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Burford's Response is Nothing More Than Distraction and Thin Excuses

"*There's no validity to anything in the [Muddy Waters] repo*rt."[1]
This statement on the August 8, 2019 call by John Lazar, a Burford Director, is obviously not correct, and encapsulates the lack of quality and candor of BUR's responses.

Leave it to former trial lawyers to talk so much, and yet say so little. BUR's written response and numbing two-hour call did nothing to dispel our view that BUR a) aggressively marks its cases up to generate non-cash profits, b) manipulates its (non-IFRS) ROIC and IRR metrics in order to justify its fair value gains, c) deliberately confuses investors about the extent of its fair value gains in each period, and d) has a fragile balance sheet with too much leverage, particularly given the excessive costs the business runs (of which a significant portion could be management compensation). Moreover, we believe BUR is effectively sprinting on a treadmill whereby it is growing its portfolio aggressively not because there are so many great opportunities; but, rather because it has so aggressively taken fair value gains that sap the business of future earnings power, and it therefore needs to add litigation assets to the balance sheet in order to take more fair value gains. In this way, we also see BUR as possessing the same illness that, in our view, brought Enron and Noble Group down: Addiction to mark-to-model gains financed by debt.[2] BUR exhibits another characteristic of Enron and Noble Group – baselessly attacking critics in an attempt to distract investors from their own shortcomings.

We welcome scrutiny by the Financial Conduct Authority on the Burford matter. We believe that management's conduct has possibly given rise to sanctions claims by the FCA. Muddy Waters stands ready to assist the FCA in any inquiry, and as has been the case for the past nine years of our short activism, we have nothing to hide regarding our own actions.

Burford's Original Sin

When BUR originally went public, its structure was fairly straightforward. It was a closed-end fund that was managed by a privately-owned management company, Burford Group Ltd.[3] Chris Bogart was an owner of the management company. The management company received a 2% management fee per year, and a 20% incentive fee (after an 8% high water mark). Performance and the incentive fees were calculated based on "Cash Net Asset Value", which as the name implied, excluded Fair Value Gains.[4]

There are two items to note. First, the 2% management fee, as compared to BUR's present ~9% expense ratio on (per our adjustments) BUR's invested capital.[5] We will come back to this point – particularly with respect to compensation expense. The second point is that cash *was* king. In

[1] Bloomberg transcript, p. 3.
[2] We reiterate our view that we do not believe the instances of fraud that were identified with Enron were actually responsible for Enron's collapse, and therefore, our analogizing of BUR to Enron does not mean that we accuse BUR of illegal accounting.
[3] Burford IPO prospectus.
[4] Burford IPO prospectus, p. 86.
[5] H1 2019 Investments of $1,768.4 million, minus $202.2 million third party interests, reduced by 43.8%, which equals an adjusted invested capital base of $880.3 million.

2011, BUR ceased publishing a cash NAV, but the incentive fee was still based on cash: "We will, however, continue to deduct unrealised litigation gains from NAV for purposes of the Adviser's performance fee computation."[6] In other words, through 2012, BUR's principals were remunerated based on cash gains. This would change, though.

In February 2012, BUR completed an acquisition that, in our view, was improper. While BUR was still managed by an external investment manager, the closed-end fund, BUR, acquired an operating business, Firstassist Legal Expenses.[7] In our view, any acquisition of an operating business should have been made by the investment manager using its money, rather than with fund assets.

In November 2012, BUR irreversibly blew apart its corporate governance and created the misaligned incentives that led to its dependence on Fair Value Gains. In this maneuver, BUR acquired the management company, owned by Chris Bogart and Jonathan Molot, for 24.5 million shares of BUR.[8] With this acquisition, BUR seems to have been trying to position itself as an operating business, rather than just a closed-end fund. As a closed-end fund, BUR would almost certainly trade on some multiple of book value – possibly even cash cost, rather than Carrying Value. As an operating business, though, the sky could be the limit, with BUR valued on "E" – as in on a P/E basis. All Messrs. Bogart and Molot seemingly needed to make this move really pay off is some more "E". Well, BUR's change in accounting policy delivered.

In the 2012 Annual Report, BUR announced a change in accounting policy purportedly due to IFRS 9. Prior to the change, BUR's Fair Value Movements did not impact its profits. The Fair Value Movements were Comprehensive Income, so not part of what most investors consider "E". In announcing the transition to IFRS 9 in 2012, BUR wept the crocodile tears, describing the transition as requiring it to "swallow the medicine". These circumstances suggest to us that BUR's 2012 reorganization was really a contrived effort to enrich insiders by 1) issuing them a significant number of shares, 2) positioning the company as an operating business, and 3) using IFRS 9 to flow Fair Value Gains through income. In other words, with these changes, we see BUR as having taken the decisive step toward becoming a stock promotion. And of course, the following year's annual report disclosed strong performance by the 2011 vintage, anchored by the Napo case.

Another fact that further supports our view about the motives behind the reorganization is the fact that as of BUR's acquisition of the management company, IFRS 9 was not intended to become effective until January 1, 2015.[9] In other words, BUR decided to "swallow the medicine" three years early. (It turns out that the effective date would be delayed by another three years to January 1, 2018.[10])

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[6] Burford Capital 2011 Annual Report, p. 2.
[7] https://www.burfordcapital.com/wp-content/uploads/2015/06/2012-02-29-burford-completion-of-acquisition-final.pdf
[8] https://otp.investis.com/clients/uk/burford_capital/rns/regulatory-story.aspx?cid=1377&newsid=677916
[9] https://www.iasplus.com/en/events/effective-dates/2018/effective-date-of-ifrs-9
[10] https://www.pwc.co.uk/who-we-are/regional-sites/midlands/ifrs-9.html

Lest there be any doubt about whether BUR is truly a martyr to a cruel accounting standard that mandates it produce Fair Value Gains in each period, following our report, at least two litigation funders made clear that BUR's accounting is a choice. BUR could have chosen to adopt the cost-based accounting that IMF Bentham and LCM have, but it did not.[11,12]

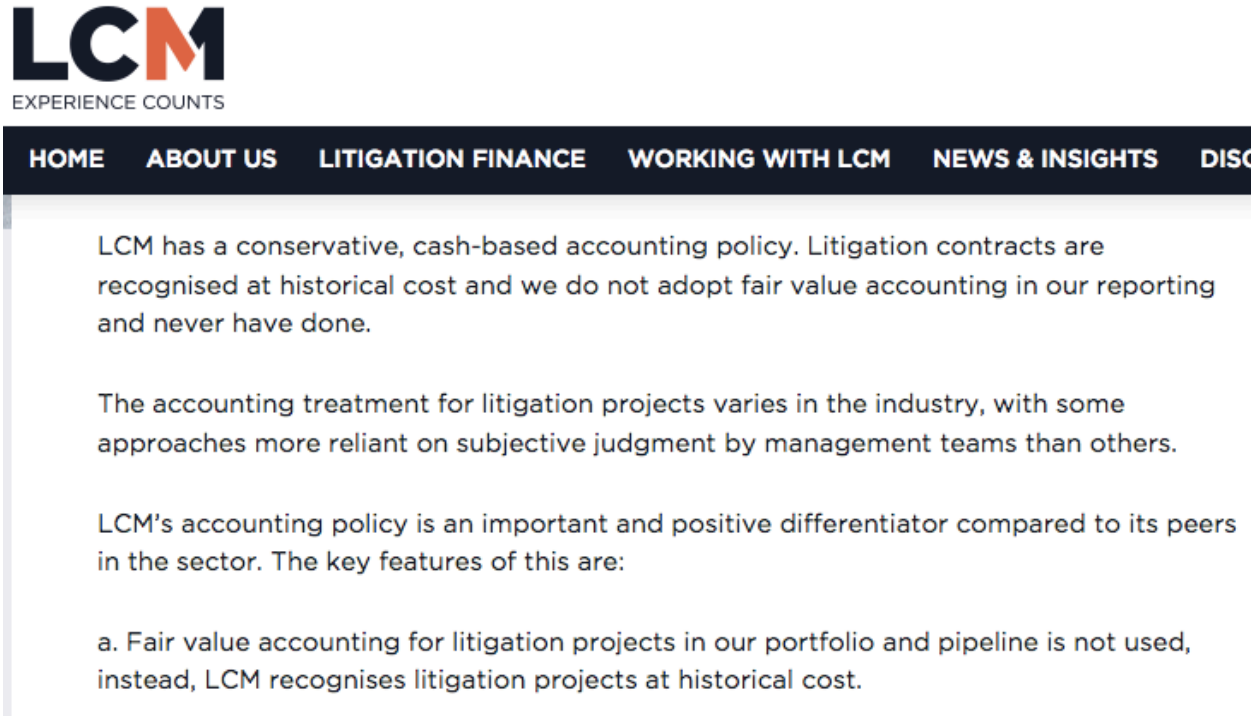
PERTH, AUSTRALIA 8 AUGUST 2019: In response to a (short) report issued by a US investment firm on 7 August 2019 on Burford Capital Limited (Burford), leading global dispute resolution financier and industry founder, **IMF Bentham (ASX:IMF)**, notes the following in relation to IMF's accounting policies and disclosures.

"*There are fundamental differences between IMF Bentham and other funders. Our investors understand and value this and our investor base now includes some of the largest, most sophisticated institutional investors in the world.*" says CEO and MD, Andrew Saker.

Accounting treatment of Litigation Finance Assets

- The accounting treatments adopted by IMF and some of its competitors vary materially.
- IMF's litigation funding assets, and those of investment vehicles managed or advised by IMF, are classified as intangible assets and therefore, in accordance with the International Financial Reporting Standards (**IFRS**), are recognised at cost throughout the life of the investment and are subject to impairment testing. IMF does not record any unrealised gains attributable to market value adjustments of its litigation assets during the life of the investment.
- IMF recognises any gain on assets at the time of completion of an investment. Losses on investments are recognised at the earlier of either negative developments which impact potential recoveries via an asset impairment, or from a loss at trial.
- IMF's conservative and transparent approach removes potentially-artificial estimations of asset values and offers investors comfort in the integrity and stability of the reported results.
- IMF prepares its accounts in accordance with the Corporations Act and complies with the Australian Accounting Standards and the IFRS.

[11] https://www.imf.com.au/newsroom/press-releases/press-releases-full-post/press-releases/2019/08/08/imf-bentham-responds-to-share-price-movement-of-rival-burford-capital-limited
[12] https://www.lcmfinance.com/shareholders/accounting-model/



Our View Remains that BUR Manipulates its ROICs and IRRs

Nothing in BUR's response impacts our view that BUR intentionally misleads investors about the prudence of its fair value gains by manipulating its (non-IFRS) ROIC and IRR metrics. First, BUR defines the metrics itself. Second, the metrics are not part of the IFRS accounts, and BUR's audit provides little, to no, assurance regarding these metrics – certainly it does not ensure the metrics are not misleading.[13] The United States Securities and Exchange Commission has made companies' use of non-IFRS measures an area of focus in recent years.[14] Based on BUR's abuse of these measures, we encourage the FCA to do the same.

On Napo, BUR stammered out a semi-excuse that provided no detail, and frankly makes the sequence of events seem even more contrived than before.[15] The facts remain:

- Napo (or whatever BUR would call it at the time) was shown as a "Concluded Investment" in the 2013 annual report, despite there being no cash available to back up

[13] ISA 720 requires auditors read "other information" to determine whether it is materially inconsistent with the financial statements or the auditor's knowledge; but, this does not constitute an assurance engagement regarding other information https://static1.squarespace.com/static/57019a6db6aa607cbb909ab2/t/5923b1596b8f5bdd0a3b8675/1495511388365/isa-720.pdf

[14] https://www.sec.gov/news/speech/keynote-2015-aicpa-white.html

[15] BUR stated "Thus, Burford structured its financing agreement with Napo so that its recovery could come from not just Napo's dispute with Salix, but from other litigation as well. As it transpired, a litigation matter other thanthe Salix matter resolved first, and resulted in an entitlement for Burford. That is the figure shown in Burford's 2013 reporting." BUR does not dispute that this purported other litigation entitlement became Napo, yet it attempted no explanation to explain any relationship between Napo and a purported other case.

BUR's supposed "entitlement" until the Invesco-led bailout in 2017. Yet, the case was booked in the 2013 annual report with a 113% ROIC and 104% IRR, which raised the vintage's overall ROIC from an abysmal 2.9% to 53%, and produced a supposed 31% IRR.

- In part based on its representation of the 2011 vintage's performance, just months after issuing the 2013 annual report, BUR issued a retail bond of £90 million.[16]

- In 2016, BUR issued another retail bond of £100 million soon after issuing its 2015 annual report showing Napo with a ROIC of 189% and the 2011 vintage with a respective ROIC and IRR of 77% and 26%.

- On June 1, 2017, BUR issued another retail bond of £175 million while showing the 2011 vintage with a ROIC of 75% and IRR of 23%, while knowing that:[17]

    - The cash recovery was predicated on the successful completion of the acquisition of Napo, accompanied by an Invesco-led cash raise specifically to repay Burford, and

    - The vast majority of the returns would be in the form of shares in a nanocap run by same person who founded the failed Napo.

- At the end of 2017, with Jaguar shares having declined 76.2% from August 1, 2017, BUR moved Napo's ROIC up to 195%.

- BUR launched another retail bond offering in January 2018, and raised £310 million in equity in 2018.[18]

- The ROIC turned out to be only 18% and IRR 3%. Of course, without the bailout led by Invesco, Napo would have been a complete loss. Had either a complete loss or 18% ROIC / 3% IRR been reflected in the 2013 or 2014 annual reports, we speculate that Messrs. Molot and Bogart would live in smaller houses than they do today.

BUR raised many hundreds of millions of sterling in part based on its representation of the success of this case and the 2011 vintage. The fact that BUR quietly trued this disclosure up in 2019 does nothing to atone for the false impression of vintage success under which it raised those funds.

In terms of the motivations of Invesco and Burford when bailing out the Napo investment, we are incredulous that the parties were truly excited about owning Jaguar Health shares. It is questionable that they really perceived changing the corporate form would change the prospects of Napo's drug, Fulyzaq®, which had so far done little but put Napo on the verge of bankruptcy. The fact that Jaguar's share price went straight down from August 1, 2017 (the day after the

[16] https://www.burfordcapital.com/wp-content/uploads/2016/09/Final-Prospectus3.pdf
[17] Burford Capital 2016 Annual Report, p. 11.
[18] Equity raise source: Bloomberg.

transaction closed) shows that investors were wholly unexcited about the Jaguar / Napo combination, which makes us question how bona fide BUR's optimism about a recovery really was at that time.

As for the other purported answers to cases that also show BUR manipulates its return metrics, we are similarly unimpressed. The fact is that a high percentage of the cases we can identify show material issues with how BUR calculates its return metrics, generally by being selective about what to include and exclude, and timing of recognition. The cases we discussed are almost certainly not the entire body of BUR's metrics manipulation – rather they are the cockroaches in plain sight that tell you it is highly likely there is an infestation.

We ask the FCA to investigate BUR's conduct in Napo and its presentation of metrics, which we believe are highly problematic and misleading.

BUR's Growth: "Cause for Celebration" or Sprinting on a Treadmill?

Prior to our publication of our report, BUR helpfully self-identified in their own announcement as a company fitting the description in the Tweet of "an accounting fiasco that's potentially insolvent and possibly facing a liquidity crunch".[19] In BUR's self-identification announcement, it stated that its capital raising and growth are "cause for celebration".[20] We have different perspective.

Mark-to-model accounting and public companies are a bad mix. When a company books income from marking an asset up, it effectively pulls forward future profits and realizes them in the current period. So cash goes out to book an investment, and then future profits flow through the income statement. It makes the current period look good, but the depleted earnings power of that asset makes it hard to maintain the current level of profitability – let alone grow it. It is therefore tempting to over-invest in assets in order to be able to book mark-to-model gains on them to a) replace the prior period's fair value gains and b) generate growth. This is all legal unless it can be proven that the gains were taken in bad faith, which, like proving intent in any situation, can be very difficult. (That is not to say the FCA should not obtain BUR's emails and internal documents – every now and then, people write things in emails that are inexplicably dumb.)

As earnings per share grow through fair value gains, it becomes tempting to issue debt to pay for the new investments. After all, issuing equity would dilute the earnings boost the company generates from new fair value gains. As a result, company managements are tempted to lever up the balance sheets, potentially making them fragile.

We suspect that most – if not all – of the gains on the Petersen case have already been pulled forward through previous fair value gains. Management had an opportunity to address this suspicion on the call, and yet utterly failed to do so. An analyst from Peel Hunt asked management to "give us more guidance as to what Petersen is on the books for". Here and again later in the call, Chris Bogart demurred, stating that such information would compromise

[19] https://twitter.com/muddywatersre/status/1158717089290444801
[20] See August 7, 2019 self-identification as an accounting fiasco etc. announcement, p. 1.

"attorney work product".[21] However, management did confirm that 52% of the core litigation assets consists of Fair Value Gains, which means that BUR has already recognized profits equivalent to a 108% ROIC on its investments.

We believe work product is just a lame excuse for a company that falsely claims to be "transparent" (using "transparent" or "transparency" 14 times on the call) to remain opaque about items that really matter. BUR is responsible for building its models – not the attorneys litigating Petersen. We give zero credence to the notion that, particularly when there are established market prices for the Petersen claim, giving the product of BUR's fair value model would compromise attorney work product. Moreover, based on YPF's U.S.-listed shares trading down 30% yesterday on Argentine political news, we posit that the value of this claim is not just a legal determination – it also involves handicapping Argentine politics.

We call upon BUR to disclose where Petersen is marked as of H1 2019.

Therefore, based on our suspicion that Petersen is already fairly fully marked, we believe that BUR's imperative to grow is really about repaying the fair value gains of the past. This ties into our next point – that BUR management failed to explain why it confused investors about Net Realized Gains, which flow into the income statement, versus the irrelevant concept of Realized Gains.

[21] Bloomberg transcript, pp. 7-8.

Management Offered No Defense to Misleading Shareholders about Net Realized Gains

This is another issue that we believe the FCA should investigate.

It is critical for investors to understand the Net Realized Gains vs. Realized Gains issue. BUR frequently spoke about "Realized Gains", stating that BUR would book a Realized Gain whenever it monetized a case above its Carrying Value. For example, this text from BUR's website:[22]

> Realized gains are straightforward: they represent the amount of profit, net of the return of Burford's invested capital and any previously recognized unrealized gains, on an investment that has either resolved entirely or has been settled or adjudicated such that, in Burford's view, there is no longer litigation risk associated with the investment. (In the latter event, Burford may discount the anticipated profit in respect of an investment to

In a given period, if BUR showed any Realized Gains, it would mean that BUR's Carrying Values – and therefore Fair Value Gains – would have been conservative. But BUR does not disclose the amount of its Realized Gains.

Its financial statements show *Net* Realized Gains. Net Realized Gains, despite the use of the word "Net", actually include any previously taken Fair Value Gains. To be clear, when BUR's accounts show $100 of Net Realized Gains, it is possible that BUR had already booked that entire amount as profit in a prior period, and therefore, Net Realized Gains in no way inform investors about whether BUR's Fair Value Gains are prudent.

There are two implications. First, why on earth has BUR constantly talked about Realized Gains, if not to confuse investors and cause them to misunderstand the extent of BUR's Fair Value Gains? Fortunately, a questioner on last week's call asked management to explain why BUR talks out of both sides of its mouth on this issue, adding the potential understatement of the year, "one wonders".[23]

In trial lawyer-like fashion, Chris Bogart continued to mislead, incredibly stating "This issue from our perspective is an attempt to sow confusion where none exists." He then continued his brazen, both-middle-fingers-to-the-world assault on accountability: "We have been perfectly clear about how our IFRS value accounting works." And then he went right to talking about Realized Gains – which ARE NOT IFRS ACCOUNTS!

This is an opportune time to note something else very telling about last week's call. While Mr. Bogart dribbled the air out of the ball, deftly avoiding intersecting with relevance, BUR's CFO – Chris Bogart's wife – seemed to be protected from having to say much. A much more suitable response call would have consisted of far fewer attorney statements, and far more finance person answers.

[22] https://www.burfordcapital.com/investors/investor-information/financial-reporting-and-investment-valuation/
[23] Bloomberg transcript, p. 24.

We call upon BUR to disclose all Gross Fair Value Gains by period since, and including, 2012; and, to continue to do so going forward. If BUR were to do this, it would go a long way toward disproving (or much more likely) proving our criticisms of BUR's accounting.

Why Do BUR's Cash Flows Not Tie to its Investment Performance Table?

An analyst pointed out on the call that BUR's cash flows show far greater realizations than does the investment performance table BUR presents.[24] BUR's cash flow statement shows 2018 net proceeds received of $596 million.[25] The 2018 investment performance table, however shows investment recoveries to date of $1,027 million versus $773 million as of the year prior.[26,27] This yields $254 million in 2018 recoveries, which amounts to less than half of BUR's net proceeds in that year. Management provided no detailed explanation for this discrepancy.

We have a theory. We suspect that the cash flow statement is showing a significant amount of inflows and outflows from the sales and purchases of securities (Level 1 assets). Cash inflows come substantially from realizations, while cash outflows correspond to investment additions. To this point, in 2018, $232 million of net investment additions consisted of non-Level 3 assets: that is 31% of total investment additions.[28] This 31% of total additions that was non-Level 3 compares with just 12% the year prior.[29] Likewise, non-Level 3 realizations went from 0% of total 2017 realizations of $363 million to 14% of the $628 million in 2018 realizations.[30,31] In this way, BUR realized Level 1 and Level 2 assets, which we suspect to be primarily Level 1, to account for 34% of the year-on-year growth in realizations this past year. If we are correct, the cash inflows from Level 1 assets give a false impression of the amount of cash BUR generates during each period from its core litigation finance business. Even so, such activity would only account for about a quarter of the discrepancy between BUR's cash flows and its stated investment recoveries. We call upon BUR to reconcile cash flows to the investment performance table for historical periods and going forward.

BUR Has No Guardrails

If a company having a balance sheet loaded with Level 3 fair value assets and whose senior management owns a significant stake is to avoid giving into the temptation that, in our view, doomed Enron and Noble Group (among others), it would seemingly need real "guardrails" – i.e., at the least, a truly independent CFO and directors. With the CFO married to the CEO, and all of the directors no longer deemed independent under the UK Corporate Governance Code, we see no such guardrails in place. Management seemed unrepentant about that, and offered no concrete assurance of improving. Why might that be?

[24] Bloomberg transcript, p. 8.
[25] Burford Capital 2018 Annual Report, p. 68.
[26] Burford Capital 2018 Annual Report, p. 20.
[27] Burford Capital 2017 Annual Report, p. 15.
[28] Non-Level 3 additions are calculated by taking total additions and subtracting Level 3 additions as well as transfers into Level 3. Source: Burford Capital 2018 Annual Report, pp. 85, 95.
[29] Burford Capital 2017 Annual Report, pp. 73, 82.
[30] Burford Capital 2017 Annual Report, pp. 73, 82.
[31] Burford Capital 2018 Annual Report, pp. 85, 95.

First, if the company is indeed "sprinting on the treadmill", then management might be trying to play for as much time as possible in the hopes that it can invest in another Petersen-size winner. There is a second, less obvious (and not mutually exclusive) possibility. At present, the company does not disclose Molot and Bogart's compensation. Given that the average employee is paid approximately $570,000 on a LTM basis, we suspect that investors would be offended if Molot and Bogart's cash compensation were revealed. Assuming we are correct, this ossified board is less likely to reign in Molot and Bogart's compensation than one with new (and serious) directors. To be clear, we have no idea what it is, but we suspect that it would be perceived as high. Regardless, BUR could put this to bed by releasing their compensation history.

BUR repeatedly dropped the name of its auditor, Ernst & Young, in its responses. First, we have repeatedly witnessed "Big 4" auditors issue unqualified opinions on companies that turn out to be frauds. Management prepares the financial statements – not the auditors. Second, because BUR mainly deals with Level 3 assets, there is very little its auditor will do to ensure the valuations are grounded in reality. Auditors are not experts in litigation assets, and they will defer to management judgment. We have long believed that Level 3 fair valuations are a license to print non-cash profits. The collapse of Noble Group shows that even Level 2 valuations are subject to significant abuse. The bottom line is that history shows us that auditors do not prevent aggressive marking of Level 3 assets, and BUR's auditor is not required to ensure that BUR's non-IFRS IRR and ROIC metrics are not misleading.

BUR's Attempts to Distract through False Allegations of Manipulation

BUR management has implied – if not outright stated – that Muddy Waters manipulated its stock. This is a completely false accusation. Our research has led to the de-listings of six companies, the indefinite suspension of one more, another company to settle with the SEC for $56 million, the recent indictment by the U.S. Department of Justice of various parties for evading $1.8 billion of tariffs, and other actions taken by regulators to protect markets and individuals. You, Burford, help drown courts in more litigation, which is frankly not something the world needs more of. We are happy to take a moral – and legal – purity test against you.

As for BUR's other comments, they are textbook for companies we have exposed for various problematic – even illegal – practices. Typical of these companies, BUR's responses are verbose, yet fail to address the core issues, and include the ad hominem accusations of wrongdoing on our part. The only twist in this case is buying support from a junior law school professor who has already demonstrated little understanding of how markets actually work.[32] Regardless, despite years of such ad hominem responses accusing us of various horrible things, our reputation for accuracy and prescience clearly precedes us.

Below is a sampling of statements other companies have issued in response. At the very least, they suggest that the crisis communications industry should refresh its playbook, because when BUR effectively reprints these statements from discredited companies and managements, investors should not be reassured:

[32] See video of Carson Block / Joshua Mitts April 10, 2019 debate at https://www.law.berkeley.edu/research/business/events/previous-events/fraud-in-the-bull-market-2/fraud-in-the-bull-market-videos/

"The report issued by Muddy Waters contains many inaccuracies, omissions, fabrications, and unsubstantiated claims…" "Orient Paper categorically denies these allegations and has instructed its legal counsel to contact Muddy Waters and explore all legal options against it for publishing and distributing such a report." "The Company is listed on the NYSE AMEX market; has BDO Limited, the Hong Kong member firm of the BDO International network, as its independent auditor; has three independent directors (out of five total directors) on its board; and has independent Audit, Nominating, and Compensation committees in place. The Company received clean audit and internal control opinions for 2008 and 2009."	Orient Paper (2010 - our first report)[33] Trades for <$1.00
"Allen Chan, Chairman and CEO of Sino-Forest commented: 'We are committed to a high level of corporate governance and stand by the integrity of our company, our 16-year operational track record and our financial statements. Our company has continuously retained the services of internationally recognized law firms, auditors and expert consultants from Canada, the US, Hong Kong and mainland China…However, let me say clearly that the allegations contained in this report are inaccurate and unfounded. Muddy Waters' shock-jock approach is transparently self-interested and we look forward to providing our investors and other stakeholders with additional information to rebut these allegations.'" "Muddy Waters fundamentally misunderstands and misrepresents the most basic items in our published Management's Discussion & Analysis…" "As at December 31, 2010, the Company had approximately US$1.26 billion in cash, cash equivalents and short term deposits as reported in the audited consolidated balance sheet. As at March 31, 2011, the comparable amount was approximately US$1.09 billion."	Sino-Forest (2011)[34] Fraud, de-listed
"We categorically reject their allegations as inaccurate, unreliable and misleading."	Noble Group (2015)[35]

[33] https://www.streetinsider.com/Corporate+News/Orient+Paper+%28ONP%29+Responds+to+Report+That+Muddy+Waters+Has+a+Short+Position+in+Companys+Stock/5771103.html

[34] https://www.prnewswire.com/news-releases/sino-forest-comments-on-share-price-decline-123098823.html

[35] https://links.sgx.com/FileOpen/Announcement_20150410.ashx?App=Announcement&FileID=342966

"Our balance sheet has never been stronger or more liquid. As at the end of December 2014, our debt to capitalizations was at a historic low of 38%. Also we carried $5.2bn of liquidity headroom." "We categorically reject the unfounded allegations that Noble misled investors or manipulated the accounting in the acquisition and disposal of…"	Bankrupt
"Information in the Muddy Waters report is either factually inaccurate or has previously been disclosed in IQE's annual reports and financial statements. It is also important to note that…Muddy Waters also holds a short position in IQE and so duly profits from any near-term reduction in IQE's share price." "IQE continues to assure shareholders that the Company holds itself to the highest standards of corporate governance, transparency and integrity."	IQE (2018) -48%

We traded BUR in essentially the same way we have traded all short activist campaigns since entering short activism over nine years ago. Making the kind of statements we make takes rock-solid conviction in our work because in the real world, speech is far less "free" for critics. That we are still here all these years later, and despite the powerful enemies we have made, speaks volumes about the quality of our work.