

AIFMD ANNUAL REPORT

2023 Annual Report for the purposes of Article 22 AIFMD by the Board of Directors of

Blackstone Private Equity Strategies Fund SICAV

June 2024

DEFINITIONS

1. This section of the Annual Report sets out the meaning of certain defined terms used in this Annual Report and makes provisions regarding the interpretation of certain references in the Annual Report.
2. In this Annual Report, the following capitalized terms shall have the following meanings, unless the context otherwise requires:
 - (A) “AIF” means an alternative investment fund for the purposes of and as defined in the AIFMD.
 - (B) “AIFM” means Blackstone Europe Fund Management S.à r.l., having its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.
 - (C) “AIFM Remuneration Policy” has the meaning set forth in Annex 4 hereto.
 - (D) “AIFM Senior Management” has the meaning set forth in Annex 4 hereto.
 - (E) “AIFMD” means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended, as it has been implemented in the UK pursuant to the UK AIFM Regulations and in the member states of the EEA where the Fund has been registered for marketing, as applicable.
 - (F) “Annual Report” means this AIFMD Annual Report.
 - (G) “Articles” means the articles of incorporation of the Fund, as amended, supplemented or restated from time to time.
 - (H) “Blackstone” means Blackstone Inc. and, where applicable, its affiliates.
 - (I) “Blackstone Compensation Process” has the meaning set forth in Annex 4 hereto.
 - (J) “Blackstone Senior Management” has the meaning set forth in Annex 4 hereto.
 - (K) “Board of Directors” has the meaning set forth in Annex 4 hereto.
 - (L) “BXPE” means the Fund, BXPE Master FCP, the BXPE Aggregator and the Parallel Entities.
 - (M) “BXPE Aggregator” means a subsidiary of BXPE Master FCP established for the purpose of holding BXPE’ investments.
 - (N) “BXPE Aggregator Parallel Vehicles” means any additional vehicles established in parallel to the BXPE Aggregator, excluding BXPE US;
 - (O) “BXPE Master FCP” means Blackstone Private Equity Strategies Fund (Master) FCP, a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 Law, along with its sub-funds.
 - (P) “BXPE US” means Blackstone Private Equity Strategies Fund LP, a Delaware limited partnership.
 - (Q) “Control Functions” has the meaning set forth in Annex 4 hereto.
 - (R) “CSSF” has the meaning set forth in “Disclosure Obligation” herein.

- (S) “CSSF Circular 91/75” means Circular IML 91/75 (as amended by Circulars CSSF 05/177, CSSF 18/697 and CSSF 22/811) relating to the revision and remodeling of the rules to which Luxembourg undertakings governed by the Law of 30 March 1988 on UCI are subject.
- (T) “EEA” means the European Economic Area.
- (U) “ESG” means environmental, social and governance.
- (V) “ESMA” means the European Securities and Markets Authority.
- (W) “ESMA Guidelines” has the meaning set forth in Annex 4 hereto.
- (X) “EU” means the European Union.
- (Y) “EU Taxonomy” means Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.
- (Z) “Feeder Vehicles” means feeder vehicles to invest through BXPE Master FCP.
- (AA) “Financial Statements” has the meaning set forth in Annex 1 hereto.
- (BB) “Fund” means Blackstone Private Equity Strategies Fund SICAV a Luxembourg undertaking for collective investment subject to part II of the UCI Law, as amended, incorporated under the form of an investment company with variable capital (*société anonyme*), having its registered office at 11-13, Boulevard de la Foire, L - 1528 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*, Luxembourg) under registration number B268980.
- (CC) “ICs” has the meaning set forth in Annex 4 hereto.
- (DD) “Investment Manager” means Blackstone Private Investments Advisors L.L.C., having its principal place of business at 345 Park Avenue, New York, NY 10154, United States of America.
- (EE) “Investment Manager Senior Management” has the meaning set forth in Annex 4 hereto.
- (FF) “Management Report” means the report prepared by the board of directors of the Fund covering the activities of the Fund for the Reporting Period ending 31 December 2023, as appended in Appendix 1.
- (GG) “Other Blackstone Accounts” means, as the context requires, individually and collectively, any of the following: investment funds, vehicles, accounts, products and/or other similar arrangements sponsored, advised, and/or managed by Blackstone or its affiliates, whether currently in existence or subsequently established (in each case, including any related successor funds, alternative vehicles, supplemental capital vehicles, surge funds, over-flow funds, co-investment vehicles and other entities formed in connection with Blackstone or its affiliates side-by-side or additional general partner investments with respect thereto) including BXPE US.
- (HH) “Parallel Entities” means Feeder Vehicles, Parallel Vehicles and BXPE Aggregator Parallel Vehicles.

- (II) “Parallel Vehicles” means any parallel vehicles investing alongside the Fund and/or BXPE Master FCP (as determined in the Investment Manager’s discretion but excluding BXPE US).
- (JJ) “Policies” has the meaning set forth in Annex 4 hereto.
- (KK) “Portfolio Entity” means individually and collectively, any entity owned, directly or indirectly through subsidiaries, by BXPE or Other Blackstone Accounts, including, as the context requires, portfolio companies, holding companies, special purpose vehicles and other entities through which BXPE’s investments are held.
- (LL) “Prospectus” means the confidential prospectus of the Fund dated October 2022, as it may be amended, restated or supplemented from time to time.
- (MM) “Redemption Request” means a request by a Shareholder to have some or all of its Shares redeemed by the Fund.
- (NN) “Regulation” means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012.
- (OO) “Reporting Period” means from start of the reporting period 1 January 2023 through 31 December 2023.
- (PP) “SFDR” means Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.
- (QQ) “SFT Regulation” means Regulation (EU) 2015/2365 on transparency of securities financing transactions and reuse amending Regulation (EU) No 648/2012.
- (RR) “Shareholders” means shareholders the Fund.
- (SS) “Shares” means shares of the Fund.
- (TT) “SIG” has the meaning set forth in Annex 4 hereto.
- (UU) “SMDs” means Senior Managing Directors.
- (VV) “Sponsor” means as the context or applicable law requires, individually and collectively, the AIFM and the Investment Manager and any sub-investment managers of the Fund.
- (WW) “UCI” means undertakings for collective investment.
- (XX) “UCI Law” means the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended.
- (YY) “UK” means the United Kingdom of Great Britain and Northern Ireland
- (ZZ) “UK AIFM Regulations” means the Alternative Investments Fund Managers Regulations 2013, as amended (including by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019).

IMPORTANT NOTICES TO RECIPIENTS

3. This Annual Report is being provided to investors of the Fund and regulatory bodies, as necessary,

solely for the purpose of providing disclosures in connection with the requirements of the AIFMD, the UCI Law and the CSSF Circular 91/75. By accepting this Annual Report, you expressly acknowledge that the accounting and certain other information contained in this Annual Report is as of 31 December 2023 unless otherwise indicated and that more recent information, including performance data, is available and has been provided by the AIFM to the investors of the Fund and that other material changes with respect to the Fund and its investments may not be reflected in this Annual Report. The delivery of this Annual Report does not under any circumstances create an assumption that the information presented herein is correct as of any time subsequent to 31 December 2023. This Annual Report is not, and may not be relied upon in any manner as, legal, tax, financial or investment advice or as an offer to sell or a solicitation of an offer to buy any security, product or service or to provide investment advice. This Annual Report does not purport to contain all of the information that may be required to evaluate an investment in the Fund and each recipient is urged to consult its tax, legal, financial, accounting and other advisors about the matters discussed herein. Any investment performance information contained in this Annual Report is presented for informational purposes only and is not indicative of future results. Due to various risks and uncertainties, actual events or results and the actual performance of the Fund may differ materially from those reflected or contemplated herein. It should not be assumed that the specific investments identified and discussed herein were or will be profitable or that any investments made in the future will equal the performance of the investments identified herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There can be no assurance that the Fund will be able to obtain comparable returns, be able to implement its investment strategy, achieve its investment objective or avoid substantial losses.

DISCLOSURE OBLIGATION

4. The AIFM is the alternative investment fund manager of the Fund for the purposes of the AIFMD. The AIFM is required to make this Annual Report available to investors in the Fund upon request no later than six (6) months following the end of the Fund's Reporting Period. The AIFM is also required to make this Annual Report available to the Luxembourg financial services regulator, the *Commission de Surveillance du Secteur Financier* (CSSF).

SUBSTANCE OF DISCLOSURES REQUIREMENTS

5. In the interests of providing "materially relevant, reliable, comparable and clear information," the AIFM has in certain instances addressed the substance of the relevant disclosure requirement based on its own procedures and policies, where applicable.

INTERPRETATION

6. References to statutory provisions, regulations, notices or the AIFMD includes those provisions, regulations, notices or the AIFMD as amended, extended, consolidated, substituted, re-issued or re-enacted from time to time.
7. Unless the context otherwise requires and except as varied or otherwise specified in this Annual Report, words and expressions contained in this Annual Report shall bear the same meaning as in the Prospectus and/or the Articles, as the context requires; *provided that*, if there is any conflict between words defined in this Annual Report and the Prospectus and/or the Articles, this Annual Report shall prevail.

AIFMD ANNUAL REPORT

The following information has been included in this Annual Report in order to comply with the obligations set out in the AIFMD and the Regulation.

AIFMD Reference	Information Requirement	Required Disclosure
Article 22.2 (a)	Balance sheet or statement of assets and liabilities for the Reporting Period	Please see Annex 1 for disclosure of the balance sheet / statement of assets and liabilities of the Fund.
Article 22.2 (b)	Income and expenditure account for the Reporting Period	Please see Annex 1 for disclosure of the Fund's income and expenditure account.
Article 22.2 (c)	Report on activities for the Reporting Period	Please see Annex 2 setting out the report on the activities for the Fund.
Article 22.2(d)	Any material changes in the information listed in Article 23 AIFMD during the Reporting Period	Please see Annex 3 for disclosure on the material changes in the information provided to investors pursuant to Article 23 AIFMD.
Article 22.2(e)	The total amount of remuneration for the Reporting Period split into fixed and variable remuneration, paid by the AIFM to its staff and number of beneficiaries and, where relevant, carried interest paid by the AIF	Please see Annex 4 for the remuneration disclosures.
Article 22.2(f)	The aggregate amount of remuneration broken down by senior management and members of staff of the AIFM and Investment Manager whose actions have a material impact on the risk profile of the AIF	Please see Annex 4 for the remuneration disclosures.
Article 29	Specific provisions regarding the annual report of non-listed companies established in the EEA and the UK of which the Fund has acquired control during the Reporting Period	Please see Annex 5 for the Article 29 AIFMD disclosures.
N/A	The involvement in and exposures related to securities lending	Please see Annex 6 for the disclosures required by the SFT Regulation.
N/A	Sustainable Finance Disclosures of the Fund for the Reporting Period	Please see Annex 7 for the disclosures required by SFDR and the EU Taxonomy.
N/A	UCI Law and CSSF Circular 91/75 requirements	Please see the Financial Statements appended as Appendix 1 for the disclosures required pursuant to the UCI Law and the CSSF Circular 91/75.

ANNEX 1

AIF AUDITED FINANCIAL STATEMENTS FOR THE REPORTING PERIOD

1. Please see Appendix 1 for the Fund's audited standalone financial statements and Independent Auditors' Report for the Reporting Period, as appended in Appendix 1 (the "Financial Statements").
2. Please see page 11 of the Fund's Financial Statements for a balance sheet / statement of assets and liabilities of the Fund as at the end of the Reporting Period.
3. Please see page 12 of the Fund's Financial Statements for the income and expenditure for the Reporting Period.

Realized/Unrealized Gains/Losses

4. Please note that there were no such gains or losses for the Reporting Period as the Fund is yet to commence investment activity.

ANNEX 2

REPORT ON THE ACTIVITIES OF THE REPORTING PERIOD

Activities of the Reporting Period

1. This section of the Annual Report sets out a report on the activities of the Fund for the Reporting Period. This report is prepared as at the end of the Reporting Period.

Investment Activities

2. The Fund has not made any investments.

Portfolio

3. The Fund has not made any investments.

Performance

4. The Fund has not made any investments.

Principal Risks and Uncertainties

5. The purchase of Shares in the Fund entails a high degree of risk that is suitable for sophisticated investors for whom an investment in the Fund does not represent a complete investment programme, 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 The Fund.
6. 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 the Fund:
 - a. **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.

- b. ***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.
- c. ***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.
- d. ***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, including non-affiliated members of the Board, 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) 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, 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.

7. Please see Section XVII of the Prospectus for further information about the Fund's Principal Risks and Uncertainties.

ANNEX 3

MATERIAL CHANGES TO ARTICLE 23 OF THE AIFMD DISCLOSURES

Material Changes

Please note that no further material changes have been made to the information disclosed to investors in the Prospectus pursuant to Article 23 AIFMD for the Reporting Period other than those already disclosed in this Annual Report.

ANNEX 4

REMUNERATION DISCLOSURE

Preamble

The AIFM is an affiliate of Blackstone. It has delegated the portfolio management of the Fund to the Investment Manager.

Procedures and practices

For the AIFM

1. The AIFM has established a remuneration policy and procedures (the “AIFM Remuneration Policy”) in line with the AIFMD and the ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232) (“ESMA Guidelines”). The AIFM Remuneration Policy reflects the AIFM’s approach to remuneration and is designed to seek to ensure that compensation arrangements:

- retain and motivate employees;
- align employee interests with those of investors in the funds;
- are consistent with and promote sound and effective risk management;
- do not encourage inappropriate risk taking or risk taking that exceeds the level of risk tolerated by the AIFM;
- include measures to mitigate conflicts of interest through ensuring a strong information exchange during the Blackstone Compensation Process (as defined below) and among the board of managers of the AIFM (the “Board”) and other key control and support functions, and safeguarding the independence of the Control Functions (as defined below), and
- are in line with the AIFM’s business strategy, objectives, values and long-term interests, as well as the funds’.

The underlying principles of the AIFM Remuneration Policy are:

- all remuneration can be divided into fixed remuneration (payments or benefits without consideration of any performance criteria) specified in the employment contract and variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria);
 - the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration, including the possibility to pay no variable remuneration, and
 - variable performance-driven compensation must be closely aligned with the principles of the AIFM as defined below, supportive of the AIFM’s strategy and must not incentivize inappropriate risk taking.
2. Blackstone’s remuneration decision-making process is operated through Strategic Incentives Group (“SIG”), senior management and relevant Blackstone heads (the “Blackstone Compensation Process”) and provides oversight of the design and operation of Blackstone’s remuneration processes. The

Blackstone Compensation Process also ensures that remuneration decisions are consistently taken across Blackstone, with consideration of the overall risk profile and appetite of Blackstone. The Board of Directors is responsible for adopting the AIFM Remuneration Policy and providing oversight of the implementation of the AIFM Remuneration Policy with the support of the risk management, compliance, finance and internal audit functions (together the “Control Functions”) and the remuneration committee of the AIFM. The Board, with input from the Control Functions and the remuneration committee, reviews the AIFM Remuneration Policy and remuneration practices at least annually in order to satisfy itself that they (i) comply with applicable EU and Luxembourg remuneration rules and guidance, (ii) are in line with the AIFM’s business strategy, objectives, values and interests, (iii) are consistent with and promote sound and effective risk management, and do not encourage excessive risk taking compared to the investment policy of the funds under management, (iv) enable the AIFM to align the interests of the funds and their investors with those of the identified staff (as listed in section 7 below) that manage such funds, and to achieve and maintain a sound financial situation and (v) are consistent with the integration of sustainability risks in accordance with Article 5 of SFDR, where relevant for the particular individual. The internal audit annually reviews the implementation of the AIFM Remuneration Policy and reports its findings to the Board. The Board of Directors approves any changes to the AIFM Remuneration Policy, taking input from the Control Functions and the remuneration committee. In particular, the Board of Directors liaises with the Control Functions on the design, oversight, implementation and review of the AIFM Remuneration Policy and remuneration practices, and requests their input before making any decisions as appropriate.

3. In particular, the variable component of remuneration for the AIFM’s identified staff is discretionary and dependent on the performance of the individual, the individual’s business unit, the funds, the overall results of the AIFM, as well as of Blackstone. Variable remuneration is awarded based on performance against a number of financial and non-financial metrics (e.g. net profit of the AIFM, AIFM capital adequacy, significant financial loss impacting the AIFM risk profile occurred at the AIFM and/or Fund level, external and internal audit findings raised during the Reporting Period and that where not remediated within 12 months, conduct of the identified staff, significant breaches of the AIFM and Blackstone’s policies and procedures and non-completion of mandatory AIFM and Blackstone trainings), in each case taking appropriate consideration of regulatory guidance bearing in mind the functions of the relevant staff member, performance in excess of that required to fulfil the staff member's job description as part of the terms of employment and the impact of the actions of that employee on the risk profile of the AIFM and relevant fund(s).
4. Performance is assessed over a full year and certain bonus schemes include the concept of deferral. Therefore, the assessment of performance is set in a multi-year framework based on a longer-term performance and the payment of performance-based components of remuneration is spread over a suitable period. Staff at higher total compensation levels are generally targeted to receive a greater percentage of their total compensation as variable compensation, payable in annual cash bonuses, participation in carried interest (if applicable) and deferred equity. The Board of Directors believes that as a staff member’s level of responsibility rises, the proportion of compensation that is “at risk” should increase.
5. On the basis of the proportionality principle, the AIFM has decided:
 - to disapply at individual level the following requirements on the pay-out process for identified staff whose variable remuneration attributable to such roles does not exceed EUR 100,000 (as an exemption to the aforementioned threshold, and in order to enter a level playing field with local-based asset managers, the *de minimis* threshold applicable for identified staff at the branches of the AIFM shall be EUR 200,000): (i) variable remuneration in instruments, (ii) retention, (iii) deferral and (iv) ex-post incorporation of risk for variable remuneration. Notwithstanding, the AIFM may apply any of the previous requirements on a voluntary basis regardless of the amount of variable remuneration received by any of its staff, and

- to establish, on a voluntary basis, a remuneration committee that is not required to comply with the relevant provisions of the ESMA guidelines on sound remuneration policies (ESMA/2013/232) (“ESMA Guidelines”). The remuneration committee is composed of three Board of Directors members, out of which two are independent non-executive managers. The remuneration committee is notably responsible for reviewing annual remuneration proposals for the identified staff in accordance with the AIFM Remuneration Policy.
6. AIFM staff includes all members of the Board, conducting officers and employees. AIFM staff may include staff also acting as employees of other Blackstone entities. For the avoidance of doubt, the remuneration mentioned herein does not include the remuneration paid to the AIFM staff by other entities of Blackstone for tasks not directly linked to their duties for the AIFM.
7. The following individuals have been classified as identified staff of the AIFM for the Reporting Period (due to the nature of their functions) in accordance with the criteria set forth in the ESMA Guidelines:
- executive and non-executive members of the Board;
 - members of the management committee (the “AIFM Senior Management”),
 - branch managers, and
 - control functions.
8. The disclosure below reflects the proportion of the total remuneration of the staff of the AIFM attributable to the Fund only. For this purpose, the total remuneration attributable to the activities of the AIFM has been allocated in proportion to the time spent on each applicable fund, hence the figures included below are an approximation only. For the avoidance of doubt, it does not include the remuneration paid to certain identified staff of the AIFM by other entities of Blackstone for tasks not directly linked to their duties for the AIFM. While the AIFM believes that the information and the sources used are reliable for the purposes of this Annual Report, it should be specifically noted that the remuneration information presented herein is subject to the Important Notices to Recipients set out above.

For the Investment Manager

9. The Investment Manager is not subject to the requirements in the AIFMD that would require it, among other things, to implement and apply a remuneration policy that is compliant with Article 13 of the AIFMD (including Annex II) or the ESMA Guidelines. The description below of remuneration attributable to the Fund during the Reporting Period is therefore not representative of information compiled by the Investment Manager for its own internal management purposes, has not been audited, and has not been prepared on the basis of a set of compensation policies and procedures that would be required were the Investment Manager otherwise subject to Article 13 of the AIFMD.
10. The Investment Manager is subject to the remuneration policies and practices (the “Policies”) of Blackstone. The staff included in the aggregate figures disclosed below are rewarded in line with the Policies.
11. Blackstone uses financial measures as a basis for compensation decisions across its businesses. Relevant senior management of Blackstone (the “Blackstone Senior Management”) make operating decisions and assess the performance of each of Blackstone’s business segments based on financial and operating metrics. Such Blackstone Senior Management would include the global heads of the businesses as well as the Chief Executive Officer and the Chief Operating Officer of Blackstone. The Blackstone Senior Management ensure that compensation decisions are consistently taken across Blackstone, with consideration for the overall risk profile and appetite of Blackstone.

12. The Policies reflect Blackstone's ethos of good governance and encapsulate the following principal objectives:

- remuneration is comprised of fixed and variable elements, as described below, with a level of total reward that is competitive within Blackstone's peers, and
- variable performance-driven compensation must be closely aligned with the principles of Blackstone, supportive of Blackstone's strategy and must not incentivize inappropriate risk taking.

13. The Policies apply to staff globally. While Blackstone Senior Management is involved in determining and implementing the Policies, no individual is involved in setting his or her own remuneration.

14. The Investment Manager classifies as the senior management of the Investment Manager (the "Investment Manager Senior Management"):

- the Direct Owners and Executive Officers who appear on Part 1 of Schedule A of the Investment Manager's Form ADV;
- SMDs and risk related C-suite roles (*i.e.*, Chief Investment Officer, Chief Financial Officer, General Counsel and Chief Operating Officer of business unit), and
- the Chief Compliance Officer.

The Investment Manager classifies as other risk takers:

- members of investment committees ("ICs") who are not SMDs (if any);
- heads of Institutional Client Solutions Group at Blackstone, and
- professionals (other than SMDs or IC members) with independent investment approval authority (*i.e.*, which is not subject to prior approval of an SMD or IC/IC member).

15. Blackstone assesses various risk factors which it is exposed to when considering and implementing remuneration for staff and considers whether any potential award would give rise to a conflict of interest.

16. Mechanisms are in place to ensure that remuneration does not reward failure, whether on the early termination of a contract or otherwise. Where awards of carried interest and incentive payments are made, these are inherently risk-adjusted given that they are directly tied to the performance of investments or portfolios. In some cases, these payments are subject to a clawback obligation in the event of subsequent underperformance by the Fund and/or the Investment Manager.

17. Blackstone operates an annual total compensation process dependent on individual and business performance, taking into account financial and non-financial criteria. This includes the performance of Blackstone as a whole, performance of each business unit within Blackstone—which would include regional businesses—as well as the individual's performance. The individual's performance is evaluated through an annual comprehensive performance management process known as "360 Evaluations." The "360 Evaluations" performance process provides an evaluation of an individual's performance based on feedback from peers, managers and subordinates and assesses individuals quantitatively and qualitatively on a wide range of criteria including skills, values, collaboration and leadership. An individual's performance is also compared to agreed objectives and contribution to business strategy. The results of the performance evaluation process are used to produce total compensation recommendations for each individual, which are subject to the review and approval by the Blackstone Senior Management. An individual's compensation is designed to align employee incentives with the interests of Blackstone's clients, shareholders and business strategy. Total compensation payable to an

individual, including determination of awards, is based on an assessment of a sustainable and risk adjusted performance of the business and applicable business risks from time to time. Bonus deferral awards are a deferred component of year-end discretionary bonus awards, if awarded. These awards are intended to encourage retention, align the recipient to the performance of Blackstone globally and incentivize long-term financial performance. Special equity awards are a retention tool/long term incentive plan for select individuals who demonstrate exceptional performance, and are subject to a vesting schedule weighted to encourage retention. Carried interest and incentive payment participation is generally reserved for investment professionals who may significantly influence the performance of investments made by the funds managed by Blackstone.

18. The Investment Manager has adopted a methodology for the purposes of determining, or allocating, the remuneration paid that can be reasonably attributed to the services provided by the Investment Manager to the AIFM in relation to the Fund.

19. The disclosure below reflects the proportion of the total remuneration of the staff of the Investment Manager attributable to the Fund only. For these purposes, the total remuneration attributable to the activities of the Investment Manager has been allocated to each fund under management in proportion to the assets under management of each applicable fund; hence, the figures included below are an approximation only. While the Investment Manager believes that the information and the sources used are reliable for the purposes of this Annual Report, it should be specifically noted that the remuneration information presented herein is subject to the “Important Notices to Recipients” set out above.

Remuneration – amount of remuneration paid

For the AIFM

The remuneration paid by the AIFM to its staff in respect of the Reporting Period (as attributable to the Fund in accordance with the methodology described above is as follows):

Total remuneration paid to AIFM staff	Nil
– Total fixed remuneration	Nil
– Total variable remuneration	Nil
Number of beneficiaries	0
Carried interest realized during the Reporting Period included with the total variable remuneration specified above	Nil
Total remuneration paid to the AIFM Senior Management	Nil
Total remuneration paid to staff whose actions have a material impact on the risk profile of the Fund	Nil

For the Investment Manager

The remuneration paid by the Investment Manager to its staff in respect of the Reporting Period (as attributable to the Fund in accordance with the methodology described above is as follows):

Total remuneration of Investment Manager staff	Nil
– Total fixed remuneration	Nil
– Total variable remuneration	Nil
Number of beneficiaries	0
Carried interest realized during the Reporting Period included with the total variable remuneration specified above	Nil
Total remuneration paid to the Investment Manager Senior Management	Nil
Total remuneration paid to staff whose actions have a material impact on the risk profile of the Fund	Nil

ANNEX 5

DISCLOSURE OBLIGATIONS UNDER ARTICLE 29 OF THE AIFMD

Control of EEA non-listed companies

With respect to the disclosure obligations under Article 29 AIFMD, the Fund has not acquired control of any non-listed company established in the EEA during the Reporting Period.

Control of UK non-listed companies

With respect to the disclosure obligations under Regulation 42 the UK AIFM Regulations, the Fund has not acquired control of any non-listed company established in the UK during the Reporting Period.

ANNEX 6

SECURITIES FINANCING TRANSACTIONS DISCLOSURES

As at the end of this Reporting Period, the Fund is currently in the scope of the requirements of the SFT Regulation. Nevertheless, no corresponding transactions were carried out during the period referring to the Financial Statements.

ANNEX 7

SUSTAINABLE FINANCE DISCLOSURES

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Blackstone considers that the integration of material ESG factors into its investment decisions and ownership is an important part of fulfilling its mission to create strong returns for its investors. Based on its experience, Blackstone thinks that consideration of ESG factors not only enhances its assessment of risk – it helps Blackstone identify opportunities for transformation and value creation. More details on how the Fund takes into account ESG factors in the investment process are available in the relevant ESG Policy.

No consideration of principal adverse sustainability impacts. At present, the AIFM (and/or its delegate) does not, within the meaning of Article 4(1)(a) of the SFDR, consider the adverse impacts of its investment decisions on sustainability factors. The reasons why the AIFM (and/or its delegate) does not currently do so can be found at <https://www.blackstone.com/european-overview/>.

APPENDIX 1
FINANCIAL STATEMENTS

Blackstone Private Equity Strategies Fund SICAV

Registration Number B268980



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

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Management and Administration

Board of Directors

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

Alternative Investment Fund Manager (“AIFM”)

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2-4, rue Eugène Ruppert,
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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

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R.C.S. Luxembourg: B67895

Investment Manager

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345 Park Avenue
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United States of America

Central Administration

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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.

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 26 June 2024, BXPE Lux has issued shares for aggregate consideration of \$306.8 million.

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 26 June 2024, the warehouse has been fully repaid and no amounts remain outstanding.

As of 26 June 2024, the BXPE Fund Program's portfolio consists of 51 investments and future commitments to acquire investments totaling up to \$5.7 billion. As of 26 June 2024, BXPE Lux has funded investments totaling \$264.7 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 26 June 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

MANAGEMENT REPORT

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) 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

MANAGEMENT REPORT

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 Shareholders 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 31 December 2023, and the statement of comprehensive income, statement of changes in amounts attributable to Shareholders 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 31 December 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 23 July 2016 on the audit profession (Law of 23 July 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 23 July 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 Management report and the Annual report but does not include the financial statements and our report of the “*réviseur d’entreprises agréé*” thereon.

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 23 July 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 23 July 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

26 June 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 26 June 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

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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

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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	Weighted 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 31 December 2023	28 June 2022 to 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 31 December 2023	28 June 2022 to 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.

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\$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.

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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 fulfil 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 26 June 2024, BXPE Lux has issued shares for aggregate consideration of \$306.8 million.

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 26 June 2024, the warehouse has been fully repaid and no amounts remain outstanding.

As of 26 June 2024, the BXPE Fund Program's portfolio consists of 51 investments and future commitments to acquire investments totaling up to \$5.7 billion. As of 26 June 2024, BXPE Lux has funded investments totaling \$264.7 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 26 June 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.