

Blackstone Private Equity Strategies Fund SICAV

Registration Number B268980



*Management Report and Audited Financial Statements
for the year ended 31 December 2023*

TABLE OF CONTENTS

Management and Administration	2
Management Report	3 - 7
Report of the Réviseur d'Entreprises Agréé	8 - 10
Financial Statements	
Statement of Financial Position	11
Statement of Comprehensive Income.....	12
Statement of Changes in Amounts Attributable to Shareholders.....	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 – 24

Management and Administration

Board of Directors

Christopher James
Qasim Abbas
Claire Gerault
Cornelis J. Hage
Katia Panichi

Alternative Investment Fund Manager (“AIFM”)

Blackstone Europe Fund Management S.à r.l.
2-4, rue Eugène Ruppert,
L-2453 Luxembourg,
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B212124

Depositary and Paying Agent

CACEIS Investor Services Bank S.A.
(formerly known as RBC Investor
Services Bank S.A.)
14, porte de France
L-4360 Esch-sur-Alzette
Grand Duchy of Luxembourg: B47192

Auditor

Deloitte Audit S.à r.l.
20, boulevard de Kockelscheuer
L - 1821 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B67895

Investment Manager

Blackstone Private Investments Advisors L.L.C.
345 Park Avenue
New York, NY 10154
United States of America

Central Administration

CACEIS Investor Services Bank S.A.
(formerly known as RBC Investor
Services Bank S.A.)
14, porte de France
L-4360 Esch-sur-Alzette
Grand Duchy of Luxembourg: B47192

Legal Advisors

Elvinger Hoss Prussen, *société anonyme*
2, place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg: B209469

Simpson Thacher & Bartlett LLP

425 Lexington Avenue
New York, New York, USA
CityPoint

One Ropemaker Street
London EC2Y 9HU
England

Management Report

This Management Report of Blackstone Private Equity Strategies Fund SICAV (“**BXPE Feeder SICAV**” or the “**Fund**”) is prepared for the period from 1 January 2023 to 31 December 2023.

Any capitalised term not otherwise defined herein shall have the meaning ascribed to it in the version of the prospectus of BXPE Feeder SICAV applicable at the date of issuance of this report (the “**Prospectus**”). The Prospectus is available on www.bxpef.com.

I. Overview of Business

Corporate Structure

BXPE Feeder SICAV is a vehicle for investment into BXPE. BXPE is a private equity investment program operated through several entities and the term “**BXPE**” or “**BXPE Lux**” is used to refer to the program as a whole.

BXPE Feeder SICAV is an open-ended fund organized as a multi-compartment Luxembourg investment company with variable capital (*société d’investissement à capital variable*) governed by Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended (the “**2010 Law**”). BXPE Feeder SICAV is currently set up with one compartment, namely Blackstone Private Equity Strategies Fund SICAV – BXPE Feeder SICAV – I (the “**Sub-Fund**”). This Management Report relates to BXPE Feeder SICAV as a whole. For the avoidance of doubt, any reference to BXPE Feeder SICAV in this Management Report shall be understood, as the case may be, as a reference to the Sub-Fund, BXPE Feeder SICAV or BXPE Feeder SICAV acting for the account of the Sub-Fund.

Blackstone Private Equity Strategies Fund (Master) FCP (“**BXPE Master FCP**”), a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 Law, is the master fund for BXPE Feeder SICAV.

BXPE Feeder SICAV will invest all or substantially all of its assets into one or more sub-funds of BXPE Master FCP, which will invest all or substantially all of their assets through the BXPE Aggregator. BXPE Aggregator will make investments alongside Blackstone Private Equity Strategies Fund L.P., a Delaware Limited Partnership (together with any feeder fund thereof, “**BXPE US**”). BXPE and BXPE US together form the “**BXPE Fund Program**”.

The investment objective and strategies, related risk factors and potential conflicts of interest, subscription and redemption terms, calculation of net asset value, fees and expenses, tax and regulatory considerations, and other aspects of the activities of BXPE Feeder SICAV and BXPE Master FCP are substantially identical except as specifically identified in their respective Prospectuses.

A separate annual report is made available by the AIFM in order to comply with the annual requirements for periodic and regular disclosure to investors set out under (i) AIFMD and (ii) the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 (the “**Regulation**”). The AIFMD report for the year ended 31 December 2023 as required under AIFMD and the Regulation will be available by 30 June 2024.

Investment Objectives

BXPE’s investment objective is to deliver medium-to long-term capital appreciation and, to a lesser extent, generate modest current income. BXPE will seek to meet its investment objective by investing primarily in privately negotiated, equity-oriented investments, leveraging the talent and investment capabilities of Blackstone Inc.’s (“**Blackstone**” or the “**Sponsor**”) private equity platform to create an attractive portfolio of alternative investments diversified across geographies and sectors.

II. Performance Summary

As of 31 December 2023, BXPE had not commenced investment operations.

III. Investment Activity

As of 31 December 2023, BXPE had not commenced investment operations.

IV. Events Subsequent to the Year End

BXPE commenced operations on 2 January 2024.

Subscriptions

As of 25 March 2024, BXPE Lux has issued shares for aggregate consideration of:

- \$45.1 million in connection with BXPE's initial closing on 2 January 2024,
- \$60.6 million and \$57.1 million in connection with BXPE's closings on 1 February and 1 March 2024, respectively.

Warehouse and Investment Portfolio

On 2 January 2024, the BXPE Fund Program acquired 11 investments and commitments from Finco (as defined in note 10) and its affiliates at cost pursuant to the A&R Warehousing Agreement (as defined in note 10). As of 25 March 2024, the warehouse has been fully repaid and no amounts remain outstanding.

As of 25 March 2024, the BXPE Fund Program's portfolio consists of 25 investments and future commitments to acquire investments totaling up to \$2.2 billion. As of 25 March 2024, BXPE Lux has funded investments totaling \$105.9 million. Any investments that have not yet closed are subject to customary closing conditions and may not close as expected or at all.

Apart from the above, the Directors have evaluated the impact of all subsequent events through to 25 March 2024, which is the date that these financial statements were available to be issued, and have determined that there were no other subsequent events requiring adjustment to or disclosure in the financial statements.

V. Principal Risks, Uncertainties and Conflicts of Interests

Principal Risks and Uncertainties

The purchase of Shares in BXPE Feeder SICAV entails a high degree of risk that is suitable for sophisticated investors for whom an investment in BXPE Feeder SICAV does not represent a complete investment program, and who also fully understand BXPE's strategy, characteristics and risks, including the use of borrowings to leverage investments, and are capable of bearing the risk of an investment in BXPE Feeder SICAV.

In addition to the risks and conflicts of interest detailed in Section XVII – "Risk Factors, Potential Conflicts of Interest and Other Considerations" of the Prospectus, below please find additional notable risks for BXPE Feeder SICAV:

General Economic and Market Conditions

The private equity industry generally, and BXPE's investment activities in particular, are affected by general economic and market conditions, such as interest rates, availability and spreads of credit, credit defaults, inflation rates, economic uncertainty, changes in tax, currency control and other applicable laws and regulations, trade barriers, technological developments and national and international political, environmental and socioeconomic circumstances. Market disruptions in a single country could cause a worsening of conditions on a regional and even global level. A worsening of general economic and market conditions would likely affect the level and volatility of securities prices and the liquidity of BXPE's investments, which could impair BXPE's profitability, result in losses and impact the Shareholders' investment returns and limit BXPE's ability to satisfy Redemption Requests. A depression, recession or slowdown in the global economy or one or more regional markets (or any particular segment thereof) or a weakening of credit markets (including a perceived increase in counterparty default risk) would have a pronounced impact on the Sponsor, BXPE and Portfolio Entities (which would likely be exacerbated by the presence of leverage in a particular Portfolio Entity's capital structure) and could adversely affect their profitability, creditworthiness and ability to execute on their business plans, sell assets, satisfy existing obligations and redemptions, make and realize investments successfully, originate or refinance credit or draw on existing financings and commitments.

Volatility in the global financial markets and the political systems of certain countries has in the past had, and may in the future have, had spill-over effects which adversely impact global financial markets generally and U.S. markets in particular. Moreover, a recession, slowdown and/or sustained downturn in the global economies (or any particular segment thereof) or weakening of credit markets will adversely affect BXPE's profitability, impede the ability of Portfolio Entities to perform under or refinance their existing obligations, and impair BXPE's ability to effectively exit investments on favorable terms. Any of the foregoing events could result in substantial or total losses to BXPE in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a particular Portfolio Entity's capital structure. Blackstone itself could also be affected by difficult conditions in the capital markets and any overall weakening of the financial services industry in particular or of the U.S. and/or global economies generally.

Inflation

Inflation and rapid fluctuations in inflation rates have recently had, and may continue to have, negative effects on the economies and financial markets (including securities markets) of various countries, including those with emerging economies. For example, if a Portfolio Entity is unable to increase its revenue in times of higher inflation, its profitability may be adversely affected, including, without limitation, as a result of a significant increase to such Portfolio Entity's operating cost. Portfolio Entities may have revenues linked to some extent to inflation, including without limitation, by government regulations and contractual arrangement. As inflation rises, a Portfolio Entity may earn more revenue but may incur higher expenses. As inflation declines, a Portfolio Entity may not be able to reduce expenses commensurate with any resulting reduction in revenue. Furthermore, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, certain countries have imposed wage and price controls at times and certain central banks have raised interest rates. Past governmental efforts to curb inflation have also involved more drastic economic measures that have had a materially adverse effect on the level of economic activity in the countries where such measures were employed, and similar governmental efforts could be taken in the future to curb inflation and could have similar effects. There can be no assurance that inflation will not continue to be a serious problem and have an adverse impact on BXPE's returns. Certain countries, including the U.S., have recently seen increased levels of inflation and there can be no assurance that continued and more wide-spread inflation will not become a serious problem in the future and have an adverse impact on BXPE's returns.

Rising Interest Rates

In 2023, the U.S. Federal Reserve, the European Central Bank and other relevant central banks raised benchmark overnight interest rates on multiples occasions. The increase interest rates may further increase, decrease or remain the same in 2024. The private equity industry generally, and BXPE's investment activities in particular, are affected amongst other things by rising or continuously maintained high interest rates. Rising or continuously maintained high interest rates could adversely impact the value of BXPE's debt instruments and thus the net asset value price per Shares, including due to (a) a decline in the market price of debt instruments generally (including due to a perceived increase in counterparty default risk) and (b) default from debt instruments' issuers and counterparties in which BXPE invested or transacted with (including due to the recoveries' expenses incurred by BXPE where applicable). Furthermore, rising and/or interest rate fluctuations could adversely affect the ability of BXPE and its Portfolio Entities to carry on normal financing activities, such as obtaining committed debt financing for acquisitions, bridge financings or permanent financings (or increase the costs of such activity) thus adversely affecting BXPE's ability to generate attractive investments returns. Finally rising and/or interest rates' fluctuations are likely to affect the level and volatility of securities prices and the liquidity of BXPE's investments, which could impair BXPE's profitability, result in losses, impact BXPE's investment returns and limit BXPE's ability to satisfy Redemption Requests.

Conflicts of Interest

Blackstone has conflicts of interest, or conflicting loyalties, as a result of the numerous activities and relationships of Blackstone, the Sponsor, BXPE, the Other Blackstone Accounts, the Portfolio Entities of BXPE and Other Blackstone Accounts and affiliates, partners, members, shareholders, officers, directors and employees (current and former) of the foregoing, some of which are described herein. Additional conflicts of interest are also expected to arise by virtue of BXPE's investments in third-party fund managers and their investment activities (including, where applicable, their management of third-party pooled investment vehicles), although such third-party fund managers and third-party pooled investment vehicles will not be considered "affiliates" of Blackstone or BXPE for any purpose under the Prospectus. Not all potential, apparent and actual conflicts of interest are included in the Prospectus, and additional conflicts of interest could arise as a result of new activities, transactions or relationships commenced in the future. Potential Shareholders should review this section and the Sponsor's form ADV carefully before making an investment decision.

If any matter arises that the Sponsor and its affiliates (including the Investment Managers) determine in their good faith judgment constitutes an actual and material conflict of interest, the Sponsor and relevant affiliates will take the actions they determine in good faith may be necessary or appropriate to mitigate and/or disclose the conflict, which will be deemed to fully satisfy any fiduciary duties they may have to BXPE or the Shareholders. Thereafter, the Sponsor and relevant affiliates will be relieved of any liability related to the conflict to the fullest extent permitted by law.

Actions that could be taken by the Sponsor or its affiliates to mitigate a conflict include, by way of example and without limitation, (i) if applicable, handling the conflict as described in the Prospectus, (ii) obtaining from the Board of Directors (or the non-affiliated members of the Board of Directors) advice, waiver or consent as to the conflict, or acting in accordance with standards or procedures approved by the Board of Directors to address the conflict, (iii) disposing of the investment or security giving rise to the conflict of interest, (iv) disclosing the conflict to the Board of Directors, including non-affiliated members of the Board of Directors, as applicable, or Shareholders (including, without limitation, in distribution notices, financial statements, letters to Shareholders or other communications), (v) appointing an independent representative to act or provide consent with respect to the matter giving rise to the conflict of interest, (vi) validating the arms-length nature of the transaction by referencing participation by unaffiliated third parties, (vii) in the case of conflicts among clients, creating groups of personnel within Blackstone separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients, (viii) implementing policies and procedures reasonably designed to mitigate the conflict of interest, or (ix)

MANAGEMENT REPORT

otherwise handling the conflict as determined appropriate by the Sponsor in its good faith reasonable discretion. There can be no assurance that the Sponsor will identify or resolve all conflicts of interest in a manner that is favorable to BXPE.

References to “Other Blackstone Accounts” describe, as the context requires, individually and collectively, any funds (including BXPE US), vehicles or accounts, including separately managed accounts, that Blackstone may establish, advise or sub-advise from time to time and to which Blackstone provides investment management or sub-advisory services, other than BXPE.

BXPE is subject to certain conflicts of interest arising out of BXPE’s relationship with Blackstone, including the AIFM and its affiliates. Certain members of the Board of Directors are also executives of Blackstone and/or one or more of its affiliates. There is no guarantee that the policies and procedures adopted by BXPE, the terms of the Articles, the terms and conditions of the Investment Management Agreement, or the policies and procedures adopted by the Board of Directors, AIFM, the Investment Manager and any sub-investment managers, Blackstone and their affiliates, will enable BXPE to identify, adequately address or mitigate these conflicts of interest, or that the Sponsor will identify or resolve all conflicts of interest in a manner that is favorable to BXPE, and Shareholders may not be entitled to receive notice or disclosure of the occurrence of these conflicts or have any right to consent to them.

Risks and conflicts of interest are discussed in greater detail in Section XVII – “Risk Factors, Potential Conflicts of Interest and Other Considerations” of the Prospectus.

To the Board of Directors of
Blackstone Private Equity Strategies Fund SICAV
11-13, boulevard de la Foire
L - 1528 Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the financial statements of Blackstone Private Equity Strategies Fund SICAV (the "Fund"), which comprise the statement of financial position as of December 31, 2023, and the statement of comprehensive income, statement of changes in unit holders' funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as of December 31, 2023, and its financial performance and its cash flows for the year then ended, in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "*Responsibilities of the "réviseur d'entreprises agréé"* for the Audit of the Financial Statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the Board of Directors report but does not include the financial statements and our report of the "*réviseur d'entreprises agréé*" thereon and the AIFMD required disclosures (not included in this reporting), which are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with International IFRS Accounting Standards as adopted by the European Union; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Fund's ability to continue as a going concern at least, but not limited to, 12 months from the end of the reporting period, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Fund is responsible for overseeing the Fund's financial reporting process.

Responsibilities of the Board of Directors of the Fund for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

Responsibilities of the “réviseur d'entreprises agréé” for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*



Anne Ricci

Anne Ricci, *Réviseur d'entreprises agréé*
Partner

March 25, 2024

Statement of Financial Position

\$000's	Notes	As of 31 December 2023	As of 31 December 2022
Assets			
Non-current assets			
Investments at fair value	3	2,034	-
Current assets			
Cash and cash equivalents	5	9,305	41
Total assets		11,339	41
Liabilities			
Current liabilities			
Subscriptions received in advance	6	(9,250)	-
Total liabilities excluding amounts attributable to shareholders		(9,250)	-
Net Asset Value attributable to shareholders	8	2,089	41
Net Asset Value attributable to holders of:			
Class I _D shares		2,089	41
Net Asset Value per share		\$	\$
Class I _D		26.1077	25.3190

The accompanying notes form an integral part of these financial statements.

Statement of Comprehensive Income

\$000's	Notes	Year ended 31 December 2023	28 June 2022 to 31 December 2022
Revenue			
Interest Income	4	14	1
Gain on change in fair value of investment	3	74	-
Appreciation of Net Asset Value		88	1
Attributable to holders of:			
Class I _D shares		88	1
		88	1

There are no items of other comprehensive income for the current period.

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Amounts Attributable to Shareholders

31 December 2023	Share Class
\$000's	Class I _D
Net Asset Value attributable to shareholders at 1 January 2023	41
Issue of shares	1,960
Profit attributable to shareholders	88
Net Asset Value attributable to shareholders at 31 December 2023	2,089

31 December 2022	Share Class
\$000's	Class I _D
Net Asset Value attributable to shareholders at 28 June 2022	-
Issue of shares	40
Profit attributable to shareholders	1
Net Asset Value attributable to shareholders at 31 December 2022	41

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

\$000's	Year ended 31 December 2023	28 June 2022 to 31 December 2022
Cash flows from operating activities		
Interest received	14	1
Net cash from operating activities	14	1
Cash flows from investing activities		
Contributions paid for investments	(1,960)	-
Net cash used in investing activities	(1,960)	-
Cash flows from financing activities		
Proceeds from shares issued	1,960	40
Contributions received in advance	9,250	-
Net cash from financing activities	11,210	40
Net increase in cash and cash equivalents	9,264	41
Cash and cash equivalents at the beginning of the period	41	-
Cash and cash equivalents at the end of the period	9,305	41

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. Corporate Information and Principal Activities

Blackstone Private Equity Strategies Fund SICAV (“BXPE Feeder SICAV” or the “Fund”) is an open-ended multi-compartment Luxembourg investment company with variable capital (*société d’investissement à capital variable*) incorporated on 28 June 2022, and governed by Part II of the law of 17 December 2010, as amended (the “2010 Law”) and established as a public limited liability company (*société anonyme*) in accordance with the law of 10 August 1915 on commercial companies. BXPE Feeder SICAV is authorized and supervised by the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier* (the “CSSF”).

BXPE Feeder SICAV will continue for an indefinite period of time unless put into liquidation in certain specified circumstances. The registered address of BXPE Feeder SICAV is 11-13, boulevard de la Foire, L-1528 Luxembourg and the registration number is B268980.

Principal Activities

BXPE Feeder SICAV is a vehicle for investment into BXPE. BXPE is a private equity investment program operated through several entities and the term “BXPE” or “BXPE Lux” is used to refer to the program as a whole. The primary vehicle for investors to subscribe to BXPE is BXPE Feeder SICAV. As of 31 December 2023, BXPE had not commenced investment operations.

Corporate Structure

Blackstone Private Equity Strategies Fund (Master) FCP (“BXPE Master FCP”), a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 law, is the master fund for BXPE Feeder SICAV. BXPE Master FCP is authorized and supervised by the CSSF.

BXPE Feeder SICAV and BXPE Master FCP are alternative investment funds under the amended law of 12 July 2013 relating to Alternative Investment Fund Managers (the “2013 Law”). Blackstone Europe Fund Management S.à r.l. (the “AIFM”), has been appointed as alternative investment fund manager of both funds under the 2013 Law in order to perform the investment management (including both portfolio and risk management), oversight, valuation and certain other functions. The registered office of the AIFM is 2-4 rue Eugene Ruppert, L-2453 Luxembourg. The AIFM is also the management company of BXPE Master FCP (in this capacity “the Management Company”). The AIFM has delegated its portfolio management function to Blackstone Private Investments Advisors L.L.C. (the “Investment Manager”). The Investment Manager has discretion to make investments on behalf of BXPE Feeder SICAV and BXPE Master FCP.

BXPE Feeder SICAV will invest all or substantially all of its assets into one or more sub-funds of BXPE Master FCP, which will invest all or substantially all of their assets through the BXPE Aggregator. BXPE Aggregator will make investments alongside Blackstone Private Equity Strategies Fund L.P., a Delaware Limited Partnership (together with any feeder fund thereof, “BXPE US”). BXPE and BXPE US together form the “BXPE Fund Program”.

2. Accounting Policies

BXPE Feeder SICAV’s financial year starts on 1 January and ends on 31 December, with the exception of the first financial period which began on 28 June 2022 (date of incorporation) and ended on 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

These financial statements are presented for the period 1 January 2023 to 31 December 2023 and were approved for issue on 25 March 2024 by the Board of Directors.

Comparative financial information is for the period 28 June 2022 the date of incorporation of BXPE Feeder SICAV, to 31 December 2022.

BXPE Feeder SICAV has applied the following accounting policies throughout the financial period.

a) Basis of Accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”). BXPE Feeder SICAV has not early adopted any IFRS standards and there are no new or amended standards that are expected to have a material impact on the Fund.

The functional and presentational currency is the United States Dollar (USD).

The financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities held that have been measured at fair value through profit and loss.

The financial statements for the year ended 31 December 2023 presented herein consist of a Statement of Financial Position, a Statement of Comprehensive Income, a Statement of Changes in Amounts Attributable to Shareholders and a Statement of Cash Flows.

The Statement of Financial Position presents financial liabilities due to shareholders as Amounts Attributable to Shareholders. A Statement of Changes in Amounts Attributable to Shareholders is presented in lieu of a Statement of Changes in Equity.

Going Concern

These financial statements have been prepared on a going concern basis. In the opinion of the Directors, there are no material uncertainties in reaching this conclusion and BXPE Feeder SICAV will be able to meet its obligations as they fall due for at least the next 12 months. The Investment Manager has agreed to advance organizational and offering expenses on BXPE Feeder SICAV’s behalf through to the first anniversary of the later date on which BXPE Feeder SICAV accepts third-party investors or begins investment operations (the “Effective Date”).

b) Foreign Currency Translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the balance sheet date. Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

c) Financial Instruments

BXPE Feeder SICAV classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss.

Financial assets

Other than investments in subsidiaries, all financial assets are measured at amortised cost. Financial assets include cash and cash equivalents. Cash and cash equivalents include cash in hand and cash held by CACEIS Investor Services Bank S.A., formerly known as RBC Investor Services Bank S.A., as depositary (the “Depositary”) for

NOTES TO THE FINANCIAL STATEMENTS

BXPE Feeder SICAV. At 31 December 2023, the carrying amount of cash and cash equivalents approximates its fair value.

Classification of shareholders' investment into BXPE Feeder SICAV as a financial liability

Shareholders have the right to request a redemption of their investment in BXPE Feeder SICAV. Payment of redemptions is subject to the redemption caps as described in the Prospectus. Shareholders' investments are classified as financial liabilities, therefore, the impact of this judgement is that distributions are presented as an expense in the Statement of Comprehensive Income.

d) Cash and Cash Equivalents

Cash and cash equivalents represents cash on hand, cash held in banks, money market funds and liquid investments with original maturities of three months or less.

e) Subscriptions Received in Advance

Subscriptions received in advance represent amounts received for subscriptions prior to the trade date when shares are issued. The cash from subscriptions is included in cash and cash equivalents along with an offsetting liability until shares are issued.

f) Net Asset Value Attributable to Shareholders

Amounts attributable to shareholders are initially recognized at fair value, which is taken to be the proceeds received for the shares issued. Subsequently the carrying amount is adjusted for the allocation of profit or loss attributable to that share class, less any distributions or redemptions.

g) Revenue

Revenue includes interest income. Interest income is recognized on a time-proportion basis, using the effective interest method and includes interest earned on cash deposits and cash equivalents.

h) Tax

BXPE Feeder SICAV is not subject to any income taxes as defined in IAS 12 Income taxes. BXPE Feeder SICAV is charged Luxembourg subscription tax which is computed on net assets rather than profit.

i) Statement of Cash Flows

BXPE Feeder SICAV has adopted the direct presentation method for its Statement of Cash Flows.

j) Organizational and Offering Expenses

The Investment Manager has agreed to advance organizational and offering expenses on BXPE's behalf through to the first anniversary of the later date on which BXPE first accepts third-party investors or begins investment operations. BXPE will reimburse the Investment Manager for all such advanced expenses ratably over the 60 months following the Effective Date.

3. Investments at Fair Value

a) Reconciliation of Investments at fair value

Investments at fair value represents BXPE Feeder SICAV's investment in BXPE Master FCP. At 31 December 2023, BXPE Feeder SICAV owned 100% of the Class F units issued by BXPE Master FCP. The following table

NOTES TO THE FINANCIAL STATEMENTS

presents the movement of fair value of BXPE Feeder SICAV's investment in BXPE Master FCP at 31 December 2023 and 31 December 2022.

\$000's	Year ended 31 December 2023	28 June 2022 to 31 December 2022
Opening fair value	-	-
Contributions	1,960	-
Revaluation of investments	74	-
Closing fair value	2,034	-

b) Financial assets at fair value through profit and loss

In accordance with IFRS 10, BXPE Feeder SICAV meets the criteria of an investment entity and therefore recognises its direct subsidiaries at fair value through profit and loss.

c) Fair value methodology

The fair value of BXPE Feeder SICAV's interest in BXPE Master FCP is the Net Asset Value of BXPE Master FCP at the reporting date. The change in fair value at BXPE Master FCP is due to interest earned on cash deposits.

d) Estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included below and relates to the determination of fair value of financial instruments with significant unobservable inputs.

BXPE Feeder SICAV is required to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that BXPE Feeder SICAV can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs that have been applied in valuing the respective asset or liability.

BXPE Feeder SICAV considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

e) Fair value hierarchy analysis

The table below shows the fair value hierarchy categorisation for BXPE Feeder SICAV's financial instruments carried at fair value at 31 December 2023.

\$000's	Level 1	Level 2	Level 3	Total
31 December 2023				
Financial Assets				
Investments at fair value	-	-	2,034	2,034
Total	-	-	2,034	2,034

NOTES TO THE FINANCIAL STATEMENTS

Investments classified within Level 3 make use of significant unobservable inputs in deriving fair value, because they trade infrequently. Since observable prices are not available for these securities, BXPE Feeder SICAV has used valuation techniques to derive the fair value.

Because of the inherent uncertainties associated with the valuation, the carrying amount of investments at the period end may differ significantly from the value that could be realised in an arm's length transaction.

The table below sets out information about valuation techniques, significant unobservable inputs and sensitivity to changes in assumptions used at 31 December 2023 in measuring financial instruments categorised as Level 3 in the fair value hierarchy in BXPE Feeder SICAV.

Asset Class	Cost \$000's	Fair Value \$000's	Fair Value Hierarchy	Valuation Technique	Significant Unobservable Inputs	Weighted Range	Average	Sensitivity of fair value to changes in significant unobservable inputs: 10% increase/ decrease in price will have a fair value impact of:
								\$000's
Investments at fair value	1,960	2,034	Level 3	Reported value	Net asset value	N/A	N/A	+/- 203

4. Interest Income

Income from cash and cash equivalents are included on an accrual basis using the effective interest rate method.

\$000's	Year ended	28 June 2022 to
	31 December 2023	31 December 2022
Interest income from cash and cash equivalents	14	1
Total interest income	14	1

5. Cash and Cash Equivalents

Restricted Cash

Cash for subscriptions is received in advance of the BXPE Feeder SICAV launch. Such cash is held in a separate bank account managed by the Depositary (as defined in note 9) and is not available for use until the trade date when shares are issued.

\$000's	Year ended	28 June 2022 to
	31 December 2023	31 December 2022
Cash at bank	55	41
Restricted Cash	9,250	-
Total cash and cash equivalents	9,305	41

6. Subscriptions Received in Advance

Subscriptions received in advance remain as unsecured creditors, in respect of amounts paid, until the issuance of the shares has been completed.

NOTES TO THE FINANCIAL STATEMENTS

\$000's	Year ended	Year ended
	31 December 2023	31 December 2022
Balance at the start of the period	-	-
Proceeds for issue of shares	11,210	-
Issue of shares	(1,960)	-
Balance at the end of the period	9,250	-

7. Expenses and Contingent Liability

As BXPE has not issued shares to third-party investors nor commenced its investment operations, the majority of expenses listed in the Prospectus (Management Fees, Performance Participation Allocation, Subscription Fees, Servicing Fees, AIFM Fees) are not yet applicable.

The below expenses are included in the organizational and offering expenses figure which is being advanced by the Investment Manager.

\$000's	As of	As of
	31 December 2023	31 December 2022
Administrator fees	52	7
Depository fees	8	5
Audit fees	30	15
Other expenses	6,865	4,785
Total expenses	6,955	4,812

As of 31 December 2023, the Investment Manager has incurred organizational and offering expenses on BXPE's behalf in the estimated amount of \$7.0 million (31 December 2022: \$4.8 million). As of 31 December 2023, BXPE has not issued shares to third-party investors and investment operations have not yet commenced, therefore the Directors do not yet consider there is a legal obligation for BXPE to pay these expenses. The impact of this judgement is that organizational and offering expenses are disclosed herein as a contingent liability.

AIFM Fee

Details on the AIFM can be found in note 9.

Fees payable to the auditor

BXPE Feeder SICAV's auditor is Deloitte Audit S.à r.l ("Deloitte"). Deloitte's fee for the audit of these financial statements is \$30.4k (31 December 2022: \$15.0k). In addition, Deloitte is the auditor of BXPE Master FCP for which Deloitte's fees total \$30.4k (31 December 2022: \$0)

Servicing Fee

Holders of Class A shares in BXPE Feeder SICAV are subject to a Servicing Fee of 0.85% per annum (calculated monthly) on the Net Asset Value, prior to accrual of the Servicing Fee, distributions and redemptions, of such shares ("Servicing Fee"). Class I shares do not incur a Servicing Fee.

Luxembourg subscription tax

Luxembourg subscription tax for the year to 31 December 2023 is \$23 (31 December 2022: \$15) and is included in Other expenses in the above table.

8. Net Asset Value Attributable to Shareholders

Terms of the share classes set out below are intended to be an aide-mémoire and for compliance with the requirements of IFRS. Shareholders should refer to BXPE Feeder SICAV's Prospectus for the full terms applicable to their shares.

Classes of Shares

During the period, BXPE Feeder SICAV issued shares in one class: Class I_D. Except as otherwise described below, the terms of each class of shares are identical.

Class A_A, Class I_A, Class A_A-Italy and Class I_A-Italy Shares are "Accumulation Sub-Class" shares and Class A_D, Class I_D, Class A_D-Italy and Class I_D-Italy Shares are "Distribution Sub-Class" shares. Shareholders that subscribe for Distribution Sub-Class shares will receive in cash any distributions that BXPE Feeder SICAV pays in respect of such shares. No distributions are paid on the Accumulation Sub-Class shares, the value of distributions that would have otherwise been paid are reflected in the value of those shares.

Class A_A, Class A_D, Class A_A-Italy and Class A_D-Italy shareholders are charged a Servicing Fee of 0.85% per annum payable to their financial intermediary. No Servicing Fee is payable on Class I_A, Class I_D, Class I_A-Italy and Class I_D-Italy shares. As of 31 December 2023, no Servicing Fee has been charged to shareholders.

The Investment Manager provided the initial incorporation capital of BXPE Feeder SICAV, subscribing for \$40,000 Class I_D shares at \$25.00 per share. On 4 April 2023, an additional \$1.96 million contribution into BXPE Feeder SICAV in exchange for Class I_D Shares was made by the Investment Manager. The number of Class I_D shares in circulation at 31 December 2023 was 80,000.

Capital Management

BXPE Feeder SICAV's investment objective is to deliver medium-to long-term capital appreciation and, to a lesser extent, generate modest current income. The Board of Directors, with the assistance of the Investment Manager, monitors BXPE Feeder SICAV's capital so as to promote the long-term success of the business and achievement of its investment objectives. Proceeds from the issuance of shares (which are classified as liabilities in the Statement of Financial Position) and retained profits are considered as capital. Under Luxembourg law, BXPE Feeder SICAV is required to maintain a minimum capital balance of €1.25 million within six months of authorization by the CSSF. On 4 April 2023, an additional \$1.96 million contribution into BXPE Feeder SICAV in exchange for Class I_D Shares was made by the Investment Manager. On 5 April 2023, BXPE Feeder SICAV made an investment of \$1.96 million into BXPE Master FCP. There are no other externally imposed capital requirements.

9. Financial risk management

Risk Management Oversight

The AIFM

The AIFM is responsible for the risk management function of BXPE Feeder SICAV. The AIFM is authorized as an alternative investment fund manager and supervised by the Luxembourg supervisory authority, the CSSF.

The AIFM has established and maintains a dedicated risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all

NOTES TO THE FINANCIAL STATEMENTS

risks relevant to BXPE Feeder SICAV's investment objective including in particular market, credit, liquidity, counterparty, operational and all other relevant risks.

The risk management staff within the AIFM supervise the compliance of these policies and procedures in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorized to issue related regulation or technical standards which are applicable to BXPE Feeder SICAV.

The Depositary

BXPE Feeder SICAV has appointed CACEIS Investor Services Bank S.A. ("Depositary"), as depositary bank and paying agent.

The duties of the Depositary include: the safekeeping of financial instruments that can be held in custody and record keeping and verification of ownership of the other assets; oversight duties, and cash flow monitoring in accordance with applicable Luxembourg law.

10. Warehousing Agreement

On 4 November 2022, BXPE US, BXPE Feeder SICAV - I, Blackstone Private Equity Strategies Fund (Master) FCP – BXPE Master FCP – I and Blackstone Private Investments Advisors L.L.C., in its capacity as Investment Manager, on behalf of and not for its own account, of BXPE US, BXPE Feeder SICAV and BXPE Master FCP (the "BXPE Funds"), entered into a Warehousing Agreement (the "Warehousing Agreement") with Blackstone Holdings Finance Co. L.L.C. ("Finco"), a subsidiary of Blackstone.

On 3 November 2023, the Warehousing Agreement was Amended and Restated ("A&R Warehousing Agreement"). Under the A&R Warehousing Agreement, in connection with the launch and ramp of the BXPE Fund Program, Finco and its affiliates have agreed to acquire certain investments that have been approved by the Investment Manager and the BXPE Funds' investment committee up to an aggregate invested equity amount of \$500.0 million (or such higher amount as is agreed between the parties), subject in each case, to Finco's approval at the time of acquisition (each, an "Approved Warehoused Investment"). Finco has agreed to subsequently transfer each Approved Warehoused Investment to the BXPE Funds, and the BXPE Funds have agreed to acquire such investments from Finco, on the terms described in the A&R Warehousing Agreement following the point or points in time at which the BXPE Funds have sufficient capital to acquire such investments, as determined by the Investment Manager in its sole discretion (each such date, a "Warehouse Closing Date").

On each Warehouse Closing Date, the BXPE Funds will acquire from Finco each funded Approved Warehoused Investment selected by the Investment Manager for such Warehouse Closing Date at a price equal to the cost of such Approved Warehoused Investment paid by Finco plus an amount equal to an annualized rate of 5% (or such lower amount as is agreed between the parties) measured over the period from the date the Approved Warehoused Investment was acquired by Finco to the applicable Warehouse Closing Date. The Investment Manager will determine in its sole discretion which and what portions of Approved Warehoused Investments that BXPE Funds will acquire on each Warehouse Closing Date. Finco will continue to provide committed funding for Approved Warehoused Investments until the applicable Warehouse Closing Date, unless extended by the mutual agreement of the parties. Each of the BXPE Funds will bear its proportionate (a) fees, costs and expenses, if any, incurred in developing, negotiating and structuring any Approved Warehoused Investment that is transferred to BXPE US and/or BXPE Lux and (b) broken deal expenses. The term of the A&R Warehousing Agreement shall be for one year, unless extended by the mutual agreement of the parties.

NOTES TO THE FINANCIAL STATEMENTS

As of 31 December 2023, affiliates of Finco have acquired, or entered into definitive agreements to acquire, five equity investments and four debt investments, for a total funded amount of \$329.5 million, pursuant to the A&R Warehousing Agreement. The warehoused investments include equity and debt direct investments in the artificial intelligence and financial services industries and secondary investments. Any investments that have not yet closed are subject to customary closing conditions, and BXPE's obligation to purchase any of the investments from Finco is contingent upon BXPE raising sufficient capital to purchase such assets as determined by the Investment Manager. As of 31 December 2023, the Investment Manager had not determined the allocations of investments between BXPE US and BXPE Lux and it is not certain whether BXPE will ultimately acquire any such investments.

As of December 2023, the unused capacity under the A&R Warehousing Agreement was \$170.5 million.

11. Line of Credit Agreement

On 3 November 2023, BXPE US and BXPE Feeder SICAV - I (the "Borrowers") entered into an amended and restated unsecured, uncommitted line of credit agreement ("A&R Line of Credit") up to a maximum amount of \$300 million with Finco. The A&R Line of Credit expires on 2 November 2024, subject to one-year extension options requiring Finco approval.

Under the A&R Line of Credit, the interest rate on the unpaid balance of the principal balance amount of each loan is: (a) prior to the date on which a BXPE Fund first accepts third-party investors and begins investment operations (the "Initial Closing Date"), a rate of 5.00% (or such lesser amount as determined by Finco in its sole discretion) and (b) on and after the Initial Closing Date, the then-current borrowing rate offered by a third-party lender, or, if no such rate is available, the applicable Secured Overnight Financing Rate ("SOFR") plus 3.00%. Each advance under the A&R Line of Credit is repayable on the earliest of (a) the expiration of the A&R Line of Credit, (b) Finco's demand and (c) the date on which Blackstone Private Investments Advisors L.L.C. no longer acts as investment manager to the BXPE Funds, provided that the BXPE Funds will have 180 days to make such repayment in the cases of clauses (a) and (b) and 45 days to make such repayment in the case of clause (c). To the extent the BXPE Funds have not repaid all loans and other obligations under the A&R Line of Credit after a repayment event has occurred, each BXPE Fund is obligated to apply the net cash proceeds from its offering and any sale or other disposition of assets to the repayment of such loans and other obligations; provided that the BXPE Funds will be permitted to (w) make distributions to avoid any entity level tax, (x) make payments to fulfill any repurchase requests of the BXPE Funds or any of their feeder vehicles pursuant to any established unit repurchase plans, (y) use funds to close any investment which the BXPE Funds committed to prior to receiving a demand notice and (z) make distributions to its unitholders or shareholders at per unit or per share levels consistent with the immediately preceding fiscal quarter. The A&R Line of Credit also permits voluntary pre-payment of principal and accrued interest without any penalty other than customary SOFR breakage costs. The A&R Line of Credit contains customary events of default. As is customary in such financings, if an event of default occurs under the A&R Line of Credit, Finco may accelerate the repayment of amounts outstanding under the A&R Line of Credit and exercise other remedies subject, in certain instances, to the expiration of an applicable cure period.

12. Related Party Transactions

Fees Payable to Affiliates of Blackstone Inc.

As BXPE has not issued shares to third-party investors nor commenced its investment operations, the majority of fees listed in the Prospectus (Management Fees, Performance Participation Allocation, Subscription Fees, Servicing Fees, AIFM Fees) are not yet applicable.

Organizational and Offering Expenses

The Investment Manager has agreed to advance organizational and offering expenses on BXPE's behalf through to the first anniversary of the later date on which BXPE first accepts third-party investors or begins investment operations. BXPE will reimburse the Investment Manager for all such advanced expenses ratably over the 60 months following the Effective Date. As of 31 December 2023, the Investment Manager and its affiliates have incurred organizational and offering expenses on BXPE's behalf in the estimated amount of \$7.0 million (31 December 2022: \$4.8 million) which is disclosed herein as a contingent liability.

Key Management Personnel

Included in the organizational and offering expenses amount are non-affiliated director fees for the year ended 31 December 2023 of \$83k (31 December 2022: \$32k) for services rendered, none of which remain payable at 31 December 2023. Directors who are employees of Blackstone Inc. did not receive any directorship remuneration.

Investments in BXPE Feeder SICAV

The Investment Manager provided the initial incorporation capital of BXPE Feeder SICAV, subscribing for \$40,000 Class I_D shares at \$25.00 per share. On 4 April 2023, an additional \$1.96 million contribution into BXPE Feeder SICAV in exchange for Class I_D Shares was made by the Investment Manager. The number of Class I_D shares in circulation at 31 December 2023 was 80,000.

13. Subsequent Events

BXPE commenced operations on 2 January 2024.

Subscriptions

As of 25 March 2024, BXPE Lux has issued shares for aggregate consideration of:

- \$45.1 million in connection with BXPE's initial closing on 2 January 2024,
- \$60.6 million and \$57.1 million in connection with BXPE's closings on 1 February and 1 March 2024, respectively.

Warehouse and Investment Portfolio

On 2 January 2024, the BXPE Fund Program acquired 11 investments and commitments from Finco and its affiliates at cost pursuant to the A&R Warehousing Agreement. As of 25 March 2024, the warehouse has been fully repaid and no amounts remain outstanding.

As of 25 March 2024, the BXPE Fund Program's portfolio consists of 25 investments and future commitments to acquire investments totaling up to \$2.2 billion. As of 25 March 2024, BXPE Lux has funded investments totaling \$105.9 million. Any investments that have not yet closed are subject to customary closing conditions and may not close as expected or at all.

Apart from the above, the Directors have evaluated the impact of all subsequent events through to 25 March 2024, which is the date that these financial statements were available to be issued, and have determined that there were no other subsequent events requiring adjustment to or disclosure in the financial statements.