

BH GLOBAL LIMITED

INTERIM REPORT AND UNAUDITED FINANCIAL
STATEMENTS 2020

30 June 2020

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CHAIRMAN'S STATEMENT

Dear Shareholder,

The half year to 30 June 2020 was a period of exceptional absolute and relative performance for BH Global Limited (the "Company" or "BH Global"). Indeed, this six-month period delivered the strongest performance since the Company was launched in 2008. In the period the Net Asset Value ("NAV") per share of the smaller US Dollar class appreciated by 14.72% and that of the much larger Sterling class by 14.54%.

Driven by this strong NAV performance and a narrowing of the discount, the share prices of the two classes appreciated by 19.7% (USD) and 21.6% (GBP). It was altogether a highly satisfactory period for BH Global shareholders at a time when there was huge volatility in world equity markets.

An altogether exceptional half year for NAV performance during a period of financial market turbulence and one that demonstrates that, whilst BH Global is a low volatility, structurally uncorrelated vehicle with assets spread over multiple trading strategies, it can also deliver substantial performance with tight risk controls in favourable conditions. Great credit must be given to the Manager, Brevan Howard and the Manager's Report, which follows this Statement, sets out the performance in more detail.

ASSETS

The Company continues to invest all of its assets, save for working cash balances, in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS"). BH Global continues to be by far the largest investor in BHMS owning 81.9% of the total capital of that fund. As at 30 June 2020 the Company's net assets were \$503 million and were significantly in excess of the \$300 million threshold that would trigger a wind-up resolution to be put to shareholders.

During the half year the Manager made some significant changes in the allocation of the underlying funds. The percentage of BHMS invested in the Brevan Howard Master Fund ("BHMF") was reduced from 43.5% to 25.4% and the capital redeployed as is set out in the Manager's Report. The most significant change was to increase the percentage allocated to the Single Manager Portfolio where the allocation rose from 40.0% to 58.1% taking it back towards its previous peak of over 60% in 2018. That allocation is spread across nine different trading books or funds and returned 17.24% (gross of fees) for the period.

DISCOUNT, SHARE BUY BACKS, POSSIBLE ISSUANCE OF SHARES FROM TREASURY

As at 30 June 2020 the Sterling class of shares traded at exactly their NAV per share – with no discount nor premium and thus the discount of 5.78% as at 31 December 2019 had been eliminated through investors' purchases in the market. No shares were bought back and indeed the last share buy backs

undertaken were in June 2018. However, during the worst of the equity market turmoil in March, when investors were selling assets indiscriminately, the discount went through a period of considerable volatility reaching a level in excess of 15% for a short period. The Board considered carefully, and took advice from the Company's brokers, as to whether the resumption of buy backs would be in the best interests of shareholders but concluded that the developing NAV performance would eventually be recognised by the market and the discount would close of its own accord. That is indeed what occurred and a few weeks later the shares traded at a modest premium for a period.

The Company holds 1.9 million shares in Treasury in aggregate across the Sterling and US Dollar classes. As a premium began to develop, the Company, with the assistance of the Manager who covered an important regulatory requirement, put in place the systems that would permit shares to be issued from Treasury. No such shares have yet been issued; but in the event that the Company's shares trade again at a sustained material premium, the Board is prepared to issue modest numbers of shares which will be NAV accretive to existing shareholders and will assist liquidity. Should the potential for such issuance materialise the Company will make an RNS announcement to the market.

ANNUAL GENERAL MEETING AND SHAREHOLDERS

Owing to travel restrictions resulting from the COVID-19 pandemic it would have been almost impossible for any shareholder to attend the AGM in person. However, I am pleased to report that over 60% of eligible votes were cast by proxy and that eight out of the twelve resolutions were passed with a 100% majority in favour. The resolution with the most votes against was still passed with a majority of 96.5%. The Board and the Manager are very appreciative of such a strong show of support from shareholders.

Both the Manager and I have regular contact with the Company's major shareholders. In addition, J P Morgan Cazenove hosted a webinar jointly for BH Global and BH Macro in May which was attended by over 100 shareholders and interested parties. In that webinar the Manager reviewed performance and discussed the outlook for trading.

MANAGER

Brevan Howard Capital Management LP continues as Manager of the Company although a personnel change has recently taken place. After 12 years of service at Brevan Howard, Magnus Olsson has decided on a personal career change and has left Brevan Howard to pursue his own path. Magnus was Chair of the Manager's Investment Committee (the "IC") which is responsible for asset allocation of BHMS and thus, indirectly, of the Company's assets.

CHAIRMAN'S STATEMENT CONTINUED

Magnus has regularly attended quarterly Board meetings and other meetings with directors and with shareholders and has been responsible for the flow of information to the Board and to shareholders.

Since I was appointed your Chairman in 2013 I have seen first-hand Magnus' thoughtful professional skills and on behalf of the Board and shareholders I wish to thank him for his constant diligent attention to BH Global's business and to wish him very well in his future career.

Ryan Kennelly, who previously worked with Magnus and attended BH Global Board meetings some time ago, has rejoined Brevan Howard and is stepping into Magnus' role. The Board looks forward to working with Ryan and to continuing the constructive and professional relationship in the same vein as that experienced with Magnus.

THE BOARD AND GOVERNANCE

There have been no changes of directors since Andreas Tautscher joined the Board in May 2019. The Board is compact. Its focus is on good stewardship of the Company on behalf of the shareholders. As I announced in March, the Board has appointed BoardAlpha to conduct an external appraisal of the operation of the Board and its effectiveness. COVID-19 is making this task more difficult and as matters are at the moment all Board and other meetings are being held remotely. Such remote working looks as though it may continue for many months yet and BoardAlpha will have to undertake their research, and develop their report in less than ideal circumstances. Remotely attended Board meetings can undertake the business of the Company satisfactorily. However, there is no substitute for occasional physical meetings round a table where personal interaction can flow more easily.

In recent months the Board has held an additional number of informal remote meetings both to monitor developments in markets and also to have confirmation from the Manager of the proper functioning of both the Manager's business and also those key elements of the Company's business that are delegated to the Manager. At all times the Board has felt reassured that the Company's business was under fully effective control.

CONCLUSION

I signed out my Chairman's Statement for the Annual Report on 20 March which, as it turned out, was close to the pinnacle of the turmoil thus far in listed markets and the atmosphere had a distinct air of panic about it. In fact, March proved to be a spectacular month for BH Global's NAV performance, resulting in appreciation of the NAV per share of the GBP class of 12.36% as Brevan Howard's traders read the future for market moves so

very accurately. Since March markets have developed a much more settled tone on the back of unprecedented support from Governments and central banks. Meanwhile economies across the world have reeled from the direct and indirect effects of the COVID-19 crisis with quarterly declines in GDP that many, myself included, would have thought to be impossible. Central banks in the developed world have reacted by cutting interest rates towards zero and in some cases into negative territory. However, the world looks as though it will have to live with COVID-19 for a very long time to come and its effect on employment and on many millions of individual lives is profound with massive impact on health and on social and economic activity.

The Manager's Report reminds us that financial assets are expensive by many standard metrics. Nevertheless, it is to be hoped that trading opportunities will occur and that growth in NAV per share will continue over time. Meanwhile risk control in these very uncertain times remains critical and the Manager has consistently demonstrated tight risk control in historic periods of market turmoil and I have every confidence will do so in the future. Thus, the aim of both Manager and Board will be for BH Global to continue to deliver as a portfolio diversifier in a highly uncertain world for risk assets. However, as a closed-end fund, some volatility of the discount to or premium over NAV at which the Company's shares trade should be expected. Indeed, as I sign out this Statement, a modest discount has once again developed. The Board will continue to monitor the position and be ready to take appropriate action should it consider that to be in the long-term interests of shareholders.

Yours sincerely,

Sir Michael Bunbury

CHAIRMAN

19 August 2020

COMPANY PERFORMANCE

STERLING SHARES
SHARE PRICE VS NET ASSET VALUE



US DOLLAR SHARES
SHARE PRICE VS NET ASSET VALUE



GLOSSARY OF ACRONYMS

BHAHMF	Brevan Howard AH Master Fund Limited
BHALMF	Brevan Howard Alpha Strategies Master Fund Limited
BHASMF	Brevan Howard AS Macro Master Fund Limited
BHCM or the Manager	Brevan Howard Capital Management LP
BHDGST	BH-DG Systematic Trading Master Fund Limited
BHFGMF	Brevan Howard FG Macro Master Fund Limited
BHG, BH Global or the Company	BH Global Limited
BHGVMF	Brevan Howard Global Volatility Master Fund Limited
BHMBMF	Brevan Howard MB Macro Master Fund Limited
BHMF	Brevan Howard Master Fund Limited
BHMS or the Master Fund	Brevan Howard Multi-Strategy Master Fund Limited
SMP*	Single Manager Portfolio

* Prior to 1 January 2019, the Single Manager Portfolio ("SMP") was described as the Direct Investment Portfolio ("DIP").

UNAUDITED SUPPLEMENTAL FINANCIAL STATEMENTS

In order to provide shareholders with further information regarding the net asset value of each class of shares, coupled with greater transparency as to the income, gains and expenses incurred and the changes in net assets of the two classes, the results have been presented in the tables on pages 4 to 6. These tables show the allocation of all transactions in the currency of the respective share class.

It should be noted that these tables have not been subject to review by KPMG Channel Islands Limited whose report is on page 13.

UNAUDITED SUPPLEMENTAL STATEMENT OF ASSETS AND LIABILITIES

As at 30 June 2020

	US DOLLAR SHARES US\$'000	STERLING SHARES £'000	COMPANY TOTAL US\$'000
ASSETS			
Investment in BHMS	49,615	379,543	518,598
Other debtors	32	33	73
Cash and bank balances denominated in US Dollars	96	–	96
Cash and bank balances denominated in Sterling	–	832	1,028
TOTAL ASSETS	49,743	380,408	519,795
LIABILITIES			
Management fees payable	32	263	357
Performance fees payable	1,614	11,618	15,971
Accrued expenses and other liabilities	25	119	172
Administration fees payable	3	20	27
TOTAL LIABILITIES	1,674	12,020	16,527
NET ASSETS	48,069	368,388	503,268
NUMBER OF SHARES IN ISSUE	2,542,136	19,967,808	–
NET ASSET VALUE PER SHARE	US\$18.91	£18.45	–

UNAUDITED SUPPLEMENTAL STATEMENT OF OPERATIONS

For the period from 1 January 2020 to 30 June 2020

	US DOLLAR SHARES US\$'000	STERLING SHARES £'000	COMPANY TOTAL US\$'000
Interest income	65	485	681
Expenses	(130)	(974)	(1,367)
TOTAL NET INVESTMENT LOSS ALLOCATED FROM BHMS	(65)	(489)	(686)
COMPANY INCOME			
Interest income	–	–	–
Total Company income	–	–	–
COMPANY EXPENSES			
Management fees	200	1,587	2,215
Performance fees	1,614	11,621	16,367
Other expenses	28	199	281
Directors' fees and expenses	21	149	210
Administration fees	8	58	82
Foreign exchange (gains)/losses*	58	(43)	30,041
TOTAL COMPANY EXPENSES	1,929	13,571	49,196
NET INVESTMENT LOSS	(1,994)	(14,060)	(49,882)
NET REALISED AND UNREALISED GAINS/(LOSSES) ON INVESTMENTS ALLOCATED FROM BHMS			
Net realised gain on investments	2,482	18,813	26,368
Net unrealised gain on investments	5,991	44,568	62,577
Net realised and unrealised foreign exchange loss - on hedging	–	(2,791)	(3,545)
NET REALISED AND UNREALISED GAINS ON INVESTMENTS ALLOCATED FROM BHMS	8,473	60,590	85,400
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	6,479	46,530	35,518

* The Company total for foreign exchange (gains)/losses also contains the results of translating the Sterling class into US Dollars, which was US\$30,037,178 for the period ended 30 June 2020. The Unaudited Statement of Financial Position was translated at the 30 June 2020 rate of 1.2356. The Unaudited Statement of Operations was translated at the average rate of 1.2697.

The trades carried out in the various underlying portfolios have structures of varying complexity and inherent leverage. This can result in situations where, at an individual trade level, interest income or expense is offset by losses or gains on other investments to achieve a net return. However, accounting conventions require that all these elements are disclosed gross which can result in separate reporting of what would otherwise be off-setting interest income and expenses, realised gains and losses or unrealised gains and losses.

UNAUDITED SUPPLEMENTAL FINANCIAL STATEMENTS CONTINUED

UNAUDITED SUPPLEMENTAL STATEMENT OF CHANGES IN NET ASSETS

For the period from 1 January 2020 to 30 June 2020

	US DOLLAR SHARES US\$'000	STERLING SHARES £'000	COMPANY TOTAL US\$'000
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS			
Net investment loss	(1,994)	(14,060)	(49,882)
Net realised gain on investments allocated from BHMS	2,482	18,813	26,368
Net unrealised gain on investments allocated from BHMS	5,991	44,568	62,577
Net realised and unrealised foreign exchange loss allocated from BHMS	–	(2,791)	(3,545)
	6,479	46,530	35,518
SHARE CAPITAL TRANSACTIONS			
Net share conversions	(2,333)	1,845	–
	(2,333)	1,845	–
NET INCREASE IN NET ASSETS	4,146	48,375	35,518
NET ASSETS AT THE BEGINNING OF THE PERIOD	43,923	320,013	467,750
NET ASSETS AT THE END OF THE PERIOD	48,069	368,388	503,268

MANAGER'S REPORT

Brevan Howard Capital Management LP ("BHCM" or the "Manager") is the manager of BH Global Limited ("BHG" or the "Company"). BHG invests all its assets (net of short-term working capital) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS") a company also managed by BHCM.

PERFORMANCE SUMMARY

The NAV per share of the USD shares appreciated by 14.72% during the first half of 2020, while the NAV per share of the GBP shares appreciated by 14.54%.

The month-by-month NAV performance of the USD and GBP currency classes of BHG since it commenced operations in 2008 is set out below:

USD	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	–	–	–	–	–	1.16*	0.10	0.05	(3.89)	1.13	2.74	0.38	1.55
2009	3.35	1.86	1.16	1.06	2.79	(0.21)	1.07	0.27	1.49	0.54	0.11	0.04	14.31
2010	0.32	(0.85)	(0.35)	0.53	(0.06)	0.60	(0.79)	0.80	1.23	0.39	(0.21)	(0.06)	1.54
2011	0.09	0.42	0.34	1.20	0.19	(0.56)	1.61	3.51	(1.29)	(0.14)	0.19	(0.88)	4.69
2012	1.22	1.02	(0.54)	(0.10)	(0.65)	(1.53)	1.46	0.70	1.47	(0.72)	0.81	1.26	4.44
2013	1.33	0.49	0.33	1.60	(0.62)	(1.95)	(0.14)	(0.86)	0.09	(0.13)	0.95	0.75	1.79
2014	(0.98)	(0.04)	(0.26)	(0.45)	0.90	0.70	0.60	0.05	1.56	(0.75)	0.71	0.44	2.49
2015	3.37	(0.41)	0.35	(1.28)	1.03	(1.49)	(0.06)	(1.56)	(0.58)	(0.67)	3.06	(3.31)	(1.73)
2016	0.82	1.03	(0.83)	(0.66)	0.28	1.71	0.13	0.10	(0.23)	0.47	3.62	0.82	7.42
2017	0.22	0.92	(0.99)	(0.10)	0.26	0.19	3.21	0.21	(0.44)	(0.85)	(0.02)	0.03	2.59
2018	3.08	(0.89)	(1.35)	0.72	5.46	(1.12)	0.30	(0.09)	(0.29)	0.22	(0.01)	0.52	6.55
2019	0.17	(0.81)	1.63	(1.15)	3.79	3.06	(1.20)	2.27	(2.10)	0.57	(1.24)	1.28	6.25
2020	(1.18)	4.14	12.40	0.13	(0.66)	(0.29)							14.72

GBP	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008	–	–	–	–	–	1.40*	0.33	0.40	(4.17)	1.25	3.27	0.41	2.76
2009	3.52	1.94	1.03	0.68	2.85	(0.28)	1.05	0.31	1.51	0.58	0.12	0.08	14.15
2010	0.35	(0.93)	(0.32)	0.58	(0.04)	0.62	(0.81)	0.84	1.17	0.37	(0.20)	(0.03)	1.61
2011	0.10	0.41	0.38	1.13	0.04	(0.59)	1.69	3.67	(1.41)	(0.15)	0.21	(0.84)	4.65
2012	1.23	1.05	(0.51)	(0.08)	(0.62)	(1.51)	1.50	0.70	1.44	(0.72)	0.72	1.31	4.55
2013	1.36	0.56	0.36	1.63	(0.48)	(1.91)	(0.11)	(0.84)	0.14	(0.11)	0.97	0.77	2.32
2014	(0.97)	(0.14)	(0.33)	(0.30)	0.56	0.48	0.42	0.03	1.85	(0.76)	0.78	0.48	2.09
2015	3.48	(0.34)	0.33	(1.26)	1.18	(1.50)	(0.03)	(1.44)	(0.64)	(0.79)	3.02	(3.16)	(1.32)
2016	0.91	1.08	(1.04)	(0.65)	0.24	1.46	0.13	(0.14)	(0.34)	0.59	3.28	0.96	6.60
2017	0.16	0.87	(1.15)	(0.04)	0.10	(0.21)	3.12	0.24	(0.43)	(0.75)	(0.02)	(0.11)	1.75
2018	3.09	(0.99)	(1.42)	0.71	5.43	(1.21)	0.20	(0.21)	(0.38)	0.06	(0.13)	0.37	5.43
2019	0.04	(0.99)	1.59	(1.36)	3.88	2.85	(1.35)	2.19	(2.16)	0.38	(1.29)	1.12	4.79
2020	(1.32)	4.19	12.36	0.04	(0.61)	(0.29)							14.54

Source: BHG NAV and NAV per Share data is provided by BHG's administrator, Northern Trust International Fund Administration Services (Guernsey) Limited ("Northern Trust"). BHG NAV per Share % Monthly Change calculations are made by BHCM.

BHG NAV data is unaudited and net of all investment management fees and all other fees and expenses payable by BHG. NAV performance is provided for information purposes only. Shares in BHG do not necessarily trade at a price equal to the prevailing NAV per Share.

* Performance is calculated from a base NAV per Share of 10 in each currency. The opening NAV in May 2008 was 9.9 (after deduction of the IPO costs borne by BHG).

Data as at 30 June 2020.

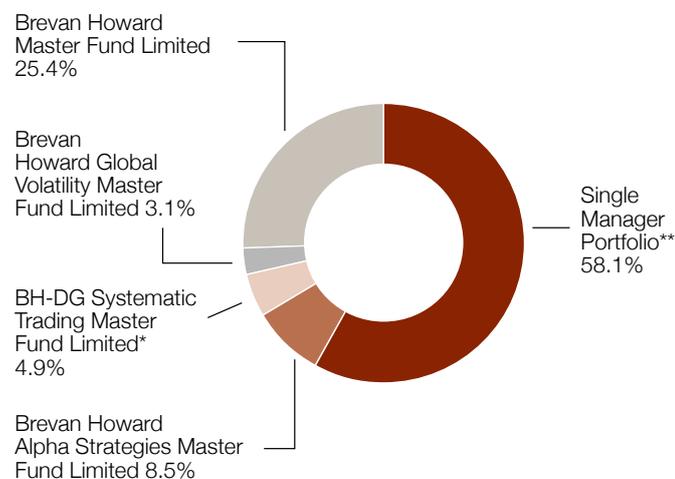
MANAGER'S REPORT CONTINUED

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

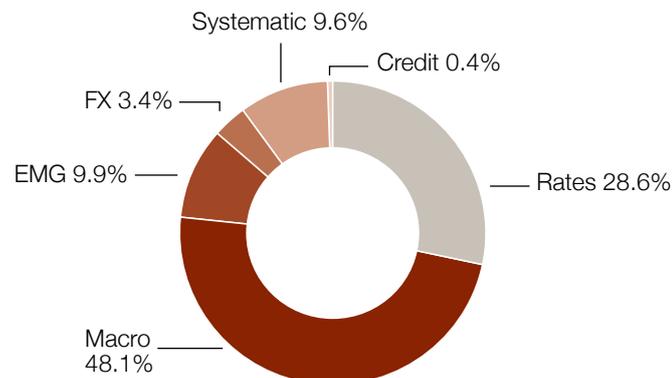
UNDERLYING ALLOCATION REVIEW

Allocations of BHMS as at 30 June 2020 (allocations subject to change):

By Underlying Fund and SMP



By Strategy Group



Source: BHCM; figures rounded to one decimal place. Sum may not total 100% due to rounding.

* Known as Brevan Howard Systematic Trading Master Fund Limited prior to 8 April 2016.

** Prior to 1 January 2019 the Single Manager Portfolio ("SMP") was named the Direct Investment Portfolio ("DIP").

Methodology and Definition of Allocation by Strategy Group:

Strategy Group allocation is approximate and has been derived by allocating each trader book in the underlying funds and in the SMP to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

"Macro": multi-asset global markets, mainly directional (for BHMS, the majority of risk in this category is in rates)

"Rates": developed interest rates markets

"FX": global FX forwards and options

"EMG": global emerging markets

"Systematic": rules-based futures trading

"Commodities": liquid commodity futures and options

The Investment Committee ("IC") of the Manager made the decision to increase its allocation to the SMP and reduce its allocation to BHMf. The SMP added exposure to a senior trader focusing on emerging market trading and a systematic macro strategy. The IC was of the view that these return sources improved the diversification of the portfolio as a whole.

The allocations to BHDGST, BHASMF and BHMBMF remained relatively stable. The allocations to BHFGMF and BHGVMF increased due to their relative outperformance.

The IC continues to take advantage of the flexibility within BHMS's mandate in order to seek high risk-adjusted returns and keep a healthy diversification across strategies, asset classes and traders.

PERFORMANCE REVIEW

During the first half of 2020, the NAV per share of BH Global's USD and GBP classes appreciated by 14.72% and 14.54% respectively.

BH Global's performance in the first quarter and the first half of the year represent the largest quarterly and half yearly NAV gains in the Company's history, with the NAV per share of the USD class gaining 15.67% and 14.72% respectively. This compared favourably to the HFRI Macro Total Index, which was down -1.62% and -0.59% over the respective periods. The period was characterised by significant moves in price and volatility across most asset classes. In the first quarter BHMS generated the majority of its returns in interest rate trading across directional, volatility and relative value trading strategies in a range of different markets. Towards the end of the first quarter and during the second quarter BHMS made money predominantly from credit markets but also, equities and commodities. BHMS also saw a modest loss in the second quarter as a result of the performance of rates and difficult FX markets.

With regard to the returns of the underlying fund allocations, all of the underlying funds and the SMP contributed positively to performance over the first half of 2020. BHMf was the main positive contributor on the back of solid gains within interest

rates trading. The SMP and BHGV also contributed notable gains to the overall performance.

Looking across the trading areas, the majority of gains arose in interest rate trading where directional trading of US interest rates was the main driver. Specifically, from long positions in US rates particularly during the first quarter. Additional modest gains came from EUR, GBP, and JPY and other interest rate markets.

Trading in commodities generated additional gains mainly through energy markets where tactical positioning long and short generated gains. Long exposure in precious metals also produced returns.

FX trading was a detractor over the first half of 2020. A number of reversals across markets produced a difficult trading environment throughout the first half of the year. Gains were made in CAD and other select currencies but these were outweighed by losses in EUR, GBP and Latin American currencies.

In credit, long exposure to selected credits across both emerging and developed markets generated gains.

Trading in equities generated gains through tactical positioning long and short. US markets produced the largest contribution.

Quarterly and semi-annual contribution (%) to the performance of BHG USD Shares (net of fees and expenses) by asset class*

	RATES	FX	EQUITY	COMMODITY	CREDIT	DISCOUNT MANAGEMENT	TOTAL
Q1 2020	12.56	(0.14)	1.68	0.54	1.01	0.00	15.67
Q2 2020	(0.34)	(2.23)	(0.34)	0.72	1.39	0.00	(0.82)
YTD 2020	12.18	(2.36)	1.33	1.27	2.41	0.00	14.72

* Data as at 30 June 2020

Quarterly figures are calculated by BHCM based on performance data for each period provided by BHG'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 SMP was a positive contributor to BHMS's performance and is the area of the portfolio whereby the Manager's IC has the ability to allocate directly to trading books and funds which are managed by an individual portfolio manager. At the end of the first half of 2020, the SMP had exposure to nine trading books and funds. The profits were broadly generated in the same trading areas as described for BHMS overall. However, the SMP contributed nearly all of the gains in credit and the majority of the gains in commodities, illustrating the diversification benefits it brings to BHMS.

ATTRIBUTION TABLES

In measuring the attribution of the underlying portfolios, the Manager employs a number of metrics including the two set out in the tables below.

All positions, regardless of which trading book holds them, are allocated to an asset class and the attribution per asset class is summarised in the first table below. The second table summarises the attribution, but by reference to the overall strategy classification of each trading book. It should be noted that, as the second table indicates, there are some strategy groups which at 30 June 2020 had been allocated no trading books.

The above asset classes are categorised as follows:

"Rates": interest rates markets

"FX": FX forwards and options

"Equity": equity markets including indices and other derivatives

"Commodity": commodity futures and options

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

"Discount Management": buyback activity for discount management purposes

MANAGER'S REPORT CONTINUED

Quarterly and semi-annual contribution (%) to the performance of BHG USD Shares (net of fees and expenses) by strategy group*

	MACRO	SYSTEMATIC	RATES	FX	EQUITY	CREDIT	EMG	COMMODITY	DISCOUNT MANAGEMENT	TOTAL
Q1 2020	14.80	(0.06)	2.46	0.10	0.00	0.00	(1.49)	(0.07)	0.00	15.67
Q2 2020	(0.23)	(0.77)	(0.01)	(0.03)	0.00	0.00	0.23	0.00	0.00	(0.82)
YTD 2020	14.53	(0.83)	2.45	0.06	0.00	0.00	(1.27)	(0.08)	0.00	14.72

* Data as at 30 June 2020

Quarterly figures are calculated by BHCM based on performance data for each period provided by BHG'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:

Strategy Group Attribution is approximate and has been derived by allocating each underlying trader book to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

"Macro": multi-asset global markets, mainly directional (for BHMS, the majority of risk in this category is in rates)

"Systematic": rules-based futures trading

"Rates": developed interest rates markets

"FX": global FX forwards and options

"Equity": global equity markets including indices and other derivatives

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

"EMG": global emerging markets

"Commodity": liquid commodity futures and options

"Discount Management": buyback activity for discount management purposes

COMMENTARY AND OUTLOOK

The Coronavirus (COVID-19) pandemic has caused unprecedented economic devastation and equally unprecedented fiscal and monetary policy responses. The key question for investors is whether the policy responses are enough to mitigate the economic damage.

Since the recession started in February, the US economy is estimated to have contracted by as much as in the first year of the Great Depression and by more than in the Great Financial Crisis. In response, Congress quickly delivered over \$2tr of economic relief, while the Federal Reserve cut rates to nearly zero, restarted quantitative easing, and rolled out a wide variety of ambitious lending programs; measures that provided a safety net for stocks and credit. Other developed market economies

suffered similar downturns and deployed a broadly similar policy toolkit. The standout exception is China, which has been more conservative in deploying its fiscal and monetary ammunition.

Looking forward, these efforts may prove insufficient to get the global economy back to normal any time soon. COVID-19 continues to spread widely and is causing renewed economic dislocations. Many businesses face solvency risks that are not addressed by borrowing; a debt overhang cannot be cured by more borrowing no matter how cheap it may be. Improved financial conditions are narrowly focused on a handful of large companies and benefiting stakeholders who need relatively little economic assistance.

The result is that financial assets are expensive by many standard metrics. So long as a V-shaped recovery in risky assets fails to create a V-shaped recovery in economic activity, this tension is a recipe for increased volatility. In the past, a gap like this between ebullient market pricing and sobering fundamentals has sometimes presaged abrupt non-linear adjustments. However, since interest rates are constrained by the zero lower bound and credit spreads have been explicitly underwritten by major central banks, volatility will have to show up in other asset classes.

The US Dollar may become the ultimate barometer of success or failure. The November presidential election is a potential catalyst. Joe Biden recently declared that "it's way past time to put an end to the era of shareholder capitalism." If the Democrats sweep the White House and Congress, the outlook for US Dollar assets will come under increased scrutiny.

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

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

19 August 2020

STATEMENT OF 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, by using the risk management procedures and internal controls set out in the Company's risk matrix and by monitoring the Company's investment objective and policy that it has carried out a robust assessment of the risks and uncertainties facing the Company.

EMERGING RISKS

In order to recognise any new risks that may impact the Company and to ensure that appropriate controls are in place to manage those risks, the Audit Committee undertakes regular reviews of the Company's Risk Matrix.

- **COVID-19:** Since the start of January 2020, the outbreak of COVID-19, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The Directors do not believe there is any financial impact to the Financial Statements as at 30 June 2020. The Manager is monitoring developments relating to COVID-19 and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices. From an operational perspective, the Company uses a number of service providers. These providers have established, documented and regularly tested Business Resiliency Policies in place, to cover various possible scenarios whereby staff cannot be present at the designated office and conduct business as usual. Since the COVID-19 pandemic outbreak, service providers have successfully deployed these alternative working policies to ensure continued business service.
- **Brexit Risk:** The UK left the EU on 31 January 2020 and entered into a transition period ending on 31 December 2020. During this period the UK's arrangements with the EU remain unchanged. However, in view of the short time frame to negotiate the future relationship with the EU there remains a risk of a "cliff-edge Brexit".

PRINCIPAL RISKS

The principal risks and uncertainties which have been identified and the steps which are taken by the Board to mitigate them are as follows:

- **Investment Risks:** The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objectives if it is inappropriately invested or markets move adversely. The

Board reviews reports from the Manager, which has discretion over portfolio allocation, at each quarterly Board meeting, paying particular attention to this allocation and to the performance and volatility of underlying investments;

- **Financial Market Risks:** The financial risks faced by the Company include market and credit risk. These risks and the controls in place to mitigate them are reviewed at each quarterly Board meeting;
- **Liquidity Risks:** While the Company retains sufficient working capital to ensure that it can meet its normal running costs, this is a relatively modest amount. It is therefore dependent on its continued access to funding from third parties and the timely receipt of the proceeds from redemption requests made to BHMS for all other purposes. The Board, in conjunction with the Manager and the Administrator, monitors the liquidity needs of the Company and takes such action as is appropriate;
- **Operational Risks:** The Company is exposed to the risks arising from any failure of systems and controls in the operations of the Manager or the Administrator. The Board receives reports annually from each of the Manager and Administrator on their respective internal controls;
- **Accounting, Legal and Regulatory Risks:** The Company is exposed to risk if it fails to comply with the regulations of the UK Listing Authority, Guernsey Financial Services Commission, or if it fails to maintain accurate accounting records. The accounting records prepared by the Administrator are reviewed by the Manager. The Administrator provides the Board with regular reports on changes in regulations and accounting requirements; and
- **Manager Continuity:** The Company is exposed to the risk that the Manager will no longer have an appetite to run a multi-strategy mandate for the Company. Steps to mitigate that risk include regular dialogue with the Manager, regular review of the economic arrangements and contractual protections. The Manager is monitoring developments relating to COVID-19 and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices.

The Board seeks to mitigate and manage these risks through continual review, policy-setting and enforcement of contractual obligations and will update the risk assessment matrix to reflect any changes to the control environment.

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

We confirm to the best of our knowledge that:

- these Interim Unaudited Financial Statements have been prepared in conformity with United States Generally Accepted Accounting Principles and give a true and fair view of the assets, liabilities, financial position and profit or loss; and
- these Interim Unaudited Financial Statements include information detailed in the Chairman's Statement, the Manager's Report and the notes to the Interim Unaudited Financial Statements, which provides a fair view of the information required by:-
 - (a) DTR 4.2.7R of the Disclosure 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 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 include on the Company's website, and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board by:

Sir Michael Bunbury
CHAIRMAN

Sally-Ann Farnon
DIRECTOR

19 August 2020

INDEPENDENT REVIEW REPORT TO BH GLOBAL LIMITED

CONCLUSION

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

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

SCOPE OF REVIEW

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

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

DIRECTORS' RESPONSIBILITIES

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

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

OUR RESPONSIBILITY

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

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

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

Barry Ryan

**For and on behalf of KPMG Channel Islands Limited
CHARTERED ACCOUNTANTS, GUERNSEY**

19 August 2020

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

As at 30 June 2020

	30.06.2020 (UNAUDITED) US\$'000	31.12.2019 (AUDITED) US\$'000	30.06.19 (UNAUDITED) US\$'000
ASSETS			
Investment in BHMS	518,598	464,269	460,068
Amount due from BHMS	–	8,746	–
Other debtors	73	16	20
Cash and bank balances denominated in US Dollars	96	167	190
Cash and bank balances denominated in Sterling	1,028	1,004	3,243
TOTAL ASSETS	519,795	474,202	463,521
LIABILITIES			
Management fees payable (note 4)	357	775	368
Performance fees payable (note 4)	15,971	5,478	6,571
Accrued expenses and other liabilities	172	119	126
Directors' fees and expenses payable	–	–	99
Administration fees payable (note 4)	27	80	52
TOTAL LIABILITIES	16,527	6,452	7,216
NET ASSETS	503,268	467,750	456,305
NUMBER OF SHARES IN ISSUE (NOTE 6)			
US Dollar shares	2,542,136	2,664,844	2,641,472
Sterling shares	19,967,808	19,868,275	19,886,259
NET ASSET VALUE PER SHARE (NOTES 8 AND 11)			
US Dollar shares	US\$18.91	US\$16.48	US\$16.56
Sterling shares	£18.45	£16.11	£16.30

See accompanying notes to the Interim Unaudited Financial Statements.

Signed on behalf of the Board by:

Sir Michael Bunbury
CHAIRMAN

Sally-Ann Farnon
DIRECTOR

19 August 2020

UNAUDITED STATEMENT OF OPERATIONS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 TO 30.06.20 (UNAUDITED) US\$'000	01.01.19 TO 31.12.19 (AUDITED) US\$'000	01.01.19 TO 30.06.19 (UNAUDITED) US\$'000
NET INVESTMENT LOSSES ALLOCATED FROM BHMS			
Interest income	681	1,187	658
Expenses	(1,367)	(1,998)	(1,016)
NET INVESTMENT LOSSES ALLOCATED FROM BHMS	(686)	(811)	(358)
COMPANY INCOME			
Interest income	–	1	1
Foreign exchange gains	–	16,125	–
TOTAL COMPANY INCOME	–	16,126	1
COMPANY EXPENSES			
Management fees (note 4)	2,215	4,431	2,188
Performance fees (note 4)	16,367	5,313	6,667
Other expenses	281	555	291
Directors' fees and expenses	210	424	218
Administration fees (note 4)	82	155	78
Foreign exchange losses	30,041	–	710
TOTAL COMPANY EXPENSES	49,196	10,878	10,152
NET INVESTMENT (LOSSES)/GAINS	(49,882)	4,437	(10,509)
NET REALISED AND UNREALISED GAINS ON INVESTMENTS ALLOCATED FROM BHMS			
Net realised gain on investments	26,368	26,927	4,441
Net unrealised gain on investments	62,577	12,768	35,656
Net realised and unrealised foreign exchange loss – on hedging	(3,545)	(6,729)	(3,630)
NET REALISED AND UNREALISED GAINS ON INVESTMENTS ALLOCATED FROM BHMS	85,400	32,966	36,467
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	35,518	37,403	25,958

See accompanying notes to the Interim Unaudited Financial Statements.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 TO 30.06.20 (UNAUDITED) US\$'000	01.01.19 TO 31.12.19 (AUDITED) US\$'000	01.01.19 TO 30.06.19 (UNAUDITED) US\$'000
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS			
Net investment (loss)/gain	(49,882)	4,437	(10,509)
Net realised gain on investments allocated from BHMS	26,368	26,927	4,441
Net unrealised gain on investments allocated from BHMS	62,577	12,768	35,656
Net realised and unrealised foreign exchange loss allocated from BHMS	(3,545)	(6,729)	(3,630)
	35,518	37,403	25,958
SHARE CAPITAL TRANSACTIONS			
PURCHASE OF OWN SHARES (NOTE 6)			
US Dollar shares	–	–	–
Sterling shares	–	–	–
	–	–	–
NET INCREASE IN NET ASSETS	35,518	37,403	25,958
NET ASSETS AT THE BEGINNING OF THE PERIOD/YEAR	467,750	430,347	430,347
NET ASSETS AT THE END OF THE PERIOD/YEAR	503,268	467,750	456,305

See accompanying notes to the Interim Unaudited Financial Statements.

UNAUDITED STATEMENT OF CASH FLOWS

For the period from 1 January 2020 to 30 June 2020

	01.01.20 TO 30.06.20 (UNAUDITED) US\$'000	01.01.19 TO 31.12.19 (AUDITED) US\$'000	01.01.19 TO 30.06.19 (UNAUDITED) US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net increase in net assets resulting from operations	35,518	37,403	25,958
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:			
Net investment loss allocated from BHMS	686	811	358
Net realised gain on investments allocated from BHMS	(26,368)	(26,927)	(4,441)
Net unrealised gain on investments allocated from BHMS	(62,577)	(12,768)	(35,656)
Net realised and unrealised foreign exchange loss allocated from BHMS	3,545	6,729	3,630
Proceeds from sale of investment in BHMS	8,846	2,976	2,776
Foreign exchange loss/(gain)	30,041	(16,125)	710
(Increase)/decrease in other debtors	(58)	34	30
(Decrease)/increase in management fees payable	(418)	388	(19)
Increase in performance fees payable	10,493	12	1,105
Increase in accrued expenses and other liabilities	53	23	30
Increase in Directors' fees payable	-	-	99
(Decrease)/increase in administration fees payable	(53)	42	13
NET CASH USED IN OPERATING ACTIVITIES	(292)	(7,402)	(5,407)
Change in cash	(292)	(7,402)	(5,407)
Cash, beginning of the period/year	1,171	8,738	8,738
Effect of exchange rate fluctuations	245	(165)	102
CASH, END OF THE PERIOD/YEAR	1,124	1,171	3,433
CASH, END OF THE PERIOD/YEAR			
Cash and bank balances denominated in US Dollars	96	167	190
Cash and bank balances denominated in Sterling ¹	1,028	1,004	3,243
	1,124	1,171	3,433
¹ Cash and bank balances in Sterling (GBP'000)	832	758	2,548

See accompanying notes to the Interim Unaudited Financial Statements.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

For the period from 1 January 2020 to 30 June 2020

1. THE COMPANY

BH Global Limited (the "Company") is a limited liability closed-ended investment company incorporated in Guernsey on 25 February 2008 for an unlimited period, with registration number 48555.

The Company has a Premium Listing on the London Stock Exchange.

The Company can offer multiple classes of ordinary shares, which differ in terms of currency of issue with ordinary shares denominated in US Dollar and Sterling currently being in issue.

2. ORGANISATION

The Company's investment objective is to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of funds required for its short-term working capital requirements) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS" or the "Master Fund").

The Company is organised as a feeder fund and invests substantially all of its investable assets in the ordinary US Dollar and Sterling denominated Class G shares issued by BHMS, and, as such, the Company is directly and materially affected by the performance and actions of BHMS.

As such the Interim Unaudited Financial Statements of the Company should be read in conjunction with the Interim Unaudited Financial Statements of BHMS, which can be found on the Company's website, www.bhglobal.com.

BHMS is an open-ended investment company incorporated with limited liability in the Cayman Islands on 21 January 2008.

BHMS's underlying investments in funds at 30 June 2020 and the percentage that BHMS's investment represented of the underlying fund's Net Asset Value ("NAV") are as follows:

Brevan Howard FG Macro Master Fund Limited	7.81%
Brevan Howard Master Fund Limited	4.15%
Brevan Howard AH Master Fund Limited	1.77%
Brevan Howard AS Macro Master Fund Limited	5.12%
Brevan Howard MB Macro Master Fund Limited	3.58%
Brevan Howard Global Volatility Master Fund Limited	8.67%
Brevan Howard Alpha Strategies Master Fund Limited	1.93%
BH-DG Systematic Trading Master Fund Limited	5.48%

These percentages are the direct investments excluding any indirect investments as a result of BHMS investing in BHMF,

which has investments in other Brevan Howard funds. BHMS 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 or vehicles (which may be open-ended or closed-ended, listed or unlisted, regulated or unregulated and may employ leverage (each an "Investment Fund")), currencies, commodities, futures, options, warrants, swaps and other derivative instruments. Derivative instruments may be exchange traded or OTC. BHMS may engage in short sales. BHMS may retain amounts in cash or cash equivalents (including money market funds) pending reinvestment, for use as collateral or if this is considered appropriate to the investment objective.

Subject to the investment restrictions and investment approach disclosed in any prospectus for BHMS that may be published from time to time and subsequent BHMS Directors' resolutions, BHMS employs an investment process which empowers the Manager to allocate assets to both Investment Funds and directly to the investment managers of BHMS from time to time on an opportunistic basis.

At the date of these Interim Unaudited Financial Statements, there were two other feeder funds in operation in addition to the Company that invest all of their assets (net of working capital) in BHMS.

Off-balance sheet, market and credit risks of BHMS's investments and activities are discussed in the notes to the Interim Unaudited Financial Statements of BHMS. The Company's investment in BHMS exposes it to various types of risk, which are associated with the financial instruments and markets in which the Brevan Howard 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 sole 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 and is the Alternative Investment Fund Manager ("AIFM") of the Company for the purposes of the European Union Alternative Investment Fund Manager Directive ("AIFMD").

The Manager also manages BHMS.

3. SIGNIFICANT ACCOUNTING POLICIES

The Annual Audited Financial Statements, which give a true and fair view, are prepared in conformity with United States Generally Accepted Accounting Principles and comply with the Companies (Guernsey) Law, 2008. The Interim Unaudited Financial Statements have been prepared following the same accounting policies and methods of computation as the most recent Annual Audited Financial Statements. The functional and reporting currency of the Company is US Dollars.

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

Going concern

After making enquiries and given the nature of the Company and its investment, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing these Interim Unaudited Financial Statements and, after due consideration, the Directors consider that the Company is able to continue for the foreseeable future and at least twelve months from the date of this report. In reaching this conclusion the Board is mindful of the nature of the assets that underlie its investment in BHMS, including BHMS's liquidity and has concluded that moderate adverse investment performance will not have a material impact on the Company's ability to meet its liabilities as they fall due.

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The Board is satisfied, by using the risk management procedures and internal controls set out in the Company's risk matrix and by monitoring the Company's investment objective and policy that it has carried out a robust assessment of the risks and uncertainties facing the Company.

Since the start of January 2020, the outbreak of COVID-19, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The Directors do not believe there is any financial impact to the Financial Statements as at 30 June 2020. The Manager is monitoring developments relating to COVID-19 and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices. From an operational perspective, the Company uses a number of service providers. These providers have established, documented and regularly tested Business Resiliency Policies in place, to cover various possible scenarios whereby staff cannot be present at the designated office and conduct business as usual. Since the COVID-19 pandemic

outbreak, service providers have deployed these alternative working policies to ensure continued business service.

The following are significant accounting policies adopted by the Company:

Valuation of investments

The Company records its investment in the Class G shares of BHMS as the Company's proportionate share of BHMS's net assets which approximates fair value. At 30 June 2020, the Company's US Dollar and Sterling capital account represents 7.83% and 74.03% (31 December 2019: 7.78% and 74.91%; 30 June 2019: 7.22% and 67.73%) respectively of BHMS's capital. The net asset value of BHMS is used as a measure of fair value as this is the price at which the Company may redeem its investment.

Fair value measurement

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 BHMS is discussed in the notes to its Interim Unaudited Financial Statements which are available on the Company's website, www.bhglobal.com.

Income and expenses

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

Use of estimates

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

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign exchange

Investment securities and other assets and liabilities of the Sterling share class are translated into US Dollars, the Company's reporting currency, using exchange rates at the reporting date. Transactions reported in the 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 reporting date. The share capital and other capital reserve accounts are translated at the historic rate ruling at the date of the transaction. Exchange differences arising on translation are included in the 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 cash on hand and demand deposits.

Treasury shares

Where the Company purchases its own share capital, the consideration paid, which includes any directly attributable costs, is recognised as a deduction from equity Shareholders' funds through the Share capital account. When such shares are 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 8 and in the Financial Highlights in note 11.

Allocation of results of BHMS

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

Loan notes payable

Loans are classified in the Interim Unaudited Statement of Assets and Liabilities as loan notes payable and are accounted for at amortised cost using the effective interest method.

Under a Note Purchase Agreement (note 10), the Company is obliged to pay back the total outstanding amount and any relevant fees and expenses, reimbursements and indemnities by the stated maturity date, unless the Note is previously terminated. Interest shall accrue daily on each Note at the applicable rate. The Company's obligations under the Agreement are secured by charges over a portion of its shares in BHMS. The purpose of the Note Purchase Agreement is to permit

the Company to draw funds to finance the acquisition of the Company's own shares and for other working capital purposes.

4. MANAGEMENT, PERFORMANCE, AND ADMINISTRATION AGREEMENTS

Management fee

The Company has entered into a management agreement with the Manager to manage the Company's investment portfolio.

With effect from 3 October 2016, the Manager does not charge the Company a management fee in respect of any performance related increase in the NAV of each class of shares of the Company. The management fee is calculated on the basis of the lower of the NAV of the relevant share class and the Base NAV, as defined in the Amended and Restated Management Agreement dated 4 July 2017, of that share class (adjusted for certain changes in shares in issue).

With effect from 1 April 2017 the management fee was reduced from 2% to 1% per annum.

The Company may repurchase or redeem shares of either class in each calendar year, including pursuant to the class closure and annual partial capital return provisions contained in the Company's articles of incorporation (the "Articles"), in respect of the 2017 calendar year and all subsequent years, up to an aggregate number equal to 5% of the shares of that class in issue as at 31 December in the prior calendar year (the "Annual Buy Back Allowance") without making any payment to the Manager.

In the event that, in any calendar year, the aggregate number of shares repurchased or redeemed by the Company exceeds the Annual Buy Back Allowance for that class, the Company will be required to pay the Manager an amount equal to 2% of the repurchase price of any share that is repurchased or redeemed by the Company in excess of the Annual Buy Back Allowance, including pursuant to the class closure and annual partial capital return provisions contained in the Articles.

The Board has agreed with the Manager that if, on the last business day in March, June, September or December of any year, the net asset value of the Company were to be below US\$300 million (on the basis of the prevailing US Dollar/Sterling exchange rate), the Board would convene a general meeting of the Company's shareholders at which a special resolution proposing the liquidation of the Company would be put forward. Were the resolution to be passed, the Company would be liquidated and an amount equal to 2% of the Company's net asset value (subject to a deduction in respect of any amount of the Annual Buy Back Allowance for the relevant calendar year that remains unused) would be paid to the Manager in addition to any other fees due to the Manager up to the date of termination of the management agreement.

4. MANAGEMENT, PERFORMANCE, AND ADMINISTRATION AGREEMENTS (CONTINUED)

Management fee (continued)

In respect of 2020, the Annual Buy Back Allowance for the Company's Sterling share class was 993,413 Sterling shares (2019: 990,378 Sterling shares) and for the US Dollar share class was 133,242 US Dollar shares (2019: 137,035 US Dollar shares). In addition, the Manager agreed that 40% of the Company's unused 2019 Annual Buyback Allowance being 396,151 Sterling shares and 54,814 US Dollar shares could be rolled forward for use in 2020, such that the Company can repurchase 1,389,564 Sterling shares and 188,056 US Dollar shares and without payment to the Manager in 2020.

Between 1 January 2020 and 30 June 2020, the Company did not repurchase any Sterling or US Dollar shares (between 1 January 2019 and 31 December 2019: nil Sterling shares and: nil US Dollar shares, between 1 January 2019 and 30 June 2019: nil Sterling shares and: nil US Dollar shares).

During the period ended 30 June 2020 and throughout 2019, US\$ nil was charged by the Manager due to the Annual Buy Back Allowance being exceeded.

There are no fees charged by the Manager at the level of BHMS on the G Class into which the Company is invested. There are also no fees charged by the Manager in relation to BHMS's investment into underlying funds managed by the Manager.

In respect of the period ended 30 June 2020, the Manager charged the Company a total of US\$2,215,479 (31 December 2019: US\$4,430,767, 30 June 2019: US\$2,187,474) under the terms of the management agreement. At 30 June 2020, US\$356,860 (31 December 2019: US\$774,931, 30 June 2019: US\$367,556) of the fee remained outstanding.

Performance fee

The Manager is entitled to an annual performance fee for each share class accrued monthly in arrears. The performance fee is equal to 20% of the appreciation in the NAV per share (adjusted for any increase or decrease in NAV arising from issues (including the sale or re-issue of Shares held in treasury), repurchases or redemptions of Shares and calculated before deduction of the performance fee in respect of the relevant period) which is above the performance fee Base NAV per share of that class multiplied by the number of shares of such class at the end of the relevant period.

The performance fee Base NAV per share is the greater of (a) the NAV per share of the relevant class as at 31 December 2016 and (b) the highest NAV per share of the relevant class of shares achieved as at the final BHMS NAV calculation date as at the end

of any calculation period after the calculation period ending on 31 December 2016.

The Manager is not entitled to any performance fee in respect of any increase in NAV (whether in respect of a class of shares as a whole or on a per share basis) arising to the remaining shares of the relevant class from any repurchase, redemption or cancellation of any share, provided that any performance fee due to the Manager shall not be reduced below zero.

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 on-going basis and is reflected in the Company's published NAV.

On the business day preceding the last business day of each period in respect of which a performance fee is payable, the Company shall pay an estimated performance fee to the Manager in respect of that period. The estimated fee shall be the performance fee payable to the Manager in respect of that period as estimated by the Company's administrator on the basis of the estimated NAV of each class of Shares as at the close of business on the second Friday of December in each year. The difference between the estimated fee paid in respect of any period and the actual performance fee payable in respect of that period shall be paid to the Manager within 5 business days of the publication of the final NAV of each class of Shares as at the end of the period, provided that if the difference is a negative amount then it shall be repaid by the Manager to the Company at such time.

During the period ended 30 June 2020, US\$16,366,579 (31 December 2019: US\$5,313,517, 30 June 2019: US\$6,667,446) was charged as performance fees of which, US\$15,971,194 (31 December 2019: US\$5,477,699, 30 June 2019: US\$6,571,200) remained accrued at period end. The total performance fee charged during the period includes fees crystallised upon conversion and upon buyback of shares at points when the NAV per share of the shares exceeded their performance fee Base NAV per share (being £16.11 (Sterling shares) and US\$16.48 (US Dollar shares)).

Of the total crystallised performance fee charged for the period, US\$130,314 (31 December 2019: US\$32,174, 30 June 2019: US\$9,482) related to share conversions and US\$nil (31 December 2019: US\$nil, 30 June 2019: US\$nil) related to the buyback of shares.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

4. MANAGEMENT, PERFORMANCE, AND ADMINISTRATION AGREEMENTS (CONTINUED)

Performance fee (continued)

In establishing the parameters for the execution of buybacks, account is taken of the impact of any performance fees that would become payable so as to ensure that such buy backs are still accretive to net asset value.

The Management Agreement can be terminated by either the Company or the Manager on the giving of 12 months' written notice to the other party, or alternatively the Company may terminate the Management Agreement on 90 days' notice by payment to the Manager of an amount equal to the aggregate of the Management Fee during such twelve month period. The Company may terminate the management agreement forthwith by notice in the event of specified acts of default by the Manager without payment of compensation.

Were the Management Agreement to be terminated by the Company, the management fee would revert to 2% of the prevailing net asset value in respect of the notice period, or in respect of any payment in lieu of notice.

Administration fee

The Company has appointed Northern Trust International Fund Administration Services (Guernsey) Limited as Administrator and Corporate Secretary. The Administrator is paid fees based on the NAV of the Company, payable monthly in arrears. The fee is at a rate of 0.03% of the first US\$1 billion of net assets of the Company and then 0.01% per annum thereafter, subject to a minimum fee of £115,000 per annum. In addition to the NAV based fee the Administrator is also entitled to an annual fee of £6,000 (2019: £6,000) for certain additional administration services. The Administrator is entitled to be reimbursed out-of-pocket expenses incurred in the course of carrying out its duties as Administrator.

During the period ended 30 June 2020, US\$81,565 (31 December 2019: US\$154,816, 30 June 2019: US\$77,639) was earned by the Administrator as administration fees. At 30 June 2020, US\$27,327 (31 December 2019: US\$80,429, 30 June 2019: US\$51,521) of the fee remained outstanding.

5. DIRECTORS' FEES

The Company's Articles limit the fees payable to Directors in aggregate to £500,000 per annum.

During the Board meeting of the 31 March 2020 and after careful consideration, all fees payable to the Directors, other than the Chairman, were increased by 6% to the nearest £100, effective 1 April 2020.

During the period the Chairman was entitled to a fee of £150,000 per annum. Sally-Ann Farnon, as Chairman of the Audit Committee, and Graham Harrison as Senior Independent Director were entitled to fees of £53,000 (increased by £3,000) and £45,600 (increased by £2,600) per annum respectively. Julia Chapman as Chairman of the Management Engagement Committee was entitled to a fee of £45,600 (increased by £2,600) per annum. Andreas Tautscher was entitled to a fee of £42,400 (increased by £2,400) per annum.

6. SHARE CAPITAL

Issued and authorised share capital

The Company's Articles permit the issuance of an unlimited number of ordinary shares with no par value which may be divided into at least two classes denominated in US Dollars and Sterling. The treasury shares have arisen as a result of the discount management programme as described in note 9.

	US DOLLAR SHARES	STERLING SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2020	2,664,844	19,868,275
Share conversions	(122,708)	99,533
Purchase of own shares into Treasury	–	–
In issue at 30 June 2020	2,542,136	19,967,808

NUMBER OF TREASURY SHARES		
In issue at 1 January 2020	267,443	1,667,180
In issue at 30 June 2020	267,443	1,667,180
TOTAL SHARES IN ISSUE	2,809,579	21,634,988
PERCENTAGE OF CLASS HELD AS TREASURY SHARES	9.52%	7.71%

SHARE CAPITAL ACCOUNT	US\$'000	£'000	COMPANY TOTAL US\$'000
At 1 January 2020	–	165,544	374,988
Share conversions	(2,333)	1,845	–
Transfer from realised investment reserve	2,333	–	2,333
AT 30 JUNE 2020	–	167,389	377,321

	US DOLLAR SHARES	STERLING SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2019	2,740,700	19,807,562
Share conversions	(75,856)	60,713
In issue at 31 December 2019	2,664,844	19,868,275

NUMBER OF TREASURY SHARES		
In issue at 1 January 2019	267,443	1,667,180
In issue at 31 December 2019	267,443	1,667,180
TOTAL SHARES IN ISSUE	2,932,287	21,535,455
PERCENTAGE OF CLASS HELD AS TREASURY SHARES	9.12%	7.74%

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

6. SHARE CAPITAL (CONTINUED)

Issued and authorised share capital (continued)

SHARE CAPITAL ACCOUNT	US\$'000	£'000	COMPANY TOTAL US\$'000
At 1 January 2019	–	164,596	373,793
Share conversions	(1,195)	948	–
Transfer from realised investment reserve	1,195	–	1,195
AT 31 DECEMBER 2019	–	165,544	374,988

	US DOLLAR SHARES	STERLING SHARES
NUMBER OF ORDINARY SHARES		
In issue at 1 January 2019	2,740,700	19,807,562
Share conversions	(99,228)	78,697
In issue at 30 June 2019	2,641,472	19,886,259
NUMBER OF TREASURY SHARES		
In issue at 1 January 2019	267,443	1,667,180
In issue at 30 June 2019	267,443	1,667,180
TOTAL SHARES IN ISSUE	2,908,915	21,553,439
PERCENTAGE OF CLASS HELD AS TREASURY SHARES	9.19%	7.74%

SHARE CAPITAL ACCOUNT	US\$'000	£'000	COMPANY TOTAL US\$'000
At 1 January 2019	–	164,596	373,793
Share conversions	(1,577)	1,233	–
Transfer from realised investment reserve	1,577	–	1,577
AT 30 JUNE 2019	–	165,829	375,370

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 NAVs of each of the share classes in the Master Fund as calculated by BHMS are allocated to the relevant class account in the Company. Each class account is allocated those costs, pre-paid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to a particular class.

Voting rights

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.

6. SHARE CAPITAL (CONTINUED)

Voting rights (continued)

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. Currently, on a vote, a single US Dollar ordinary share has one vote and a single Sterling ordinary share has 1.97950 votes.

Treasury shares do not have any voting rights.

Repurchase of ordinary shares

The Directors have been granted authority to purchase in the market up to 401,205 US Dollar shares, and 2,976,784 Sterling shares respectively and they intend to seek annual renewal of this authority from shareholders which was last granted at the 2020 Annual General Meeting ("AGM") on 26 June 2020. The Directors may, at their discretion, utilise this share repurchase authority to address any imbalance between the supply of and demand for shares.

Under the Company's Articles, the Directors are required to convene a shareholders' meeting to consider the redemption of a class of shares in certain circumstances.

Further issue of shares

As approved by the shareholders at the AGM held on 26 June 2020, the Directors have the power to issue further shares on a non-pre-emptive basis for cash in respect of 267,648 US Dollar shares, and 1,985,847 Sterling shares respectively.

This power expires on the date falling fifteen months after the date of the AGM or the conclusion of the next Annual General Meeting of the Company, whichever is the earlier.

Distributions

BHMS has not previously paid dividends to its investors. Therefore, the Directors of the Company do not expect to declare any dividends. 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.

The Company operates in such a manner that its shares are not categorised as non-mainstream pooled investments. This may mean that the Company pays 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.

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

Treasury shares are not entitled to distributions.

Annual redemption offer

Each calendar year the Directors may, in their absolute discretion, determine that the Company should make an offer to redeem such number of shares of the Company in issue as they may determine provided that the maximum amount distributed does not exceed 100% of the increase in the NAV of the Company in the prior calendar year.

The Directors shall, in their absolute discretion, determine the particular class or classes of shares in respect of which an Annual Redemption Offer will be made, the timetable for that Annual Redemption Offer and the price at which the shares of each relevant class will be redeemed.

Whether a return of capital is made in any particular year and, if so, the amount of the return, may 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.

Share conversion scheme

The Company has implemented a Share Conversion Scheme which 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 on the last business day of every month. Each conversion will be based on the NAV (note 8) of the share classes to be converted.

7. TAXATION

Overview

The Company is exempt from taxation in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. Accordingly, no provision for Guernsey income taxes is included in these Financial Statements.

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

7. TAXATION (CONTINUED)

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-percent) 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 Financial Statements. Income tax and related interest and penalties would be recognised by the Company as a tax expense in the Unaudited Statement of Operations if the tax positions were deemed to not meet the more-likely-than-not threshold.

The Company analyses all open tax years for all major tax 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 Board received advice in respect of the Company's tax positions and is advised that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, the Board is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

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 (U2S6ID.99999.SL.831), and can be found on the IRS FFI list.

The Common Reporting Standard ("CRS") is a global standard for the automatic exchange of financial account information developed by the Organisation for Economic Co-operation and Development ("OECD"), which has been adopted by Guernsey and which came into effect on 1 January 2016.

The Board has taken the necessary action to ensure that the Company is compliant with Guernsey regulations and guidance in this regard.

8. PUBLICATION AND CALCULATION OF NET ASSET VALUE

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 share class 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 BHMS, 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 BHMS, weekly in arrears.

9. DISCOUNT MANAGEMENT PROGRAMME

The Company's discount management programme includes the ability to make market purchases of shares and the obligation to propose class closure resolutions if, in any fixed discount management period (1 January to 31 December each year), the average daily closing market price of the relevant class of shares during such period is 10% or more below the average NAV per share of the relevant class taken over the 12 monthly NAV Determination Dates (generally the last business day of each month) in that fixed discount management period, as described more fully in the Company's principal documents, which are available from the Administrator on request.

In the event a class closure resolution is passed, Shareholders in a class have the following options available to them:

- a) to redeem all or some of their shares at NAV per share less the costs and expenses of the Class Closure vote and other outstanding costs and expenses of the Company, attributable to the relevant class (including any redemption fees); or
- b) subject to certain limitations, to convert all or some of their shares into shares of another class; or
- c) subject to the class continuing and remaining viable, to remain in the class.

The Annual Redemption Offer described in note 6 which enables a partial return of capital is also part of the discount management programme.

The discount management measures are and will be funded by partial redemptions of the Company's investment in BHMS.

9. DISCOUNT MANAGEMENT PROGRAMME (CONTINUED)

During the period to 30 June 2020, the Company recorded an average discount to NAV of 3.45% and 5.87% for US Dollar shares and Sterling shares respectively (year to 31 December 2019: 2.82% and 3.74% for US Dollar shares, and Sterling shares respectively and period to 30 June 2019: 4.71% and 4.14% for US Dollar shares, and Sterling shares respectively).

10. NOTE PURCHASE AGREEMENT

The Company is party to a Note Purchase Agreement with JP Morgan Chase Bank, pursuant to which the Company may obtain financing, of up to US\$2 million (31 December 2019: US\$2 million, 30 June 2019: US\$2 million) and £15 million (31 December 2019: £15 million, 30 June 2019: £15 million), if required, to finance (inter alia) share buybacks pending receipt of the proceeds of redemption from its underlying investments. As at 30 June 2020, 31 December 2019, and 30 June 2019 there were no amounts outstanding under the Note Purchase Agreement, neither was any interest payable.

11. FINANCIAL HIGHLIGHTS

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

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

	01.01.20 TO 30.06.20 US DOLLAR SHARES US\$	01.01.20 TO 30.06.20 STERLING SHARES £
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the period	16.48	16.11
INCOME FROM INVESTMENT OPERATIONS		
Net investment loss ¹ (excluding net realised and unrealised gains and losses on investments allocated from BHMS)	(0.79)	(0.70)
Net realised and unrealised gain on investment	3.34	3.03
Other capital items ²	(0.12)	0.01
TOTAL RETURN	2.43	2.34
NET ASSET VALUE, END OF THE PERIOD	18.91	18.45
TOTAL RETURN BEFORE PERFORMANCE FEES	18.46%	18.16%
Performance fees	(3.74%)	(3.62%)
TOTAL RETURN AFTER PERFORMANCE FEES	14.72%	14.54%

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

11. FINANCIAL HIGHLIGHTS (CONTINUED)

Total return reflects the net return for an investment made at the beginning of the period and is calculated as the change in the NAV per ordinary share during the period ended 1 January 2020 to 30 June 2020. An individual shareholder's return may vary from these returns based on their timing of purchases and sales of Shares.

	01.01.20 TO 30.06.20 US DOLLAR SHARES US\$'000	01.01.20 TO 30.06.20 STERLING SHARES £'000
SUPPLEMENTAL DATA		
Net asset value, end of the period	48,069	368,388
Average net asset value for the period	47,761	353,694

	01.01.20 TO 30.06.20 US DOLLAR SHARES	01.01.20 TO 30.06.20 STERLING SHARES
RATIO TO AVERAGE NET ASSETS		
Operating expense		
Company expenses ³	0.54%	0.56%
Master Fund expenses ⁴	0.27%	0.28%
Performance fees	3.38%	3.28%
TOTAL OPERATING EXPENSE	4.19%	4.12%
NET INVESTMENT LOSS¹	(4.17%)	(3.98%)

	01.01.19 TO 31.12.19 US DOLLAR SHARES US\$	01.01.19 TO 31.12.19 STERLING SHARES £
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the year	15.51	15.37
INCOME FROM INVESTMENT OPERATIONS		
Net investment loss ¹ (excluding net realised and unrealised gains and losses on investments allocated from BHMS)	(0.45)	(0.41)
Net realised and unrealised gain on investment	1.43	1.15
Other capital items ²	(0.01)	–
TOTAL RETURN	0.97	0.74
NET ASSET VALUE, END OF THE YEAR	16.48	16.11

TOTAL RETURN BEFORE PERFORMANCE FEES	7.81%	5.99%
Performance fees	(1.56%)	(1.20%)
TOTAL RETURN AFTER PERFORMANCE FEES	6.25%	4.79%

11. FINANCIAL HIGHLIGHTS (CONTINUED)

Total return reflects the net return for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the year ended 31 December 2019. An individual shareholder's return may vary from these returns based on the timing of their purchases and sales of Shares.

	01.01.19 TO 31.12.19 US DOLLAR SHARES US\$'000	01.01.19 TO 31.12.19 STERLING SHARES £'000
SUPPLEMENTAL DATA		
Net asset value, end of the year	43,923	320,013
Average net asset value for the year	43,014	314,928
RATIO TO AVERAGE NET ASSETS		
Operating expense		
Company expenses ³	1.21%	1.25%
Master Fund expenses ⁴	0.45%	0.45%
Performance fees	1.50%	1.16%
	3.16%	2.86%
NET INVESTMENT LOSS ¹	(2.84%)	(2.60%)
PER SHARE OPERATING PERFORMANCE		
Net asset value at beginning of the period	15.51	15.37
INCOME FROM INVESTMENT OPERATIONS		
Net investment gain ¹ (excluding net realised and unrealised gains and losses on investments allocated from BHMS)	(0.36)	(0.34)
Net realised and unrealised gain on investment	1.42	1.27
Other capital items ²	(0.01)	–
TOTAL RETURN	1.05	0.93
NET ASSET VALUE, END OF THE PERIOD	16.56	16.30
PER SHARE OPERATING PERFORMANCE (CONTINUED)		
	01.01.19 TO 30.06.19 US DOLLAR SHARES US\$	01.01.19 TO 30.06.19 STERLING SHARES £
Total return before performance fees	8.45%	7.55%
Performance fees	(1.68%)	(1.51%)
Total return after performance fees	6.77%	6.04%

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS CONTINUED

For the period from 1 January 2020 to 30 June 2020

11. FINANCIAL HIGHLIGHTS (CONTINUED)

Total return reflects the net return for an investment made at the beginning of the period and is calculated as the change in the NAV per ordinary share during the period ended 1 January 2019 to 30 June 2019. An individual shareholder's return may vary from these returns based on their timing of purchases and sales of Shares.

	01.01.19 TO 30.06.19 US DOLLAR SHARES US\$'000	01.01.19 TO 30.06.19 STERLING SHARES £'000
SUPPLEMENTAL DATA		
Net asset value, end of the period	43,754	324,142
Average net asset value for the period	42,880	308,904
RATIO TO AVERAGE NET ASSETS		
Operating expense		
Company expenses ³	0.61%	0.63%
Master Fund expenses ⁴	0.23%	0.23%
Performance fees	1.64%	1.49%
	2.48%	2.35%
NET INVESTMENT LOSS¹	(2.27%)	(2.21%)

1 The net investment loss figure shown above does not include net realised and unrealised gains and losses on investments allocated from BHMS.

2 Included in other capital items are the discounts and premiums on conversions between share classes during the period/year, share buybacks and partial capital returns, as compared to the NAV per share at the beginning of the period/year.

3 Company expenses are as disclosed in the Interim Unaudited Statement of Operations, excluding performance fees and foreign exchange gains and losses on aggregation.

4 Master Fund expenses are the allocated operating expenses of BHMS.

12. RELATED PARTY TRANSACTIONS

As at 30 June 2020, the Company had five non-executive Directors, all of whom are independent of the Manager.

Details of Directors' fees to which the Directors are entitled are disclosed in note 5.

The Directors had the following interests in the Company, held either directly or beneficially at 30 June 2020:

	US DOLLAR SHARES	STERLING SHARES
Sir Michael Bunbury	–	14,200
Graham Harrison	–	1,500
Sally-Ann Farnon	–	1,700
Julia Chapman	–	1,081
Andreas Tautscher	–	600

13. FOREIGN EXCHANGE

The following foreign exchange rates were used to translate the Sterling share class into US Dollars, being the Company's reporting currency.

	01.01.20 TO 30.06.20	01.01.19 TO 31.12.19	01.01.19 TO 30.06.19
Period/year end rate	1.2356	1.3244	1.2728
Average rate for the period/year	1.2697	1.2794	1.2936

14. SUBSEQUENT EVENTS

Management has evaluated subsequent events up to 19 August 2020, which is the date that the Financial Statements were available to be issued.

No subsequent events have occurred.

HISTORICAL PERFORMANCE SUMMARY

As at 30 June 2020

	30.06.2020* (UNAUDITED) US\$'000	31.12.19 (AUDITED) US\$'000	31.12.18 (AUDITED) US\$'000	31.12.17 (AUDITED) US\$'000
Net increase/(decrease) in net assets resulting from operations	35,518	37,403	2,187	41,032
TOTAL ASSETS	519,795	474,202	436,335	443,707
TOTAL LIABILITIES	(16,527)	(6,452)	(5,988)	(1,416)
NET ASSETS	503,268	467,750	430,347	442,291
NUMBER OF SHARES IN ISSUE				
US Dollar shares	2,542,136	2,664,844	2,740,700	3,004,442
Sterling shares	19,967,808	19,868,275	19,807,562	20,346,871
NET ASSET VALUE PER SHARE				
US Dollar shares	US\$18.91	US\$16.48	US\$15.51	US\$14.56
Sterling shares	£18.45	£16.11	£15.37	£14.58

* Covers the period from 1 January 2020 to 30 June 2020.

MANAGEMENT AND ADMINISTRATION

Directors

Sir Michael Bunbury (Chairman)
Julia Chapman
Sally-Ann ("Susie") Farnon
Graham Harrison (Senior Independent Director)
Andreas Tautscher
(All Directors are non-executive and are independent for the purpose of LR15.2.12 A)

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