announced in January 2023), the Company and the Manager agreed to a number of amendments to the Management Agreement, including the terms on which the Company's investment in the Master Fund could be redeemed in order to provide the Manager with more operational certainty regarding the Company's investment in the Master Fund. Certain of these changes, which did not require Shareholder approval, were as follows:

The Company will ordinarily be required to provide 12 months' notice of the redemption of all or some of its investment in the Master Fund, except as may be required to fund the Company's specific working capital requirements and, up to a maximum amount equal to five per cent of each class of the Company's holding of Master Fund shares every month, to finance on-market share buy-backs. As such, any redemption of all or part of the Company's investment in the Master Fund on a winding up of the Company or to finance a tender offer or a class closure resolution will be required to be on 12 months' notice. In those cases, the Company would only receive the proceeds of redemption from the Master Fund (and, therefore, Shareholders would only receive payment from the Company) after the redemption date at the end of the 12-month notice period and the Company (and, therefore, Shareholders) would remain exposed to the investment performance of the Master Fund in the intervening period to that redemption date.

In other changes to the Management Agreement, the circumstances in which the Company can terminate the Management Agreement and redeem its investment in the Master Fund on less than 12 months' notice includes certain "cause" events affecting the Manager, in which case the Company would be entitled to terminate the Management Agreement on 90 days' notice and redeem its investment in the Master Fund on three months' notice.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

2. ORGANISATION (CONTINUED)

The annual buy-back allowance fee arrangements introduced in 2021 will continue to apply in respect of repurchases and redemptions by the Company of its shares of each class in excess of a number equal to five per cent of shares in issue of the relevant class at the end of the prior calendar year. Notwithstanding this fact, on 14 June 2024, the Company and Manager agreed that for the calendar year of 2024 only, the Management Agreement shall be treated as amended to provide that the annual buy-back allowance in respect of the Sterling share class for the calendar year ending 31 December 2024 shall be equal in aggregate to 32,175,157 Sterling shares, being equal to 8.65 per cent of the number of Sterling shares in issue at 31 December 2023, disregarding any shares held in treasury. The parties also agreed that the foregoing does not alter the annual buy-back allowance in respect of the Sterling share class for any subsequent calendar year.

See also note 8 for further details relating to redemptions from the Master Fund for discount management mechanisms.

3. SIGNIFICANT ACCOUNTING POLICIES

These Interim Unaudited Financial Statements, which give a true and fair view, are prepared in accordance 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 Company is an investment company which has applied the provisions of Accounting Standards Codification ("ASC") 946.

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 2024, the Company was the sole investor in the Master Fund's ordinary Sterling and US Dollar Class B shares as disclosed in the table below. Within the table below, the Company's investment in each share class in the Master Fund is included, with the overall total investment shown in the 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
30 JUNE 2024					
Sterling	15.19%	£6,553.19	215,368	£1,411,349	1,784,368
US Dollar	0.99%	US\$6,568.75	17,723	US\$116,423	116,423
					1,900,791
31 DECEMBER 2023					
Sterling	15.58%	£6,614.07	226,847	£1,500,386	1,912,542
US Dollar	1.03%	US\$6,620.65	19,041	US\$126,072	126,072
					2,038,614
30 JUNE 2023					
Sterling	15.70%	£6,274.95	232,123	£1,456,562	1,851,727
US Dollar	0.99%	US\$6,279.06	18,622	US\$116,936	116,936
					1,968,663

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 the Interim Unaudited Financial Statements in accordance 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 these Interim Unaudited 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.

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

Transactions reported in the Unaudited Statement of Operations are translated into US Dollar amounts at the date of such transactions. Assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rate at the reporting date. The share capital and other capital reserves are translated at the historic rate ruling at the date of the transaction.

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.

The Unaudited Statement of Operations' items of the Sterling share class are converted into US Dollars using the average exchange rate. Exchange differences arising on translation are included in foreign exchange gains or losses in the Unaudited Statement of Operations. This foreign exchange 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 or 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.

Where such shares have been subsequently sold or reissued to the market, any consideration received, net of any directly attributable incremental transaction costs, is 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 5 for details of sales of shares from treasury or purchases by the Company of its share capital.

4. MANAGEMENT AGREEMENT AND ADMINISTRATION AGREEMENT

Management fee and performance fee

The Company has entered into the Management Agreement with the Manager to manage the Company's investment portfolio. The Management Fee charged to 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. Effective from 1 July 2021, the Management Fee charged has been 1/12 of 1.5% 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. On 23 January 2023, the Management Agreement between the Company and the Manager was amended. Please see note 2 for further information.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

4. MANAGEMENT AGREEMENT AND ADMINISTRATION AGREEMENT (CONTINUED)

During the six month period ended 30 June 2024, US\$14,704,921 (year ended 31 December 2023: US\$29,579,495; six-month period ended 30 June 2023: US\$14,392,938) was earned by the Manager as net Management Fees. At 30 June 2024, US\$2,521,752 (31 December 2023: US\$2,770,618; 30 June 2023: US\$2,579,511) of the Management 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 six month period ended 30 June 2024, US\$ Nil (year ended 31 December 2023: US\$2,326; six-month period ended 30 June 2023: US\$2,322) was earned by the Manager as performance fees. At 30 June 2024, US\$ Nil (31 December 2023: US\$2,340; 30 June 2023: US\$2,339) 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 notice period for termination of the Management Agreement without cause by either the Company or the Manager is 12 months. The Management Agreement was amended on 23 January 2023. See note 2 for further details.

Administration fee

The Company has appointed Northern Trust International Fund Administration Services (Guernsey) Limited as its administrator and corporate secretary (the "Administrator" and "Corporate Secretary") pursuant to an administration agreement. 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 2023 and 30 June 2023: £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 six month period ended 30 June 2024, US\$150,875 (year ended 31 December 2023: US\$303,372; six-month period ended 30 June 2023: US\$147,658) was earned by the Administrator as administration fees. The amounts outstanding are disclosed on the Unaudited Statement of Assets and Liabilities.

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 Dollars. Further issues of shares may be made in accordance with the Articles of Incorporation (the "Articles"). Shares may be issued in differing currency classes of ordinary redeemable shares. The following tables show the movement in ordinary shares.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

5. SHARE CAPITAL (CONTINUED)

For the period from 1 January 2024 to 30 June 2024

	STERLING SHARES	US DOLLAR SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2024	372,024,149	29,856,472
Share conversions	1,114,324	(1,349,763)
Purchase of shares into Treasury	(16,703,822)	–
IN ISSUE AT 30 JUNE 2024	356,434,651	28,506,709
NUMBER OF TREASURY SHARES		
In issue at 1 January 2024	1,504,277	–
Shares purchased and held in Treasury during the period:		
On market purchases*	16,703,822	–
In issue at 30 June 2024	18,208,099	–
PERCENTAGE OF CLASS	4.86%	–

* On market purchases for the period ended 30 June 2024.

	NUMBER OF SHARES PURCHASED	COST (US\$)	COST (IN CURRENCY)
TREASURY SHARES			
US Dollar shares	–	–	–
Sterling shares	16,703,822	74,683,493	£59,062,940

For the year ended 31 December 2023

	STERLING SHARES	US DOLLAR SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2023	30,156,454	2,858,135
Share conversions	(717,994)	884,077
Net issue of new shares from Share Sub-Division	271,711,966	25,367,860
Issue of new shares	72,378,000	746,400
Purchase of shares into treasury	(1,504,277)	–
IN ISSUE AT 31 DECEMBER 2023	372,024,149	29,856,472
NUMBER OF TREASURY SHARES		
In issue at 1 January 2023	–	–
On market purchases*	1,504,277	–
IN ISSUE AT 31 DECEMBER 2023	1,504,277	–
PERCENTAGE OF CLASS	0.40%	–

* On market purchases in the year ended 31 December 2023.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

5. SHARE CAPITAL (CONTINUED)

	NUMBER OF SHARES PURCHASED	COST (US\$)	COST (IN CURRENCY)
TREASURY SHARES			
US Dollar shares	–	–	–
Sterling shares	1,504,277	6,939,943	£5,457,432

For the period from 1 January 2023 to 30 June 2023

	STERLING SHARES	US DOLLAR SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2023	30,156,454	2,858,135
Share conversions	110,756	(131,449)
Net issue of new shares from Share Sub-Division	271,711,966	25,367,860
Issue of new shares	72,378,000	746,400
IN ISSUE AT 30 JUNE 2023	374,357,176	28,840,946

	NUMBER OF SHARES PURCHASED	COST (US\$)	COST (IN CURRENCY)
TREASURY SHARES			
US Dollar shares	–	–	–
Sterling shares	–	–	–

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.

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. At the Annual General Meeting held on 5 June 2024, Shareholders approved a Special Resolution that authorised the maximum number of shares that may be purchased on-market by the Company until the next Annual General Meeting, being 53,804,834 Sterling shares and 4,416,869 US Dollar shares.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

5. SHARE CAPITAL (CONTINUED)

Further issue of shares

As described in the Directors' Report on pages 5 and 6, on 13 February 2023, a total of 72,378,000 Sterling shares and 746,400 US Dollar shares were issued in the Initial Issue at a price per share equal, respectively, to 431.5 pence per Sterling share and US\$4.47 per US Dollar share, raising gross proceeds of approximately £315 million (based on a US Dollar/Sterling FX spot rate of 1.2113 being the prevailing rate as at 3.00 p.m. on 10 February 2023). Costs attributed to the Initial Issue and the related share sub-division were US\$7,773,233.

As approved by the Shareholders at the Annual General Meeting held on 5 June 2024, the Directors have the power to issue further shares totalling 119,634,098 Sterling shares and 9,820,829 US Dollar shares, respectively. This power is due to expire 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 was 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.

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 Fee and performance fees.

Treasury shares are not entitled to distributions. During the period ended 30 June 2024, the Company purchased 16,703,822 (31 December 2023: 1,504,277) Sterling share class to be held in Treasury. No shares were held in Treasury throughout the period ended 30 June 2023.

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 expenses 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 remainder of the year.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

7. PUBLICATION AND CALCULATION OF THE COMPANY'S 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. See note 2 for further details regarding the Company's annual buy-back allowance and the 2024 arrangements agreed with the Manager.

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, funded by the Company redeeming underlying shares in the Master Fund. As a condition of the April 2017 Tender Offer, this was suspended until 1 April 2019 and for much of the period since that date, the Company's shares have traded at a premium or minimal discount to NAV. Subject to the authority granted by Shareholders at the 2023 AGM and subsequently, the 2024 AGM (see note 5), from December 2023, market purchases by the Company of the Sterling share class resumed, due to the class trading at a discount.

Under the terms of the Management Agreement, the Company may, on one month's notice, redeem up to 5 per cent of its shares of each class in the Master Fund, in order to fund buybacks. On 17 June 2024, the Board announced that the Sterling share class annual buyback allowance for the financial year 2024 had been increased by an amount equal to the unused allowance for the financial year 2023, allowing the Board to repurchase an additional c. 16.3 million shares during the financial period ending June 2024. As such, the additional allowance is not subject to the 2 per cent fee, payable to the Manager, which would otherwise be applied to the Company's share buybacks over the normal 5 per cent allowance.

Please see note 5 for details of shares purchased and held in Treasury.

Annual offer of partial return of capital

Under the Company's Articles, 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 determine, provided that the maximum amount distributed does 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 are to be returned.

The Company is entitled to redeem upon three months' notice, no more than once per year, a portion of its interest in the Master Fund representing up to 10 per cent of each class of the Company's holding of Master Fund shares as at the date of the relevant redemption request in connection with any such offer of a partial capital return of capital which is approved by the Directors.

The decision to make a partial return of capital in any particular year and the amount of the return depend, 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.

The average discount to NAV for the Sterling shares and US Dollar shares for the period ended 30 June 2024 were 12.66% and 12.63% respectively.

The average discount to NAV for the Sterling shares and US Dollar shares for the year ended 31 December 2023 were 3.27% and 2.46% respectively.

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 2024 to 30 June 2024

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 2024 and other performance information derived from the Interim Unaudited 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.

	30.06.24 STERLING SHARES £	30.06.24 US DOLLAR SHARES US\$
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the period	4.11	4.27
INCOME FROM INVESTMENT OPERATIONS		
Net investment loss ²	–	–
Net realised and unrealised loss on investment	(0.08)	(0.08)
Other capital items ³	0.03	0.01
TOTAL LOSS	(0.05)	(0.07)
Net asset value, end of the period	4.06	4.20
Total loss before performance fees	(1.10%)	(1.54%)
Performance fees	–	–
TOTAL LOSS AFTER PERFORMANCE FEES	(1.10%)	(1.54%)

Total loss reflects the net loss for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the period from 1 January 2024 to 30 June 2024. An individual Shareholder's loss may vary from these losses based on the timing of their purchase or sale of shares.

	30.06.24 STERLING SHARES £'000	30.06.24 US DOLLAR SHARES US\$'000
SUPPLEMENTAL DATA		
Net asset value, end of the period	1,447,320	119,832
Average net asset value for the period	1,458,512	122,078

	30.06.24 STERLING SHARES	30.06.24 US DOLLAR SHARES
RATIO TO AVERAGE NET ASSETS		
Operating expenses		
Company expenses ⁴	0.78%	0.78%
Master Fund expenses ⁵	0.45%	0.44%
Master Fund interest expenses ⁶	1.55%	1.54%
Performance fees	–	–
	2.78%	2.76%
Net investment gain before performance fees ²	0.10%	0.10%
Net investment gain after performance fees ²	0.10%	0.10%

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

9. FINANCIAL HIGHLIGHTS (CONTINUED)

	31.12.23 STERLING SHARES £	31.12.23 US DOLLAR SHARES US\$
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the year ¹	4.18	4.33
INCOME FROM INVESTMENT OPERATIONS		
Net investment loss ²	(0.04)	(0.01)
Net realised and unrealised (loss)/gain on investment	(0.08)	0.01
Other capital items ³	0.05	(0.06)
TOTAL LOSS	(0.07)	(0.06)
NET ASSET VALUE, END OF THE YEAR	4.11	4.27
Total loss before performance fees	(1.81%)	(1.33%)
Performance fees	–	–
TOTAL LOSS AFTER PERFORMANCE FEES	(1.81%)	(1.33%)

Total loss 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 2023 to 31 December 2023. An individual Shareholder's return may vary from these returns based on the timing of their purchase or sale of shares.

	31.12.23 STERLING SHARES £'000	31.12.23 US DOLLAR SHARES US\$'000
SUPPLEMENTAL DATA		
Net asset value, end of the year	1,527,458	127,482
Average net asset value for the year	1,485,598	122,970

	31.12.23 STERLING SHARES	31.12.23 US DOLLAR SHARES
RATIO TO AVERAGE NET ASSETS		
Operating expenses		
Company expenses ⁴	1.59%	1.57%
Master Fund expenses ⁵	1.41%	0.83%
Master Fund interest expenses ⁶	3.28%	3.32%
Performance fees	–	–
	6.28%	5.72%
Net investment loss before performance fees ²	(0.91%)	(0.22%)
Net investment loss after performance fees ²	(0.91%)	(0.22%)

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

9. FINANCIAL HIGHLIGHTS (CONTINUED)

	30.06.23 STERLING SHARES £	30.06.23 US DOLLAR SHARES US\$
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the period ¹	4.18	4.33
INCOME FROM INVESTMENT OPERATIONS		
Net investment loss ²	(0.01)	(0.01)
Net realised and unrealised loss on investment	(0.24)	(0.18)
Other capital items ³	–	(0.06)
TOTAL LOSS	(0.25)	(0.25)
NET ASSET VALUE, END OF THE PERIOD¹	3.93	4.08
Total loss before performance fees	(6.09%)	(5.65%)
Performance fees	–	–
TOTAL LOSS AFTER PERFORMANCE FEES	(6.09%)	(5.65%)

Total loss reflects the net loss for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the period from 1 January 2023 to 30 June 2023. An individual Shareholder's loss may vary from these losses based on the timing of their purchase or sale of shares.

	30.06.23 STERLING SHARES £'000	30.06.23 US DOLLAR SHARES US\$'000
SUPPLEMENTAL DATA		
Net asset value, end of the period	1,469,990	117,749
Average net asset value for the period	1,468,214	121,222

	30.06.23 STERLING SHARES	30.06.23 US DOLLAR SHARES
RATIO TO AVERAGE NET ASSETS		
Operating expenses		
Company expenses ⁴	0.78%	0.78%
Master Fund expenses ⁵	0.41%	0.42%
Master Fund interest expenses ⁶	1.20%	1.23%
Performance fees	–	–
	2.39%	2.43%
Net investment loss before performance fee ²	(0.27%)	(0.23%)
Net investment loss after performance fees ²	(0.27%)	(0.23%)

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

9. FINANCIAL HIGHLIGHTS (CONTINUED)

Notes

- 1 For illustrative purposes, the Net Asset Value at the beginning of 2023 is adjusted by a factor of 10 to reflect the 10 for 1 share sub-division, which was approved at the EGM held on 6 February 2023, with dealings commencing on 7 February 2023. The rest of Net Asset Values are not adjusted by a factor of 10 reflect in order to reflect the factual numbers audited in previous financial statements.
- 2 The net investment loss figures disclosed above do not include net realised and unrealised gains/losses on investments allocated from the Master Fund.
- 3 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 or period as compared to the NAV per share at the beginning of the year/period.
- 4 Company expenses are as disclosed in the Unaudited Statement of Operations excluding the performance fee and foreign exchange gains/losses.
- 5 Master Fund expenses are the operating expenses of the Master Fund excluding the interest and dividend expenses of the Master Fund.
- 6 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.

The management fees, performance fees and administration fees are disclosed in note 4. Details of the amended Management Agreement can be found in note 2.

The annual Directors' fees from 1 July 2022 have been:

ROLE	FEE PER ANNUM £
Board Chair	90,000
Audit Committee Chair	65,000
Management Engagement Committee Chair	55,000
Remuneration and Nomination Committee Chair	55,000
Senior Independent Director	55,000
All other Directors	50,000

The fees payable by the Company in respect of each of the Directors who served during the period ended 30 June 2024, the year ended 31 December 2023 and the period ended 30 June 2023, were as follows:

	PERIOD ENDED 30.06.24 £	YEAR ENDED 31.12.23 £	PERIOD ENDED 30.06.23 £
Richard Horlick	45,000	90,000	45,000
Caroline Chan*	27,500	51,586	25,000
Julia Chapman	27,500	55,000	27,500
Bronwyn Curtis	27,500	55,000	27,500
John Le Poidevin	32,500	65,000	32,500
Claire Whittet**	–	38,801	27,500
TOTAL	160,000	355,387	185,000

* Caroline Chan was appointed to the Board on 6 December 2022 at a fee of £50,000 p.a. Following her appointment as Chair of the Remuneration and Nomination Committee, her fee was increased to £55,000 p.a.

** Claire Whittet retired from the Board on 13 September 2023.

The annual aggregate limit of fees payable to Directors is £800,000 per annum.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2024 to 30 June 2024

11. SUBSEQUENT EVENTS

On 2 July 2024, the Company completed the share conversion for the 31 May 2024 share conversion date, issuing 216,228 Sterling shares and cancelling 266,010 US Dollar shares.

On 2 August 2024, the Company completed the share conversion for the 30 June 2024 share conversion date, issuing 8,142 US Dollar Shares and cancelling 6,669 Sterling Shares.

On 3 September 2024, the Company completed the share conversion for the 31 July 2024 share conversion date, issuing 15,729 US Dollar Shares and cancelling 12,308 Sterling Shares.

The Company purchased the following shares into Treasury.

MONTH	NUMBER OF SHARES BOUGHT	STERLING CLASS SHARES	
		HIGHEST PRICE POINT £	LOWEST PRICE POINT £
July 2024	965,746	3.71	3.63
August 2024	2,036,946	3.83	3.63
September 2024	923,431	3.68	3.56
TOTAL	3,926,123		

There were no purchases of US Dollar Class ordinary shares after the period end.

The Directors have evaluated subsequent events up to 13 September 2024, which is the date that the Interim Unaudited Financial Statements were approved and 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 2024

	30.06.24 US\$'000	31.12.23 US\$'000	31.12.22 US\$'000	31.12.21 US\$'000	31.12.20 US\$'000
Net (decrease)/increase in net assets resulting from operations	(50,173)	66,494	112,078	12,010	181,533
TOTAL ASSETS	1,952,632	2,079,009	1,707,130	1,307,490	802,224
TOTAL LIABILITIES	(2,957)	(4,478)	(66,682)	(9,762)	(41,055)
NET ASSETS	1,949,675	2,074,531	1,640,448	1,297,728	761,169
NUMBER OF SHARES IN ISSUE					
Sterling shares	356,434,651	372,024,149	30,156,454*	25,864,663*	15,009,868*
US Dollar shares	28,506,709	29,856,472	2,858,135*	2,689,547*	2,191,379*
NET ASSET VALUE PER SHARE					
Sterling shares	£4.06	£4.11	£41.81*	£34.30*	£33.38*
US Dollar shares	US\$4.20	US\$4.27	US\$43.28*	US\$35.71*	US\$34.78*

* The Number of Shares In Issue and Net Asset Value Per Share prior to 31 December 2023 are not adjusted by a factor of 10 to reflect the 10 for 1 share sub-division approved at the EGM held on 6 February 2023.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

ALTERNATIVE PERFORMANCE MEASURES ("APMS")

We assess our performance using a variety of measures that are not specifically defined under US GAAP and therefore termed APMs. The APMs that we use may not be directly comparable with those used by other companies.

AVERAGE DISCOUNT TO NAV

The average Discount to NAV of the whole period/year is calculated for each share class by using the following formula:

$$\frac{(A-B)}{B}$$

Where:

- 'A' is the average closing market price of a share of the relevant share class as derived from the trading price on the London Stock Exchange, calculated as the sum of all the closing market prices per share of that class as at each London Stock Exchange trading day during a calendar year, divided by the number of such trading days in such period; and
- 'B' is the average NAV per share of the shares of the relevant share class taken over the 6 month-end NAV Calculation Dates in the period ended 30 June 2024 calculated as the sum of the final NAV of the share class as at each month-end NAV Calculation Date during the period ended 30 June 2024, divided by 6.

(DISCOUNT)/PREMIUM

If the share price of an investment is lower than the NAV per share, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per share of the relevant share class and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, the shares are said to be trading at a premium. The Board monitors the level of discount or premium and consideration is given to ways in which share price performance may be enhanced, including the effectiveness of marketing and share buy-backs, where appropriate. The discount is shown below.

	STERLING SHARES		US DOLLAR SHARES	
	30.06.24	31.12.23	30.06.24	31.12.23
Share Price at Period/Year End (A)	£3.71	£3.67	US\$3.81	US\$3.77
NAV per Share (B)	£4.06	£4.11	US\$4.20	US\$4.27
Discount to NAV (A-B)/B	(8.62%)	(10.71%)	(9.29%)	(11.71%)

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES CONTINUED

(LOSS)/GAIN PER SHARE

(Loss)/gain per share is calculated using the net loss/gain on ordinary activities after finance costs and taxation (period ended 30 June 2024: a loss of £25,542,069 and a loss of US\$2,039,344; year ended 31 December 2023: a loss of £32,535,028 and a loss of US\$1,540,012), divided by the weighted average number of shares in issue (period ended 30 June 2024: 376,567,685 Sterling shares and 29,227,517 US Dollar shares; year ended 31 December 2023: 353,094,861 Sterling shares and 28,097,148 US Dollar shares).

The 10 for 1 share sub-division approved at the EGM held on 6 February 2023 has been applied throughout the year for the 2023 weighted average share figures.

	PERIOD ENDED 30.06.24		YEAR ENDED 31.12.23	
	PER SHARE	'000	PER SHARE	'000
Net total loss for Sterling shares	(6.78p)	(£25,542)	(9.21p)	(£32,535)
Net total loss for US Dollar shares	(6.98c)	(US\$2,039)	(5.48c)	(US\$1,540)

ONGOING CHARGES

The Ongoing Charges are calculated using the AIC Ongoing Charges methodology, which was last updated in April 2022 and is available on the AIC website (theaic.co.uk). 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 and are expressed as a percentage of the average of the daily net assets during the year (see page 9). The Board continues to be conscious of expenses and works hard to maintain a sensible balance between good quality service and cost. The Ongoing Charges calculation is shown below:

	STERLING SHARES		US DOLLAR SHARES	
	PERIOD ENDED 30.06.24	YEAR ENDED 31.12.23	PERIOD ENDED 30.06.24	YEAR ENDED 31.12.23
Average NAV for the period/year (A)	£1,458,512,256	£1,485,598,348	US\$122,077,677	US\$122,970,362
Management Fee*	£21,842,252	£22,297,675	US\$1,828,066	US\$1,846,781
Other Company expenses*	£1,001,206	£1,309,986	US\$86,556	US\$84,979
TOTAL COMPANY EXPENSES*	£22,843,458	£23,607,661	US\$1,914,622	US\$1,931,760
Expenses allocated from the Master Fund*	£8,912,097	£8,445,240	US\$740,777	US\$703,225
Performance Fee	–	£471	–	US\$1,740
TOTAL EXPENSES (B)	£31,755,555	£32,053,372	US\$2,655,399	US\$2,636,725
ONGOING CHARGES (B/A)	2.18%	2.16%	2.18%	2.14%

* For comparative purposes, the expenses for the period ended 30 June 2024 have been annualised.

The NAV

The NAV is the net assets of the Company attributable to Shareholders, that is, total assets less total liabilities, expressed as an amount per individual share of the relevant class of shares.

COMPANY INFORMATION

Directors

Richard Horlick (Chair)
Caroline Chan
Julia Chapman
Bronwyn Curtis
John Le Poidevin

(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 Advisor (Guernsey Law)

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

Legal Advisor (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

Designed and produced by Fin International

