

OVERVIEW

Estimated AUM €347m

Firm AUM €2.5bn

Share price €21.80
(discount to NAV: 20%)

BGHL is a closed-ended investment company which invests in BG Fund, Boussard & Gavaudan's flagship fund with 18 years of track record.

BGHL's investment objective is to deliver an annual return, net of fees, of 400 to 600 basis points above the risk-free rate over the business cycle, irrespective of market performance. The risk-free rate is "capitalized EONIA".

BG Fund is driven by bottom-up fundamental and event catalyst research, combined with extensive multi-asset arbitrage and derivative expertise. Typically, investment ideas are catalyst driven with a focus on special situations and events.

Capital is dynamically allocated to the firm's best ideas and these ideas are categorized into four main types of strategies: Equity, Volatility, Credit and Trading strategies.

NAV PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	0.99%	0.57%	0.04%	2.81%	-0.24%	0.26%*							4.47%*
2020	1.12%	2.55%	-10.12%	4.98%	1.41%	1.70%	1.25%	-0.25%	1.93%	1.45%	4.37%	2.98%	13.26%
2019	-0.41%	-0.58%	1.04%	-0.76%	0.59%	0.95%	1.92%	1.57%	-1.66%	-0.54%	0.79%	1.14%	4.07%
2018	0.70%	1.34%	-0.60%	-0.58%	0.03%	-0.25%	-2.92%	0.18%	0.49%	-2.35%	-1.40%	-0.88%	-6.15%
2017	0.59%	1.55%	0.08%	3.78%	1.16%	-0.07%	0.43%	-0.11%	-0.52%	-0.13%	-1.16%	0.22%	5.87%
2016	0.48%	2.02%	1.18%	0.70%	1.68%	-0.59%	0.78%	0.47%	-0.01%	-1.08%	0.09%	1.32%	7.22%
2015	2.96%	1.15%	-0.36%	1.12%	2.06%	-1.92%	3.56%	0.87%	-1.47%	0.80%	4.80%	1.25%	15.65%
2014	2.81%	-0.01%	-0.74%	1.62%	1.53%	-0.58%	0.08%	0.52%	-1.08%	-0.93%	3.16%	0.37%	6.85%
2013	0.89%	0.74%	-0.59%	0.24%	1.27%	0.83%	0.96%	0.47%	1.07%	1.57%	2.28%	3.14%	13.60%
2012	3.90%	2.01%	-0.16%	0.54%	-0.61%	-0.32%	0.12%	1.29%	0.04%	0.83%	0.42%	1.08%	9.45%
2011	0.71%	0.57%	2.16%	0.01%	-0.05%	-0.85%	-0.80%	-0.20%	-2.17%	2.49%	-3.92%	-0.39%	-2.58%
2010	1.35%	0.59%	1.62%	0.81%	-1.10%	1.00%	2.11%	-0.32%	0.79%	2.11%	0.04%	1.97%	11.49%
2009	3.34%	-0.17%	1.20%	5.01%	4.17%	0.92%	1.91%	2.63%	2.92%	1.47%	0.30%	0.69%	27.15%
2008	-2.10%	-0.01%	-2.32%	0.78%	1.29%	-2.98%	-1.19%	0.32%	-10.49%	1.67%	1.55%	1.09%	-12.30%
2007	3.13%	1.45%	4.68%	0.73%	1.38%	-2.27%	0.85%	-2.21%	-0.32%	1.82%	-2.16%	-1.38%	5.56%
2006	-	-	-	-	-	-	-	-	-	-	2.27%	2.82%	5.15%

Annualized Performance
+7.03%* since inception

Annualized Volatility
5.23%* since inception

Sharpe Ratio
1.23* since inception

**Beta to Euro Stoxx 50®
(Total Return)**
0.04* since inception

*Performance displayed is for EUR share class net of fees with income reinvested. Performance data is estimated and unaudited.

PERFORMANCE REVIEW

BGHL and BG Fund ended the month up +0.26% (EUR share class) and +0.04% (USD A share class) respectively vs Euro Stoxx 50® Total Return (+0.68%).

		Equity Strategies Special Situations	Equity Strategies Catalyst & Value	Credit Strategies	Volatility Strategies	Trading Strategies
BG Fund Capital Allocation		28%	17%	22%	19%	13%
BG Fund Performance	Jun 2021	0.06%	-0.36%	0.31%	0.29%	-0.26%
Attribution	Year-to-date	2.21%	-1.54%	1.75%	1.26%	-0.07%

CORPORATE UPDATE

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 2,694,466 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 12,809,263.

CONTACTS

Emmanuel Gavaudan ☎+44 20 3751 5389 ✉eg@bgam-uk.com

François-Xavier Baud ☎+ 33 1 4490 3947 ✉fx.baud@bgam-fr.com

Rafael Serrano ☎+44 20 3751 5422 ✉rafael.serrano@bgam-uk.com

Benjamin Sturges ☎+ 44 20 3751 5417 ✉benjamin.sturges@bgam-uk.com

Robin Lowe ☎+1 212 837 2302 ✉robin.lowe@bgam-uk.com

Risk warning: Past performance is no guide to future performance. The value of holdings may fall as well as rise and investors may not get back their initial investment. Performance displayed is for the EUR share class net of fees with income reinvested and is calculated on a NAV to NAV basis. Performance data is estimated and unaudited. All figures are correct as of 30th June 2021 unless otherwise stated.

Source: Bloomberg, Boussard & Gavaudan.

BOUSSARD & GAVAUDAN HOLDING LIMITED

I. COMPANY INFORMATION

General information	
Investment manager	Boussard & Gavaudan Investment Management LLP
Company domicile	Guernsey
Website	www.bgholdingltd.com
Management fee	1.5% p.a.
Performance fee	20% with HWM

	SEDOL	ISIN	Reuters	Bloomberg
EUR Euronext	B1FQG45	GG00B1FQG453	BGHL.AS	BGHL NA
EUR LSE	B28ZZQ1	GG00B1FQG453	BGHL.L	BGHL LN
GBX LSE	B39VMM0	GG00B39VMM07	BGHS.L	BGHS LN
GBX Euronext	B39VMM1	GG00B39VMM07	BGHS.AS	BGHS NA

II. OVERVIEW

Boussard & Gavaudan Holding Limited (“BGHL”) is a Guernsey closed-ended investment company and is registered with the Dutch Authority for the Financial Markets as a collective investment scheme under article 1:107 of the Dutch Financial Markets Supervision Act. BGHL invests its assets in order to provide exposure to multiple alternative investment strategies managed by the Investment Manager. The investment objective is to produce long-term appreciation of its assets. BGHL seeks to achieve this by investing in BG Fund (“the Fund”). In addition, a proportion of the net assets of BGHL may, at the discretion of the Investment Manager, be invested in other hedge funds and financial assets selected by the Investment Manager. BGHL aims to generate a target NAV annualized return of Eonia capitalized + 400/600 bps over the business cycle, net of all fees.



III. SHARE INFORMATION as of 30 June 2021

Net Asset Value (NAV)	Euro share	Sterling share
Estimated NAV*	€ 27.0940	£23.5497
Estimated month to date return*	0.26%	0.03%
Estimated year to date return*	4.47%	3.43%
Estimated inception to date return*	170.94%	135.50%

Market information	Amsterdam (AEX)	London (LSE)
EUR share Market close	€ 21.80	-
EUR share Premium / discount to estimated NAV	-19.54%	-
Sterling share Market close	-	£18.00
Sterling share Premium / discount to estimated NAV	-	-23.57%

Transactions in own securities purchased into treasury	Euro share	Sterling share
Number of shares	200,000	-
Average Price	€ 21.30	-
Range of Price	-	-

Ordinary Shares	Euro share	Sterling share
Shares issued	12,714,769	294,494
Shares held in treasury	200,000	0
Shares outstanding	12,514,769	294,494

	BGHL
Total value of the investments of BGHL based on the estimated NAV for the shares outstanding	€ 347 million
Market capitalisation of BGHL based on the share price for the shares outstanding Amsterdam (AEX) market close for the Euro Share and London (LSE) market close for the Sterling share	€ 279 million

* Estimated numbers, net of fees. The data is not audited.

IV. BGHL TRACK RECORD

BGHL Track Record – Historical NAV Returns Summary (Net of Fees)														
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
BGHL EUR NAV														
2006	-	-	-	-	-	-	-	-	-	-	2.27%	2.82%	5.15%	5.15%
2007	3.13%	1.45%	4.68%	0.73%	1.38%	-2.27%	0.85%	-2.21%	-0.32%	1.82%	-2.16%	-1.38%	5.56%	11.00%
2008	-2.10%	-0.01%	-2.32%	0.78%	1.29%	-2.98%	-1.19%	0.32%	-10.49%	1.67%	1.55%	1.09%	-12.30%	-2.66%
2009	3.34%	-0.17%	1.20%	5.01%	4.17%	0.92%	1.91%	2.63%	2.92%	1.47%	0.30%	0.69%	27.15%	23.77%
2010	1.35%	0.59%	1.62%	0.81%	-1.10%	1.00%	2.11%	-0.32%	0.79%	2.11%	0.04%	1.97%	11.49%	37.99%
2011	0.71%	0.57%	2.16%	0.01%	-0.05%	-0.85%	-0.80%	-0.20%	-2.17%	2.49%	-3.92%	-0.39%	-2.58%	34.42%
2012	3.90%	2.01%	-0.16%	0.54%	-0.61%	-0.32%	0.12%	1.29%	0.04%	0.83%	0.42%	1.08%	9.45%	47.12%
2013	0.89%	0.74%	-0.59%	0.24%	1.27%	0.83%	0.96%	0.47%	1.07%	1.57%	2.28%	3.14%	13.60%	67.14%
2014	2.81%	-0.01%	-0.74%	1.62%	1.53%	-0.58%	0.08%	0.52%	-1.08%	-0.93%	3.16%	0.37%	6.85%	78.59%
2015	2.96%	1.15%	-0.36%	1.12%	2.06%	-1.92%	3.56%	0.87%	-1.47%	0.80%	4.80%	1.25%	15.65%	106.55%
2016	0.48%	2.02%	1.18%	0.70%	1.68%	-0.59%	0.78%	0.47%	-0.01%	-1.08%	0.09%	1.32%	7.22%	121.45%
2017	0.59%	1.55%	0.08%	3.78%	1.16%	-0.07%	0.43%	-0.11%	-0.52%	-0.13%	-1.16%	0.22%	5.87%	134.46%
2018	0.70%	1.34%	-0.60%	-0.58%	0.03%	-0.25%	-2.92%	0.18%	0.49%	-2.35%	-1.40%	-0.88%	-6.15%	120.05%
2019	-0.41%	-0.58%	1.04%	-0.76%	0.59%	0.95%	1.92%	1.57%	-1.66%	-0.54%	0.79%	1.14%	4.07%	128.99%
2020	1.12%	2.55%	-10.12%	4.98%	1.41%	1.70%	1.25%	-0.25%	1.93%	1.45%	4.37%	2.98%	13.26%	159.36%
2021	0.99%	0.57%	0.04%	2.81%	-0.24%	0.26%*							4.47%*	170.94%*
BGHL GBP NAV														
2008	-	-	-	-	-	-	-1.45%	-0.08%	-9.09%	0.16%	4.51%	3.69%	-2.84%	-2.84%
2009	1.88%	0.16%	0.52%	3.86%	3.22%	0.52%	1.62%	2.72%	2.97%	1.09%	0.28%	0.40%	20.91%	17.48%
2010	1.22%	0.40%	1.58%	0.72%	-1.43%	0.76%	2.01%	-0.36%	0.65%	1.97%	-0.17%	1.89%	9.57%	28.72%
2011	0.68%	0.37%	1.99%	-0.10%	-0.11%	-1.31%	-0.93%	-0.27%	-2.71%	2.37%	-4.46%	-0.45%	-5.00%	22.28%
2012	3.87%	2.14%	-0.32%	0.58%	-0.66%	-0.33%	0.13%	1.01%	0.04%	0.81%	0.39%	1.05%	8.98%	33.26%
2013	0.93%	0.71%	-0.60%	0.22%	1.11%	0.85%	0.94%	0.46%	1.05%	1.45%	2.20%	3.06%	13.04%	50.64%
2014	2.73%	-0.05%	-0.81%	1.60%	1.43%	-0.65%	0.04%	0.43%	-1.08%	-1.00%	2.46%	0.14%	5.29%	58.61%
2015	2.85%	1.10%	-0.41%	1.12%	1.91%	-1.97%	3.04%	0.91%	-1.41%	0.79%	4.31%	1.17%	14.08%	80.95%
2016	0.09%	2.09%	1.24%	0.75%	1.70%	-0.49%	0.84%	0.54%	0.04%	-1.02%	0.07%	1.38%	7.44%	94.40%
2017	0.63%	1.58%	0.13%	3.77%	1.29%	-0.06%	0.51%	-0.04%	-0.50%	-0.08%	-1.10%	0.30%	6.52%	107.08%
2018	0.76%	1.41%	-0.54%	-0.50%	0.09%	-0.19%	-2.78%	0.28%	0.58%	-2.23%	-1.29%	-0.79%	-5.14%	96.44%
2019	-0.29%	-0.47%	1.14%	-0.64%	0.68%	1.05%	2.06%	1.65%	-1.44%	-0.42%	0.89%	0.78%	5.05%	106.36%
2020	0.88%	2.03%	-10.50%	4.68%	1.43%	1.62%	1.01%	-0.19%	1.85%	1.32%	4.04%	2.56%	10.33%	127.69
2021	0.63%	0.42%	-0.04%	2.64%	-0.27%	0.03%*							3.43%*	135.50%*

* Estimated numbers, net of fees. The data is not audited.

V. BGHL COMPOSITION

BGHL is invested in BG Fund (net of an amount retained by BGHL for working capital and other requirements).

As of 1 July 2021, 99.52% of BGHL net asset value is invested in BG Fund. BGHL has a maximum exposure limit to BG Fund of 110%. The remained BGHL net asset value is made up of direct investment and cash.

A. BG FUND

European markets took a pause in June from the previous rallying trend with the Eurostoxx 50® Total Return up +0.7% for the month. The iTraxx Crossover® (S35) finished June at 232bps (15bps tighter on the month). Implied volatility decreased slightly with VStoxx® ending the month at 18.2% down from 19.1%.

BG Fund was slightly positive in June returning +0.04% (USD A estimate) for the month. Positive results in volatility and credit strategies were held back by underperformance in equity and trading strategies.

COMMENTARY

Volatility strategies

Mandatory convertible bond arbitrage

Mandatory convertible bonds contributed +12bps this month due to a combination of general positive repricing and to specific performance on SBB, a Swedish real estate company, which offered an incentive for early conversion of its mandatory bonds. June saw the welcome return of primary market activity in mandatory convertibles with a new USD1.3bn issue from Clarivate a UK-based data and innovation company. The bonds have a 5.25% coupon and should deliver attractive returns and trading opportunities over their 3 year maturity to June 2024.

Convertible bond arbitrage

Convertible bonds contributed +1bp to the performance of the fund in June. Primary and secondary markets were quiet, with limited demand from long-only investors and hedge funds. Most CBs both in Europe and in the US consequently saw declines this month. Against this backdrop, our portfolio was slightly up mainly thanks to our volatility exposures, with realised volatility of specific underlying names picking up. For example, ASOS was a good performer and we believe it remains good value compared to comparable names such as Zalando.

Volatility Trading

Realised volatility in June vs implied forward at the end of May *:

	30d Implied vol level on 31/05/21	Realised vol over the month	Difference
US	19.13	8.40	-10.73
Europe	19.35	10.40	-8.95

Variation of July implied volatilities during June *:

	July. Vol Index Fut as of 31/05/21	July. Vol Index Fut as of 30/06/21	Vol move
US	20.85	17.90	-2.95
Europe	20.25	17.95	-2.30

Volatility trading was flat in June. Markets had been expected to be more volatile, with investors cautiously monitoring for a change in guidance from central banks, however, despite a slightly more hawkish message than had been anticipated, volatility remained muted across asset classes.

Over the course of the month there was an over-supply of gamma ahead of quarterly expiries, followed by a very minor market correction which did not generate any stress in volatility. Volatility normalisation was the main theme in

* Source: Bloomberg

June, with volatility now roughly back to pre-Covid levels in many situations. This led to poor volatility carry which impacted the portfolio due to our long gamma bias. Nevertheless, this drag was offset by decent moves in specific single stocks (Biogen and Nike) and our VIX positions which also contributed positively.

Warrant arbitrage

Warrant and SPAC arbitrage contributed +15bps in June.

Equity strategies

In June, the equity portfolio returned -31bps overall with decent gains on several core positions offset by a number of smaller losses.

One of our long-held core positions, OSRAM, completed its delisting move to a secondary exchange, with every shareholder who wanted to exit selling to the cash offer from AMS, which reached 80.3% ownership of the company. The stock rallied to finish the month up 2% following completion of this exercise.

The portfolio also benefited from our long position in SBANKEN, as DNB sweetened its offer by 5% to reach the 90% threshold needed to squeeze out shareholders.

Negative performance was spread across a few positions, with some coming from a risk arbitrage position in the acquisition of the insurance broker Willis Towers Watson by its competitor Aon. While the antitrust process seems to be progressing well in Europe with remedies offered, the DOJ unexpectedly decided to file an antitrust suit against the merger causing the spread to widen from 5% to 11%. The two companies still seem very committed to the transaction and at current levels we still think there is a route forward from here and the position remains interesting based on our risk reward analysis.

Our position in KPN was also impacted in June. EQT and other infrastructure funds were working on a bid for the company, and in our view the share price only reflected a small bid premium, however disappointingly EQT confirmed that they would not make an offer, and the stock finished the month down 3%.

Our position in Playtech also finished the month down due to sustained selling pressure from one major shareholder and market disappointment on the price achieved for the sale of Finalto, its CFD trading arm. A new potential buyer has however emerged for this division since month end, so we will see how the situation evolves.

Credit strategies

Capital Structure Arbitrage

Capital structure arbitrage was flat in June.

Credit long / short

Credit long short delivered +18bps this month.

Credit markets have continued to tighten remarkably during the month of June, with the Crossover index along with US CDX high yield both tightening by 15bps.

A top performer this month was CGG with a spread tightening of 60bps as it continued to rally following its restructuring and helped by the outperformance of an energy sector buoyed by oil prices.

Credit special situations

Credit Special Situation delivered +13bps for the month as the portfolio continued to adjust upward in June with notable performance from KCA which also benefited from improved sentiment in the oil market.

Trading

Trading contributed -26bps in June due primarily to the CTA which was impacted by deteriorating commodity and currency markets.

The Equity quantitative strategy had a slightly positive contribution in June. Inflation was a significant concern, holding back performance until the Fed meeting after which inflation expectations in the US decreased, the yield curve flattened, and growth stocks outperformed.

On the CTA, commodities, which had been a reliable source of profit since the start of the year, suffered a significant correction in base metals, grains, and lumber while energy futures (carbon emissions, oil and other fuels) kept climbing. The second factor for weak performance was the appreciation of the US dollar, which wrong-footed most positions, apart from against Swiss Franc and Yen. Our long stock index positions were able to generate profit, as stocks are still grinding ahead, however it was not a broad-based bull market: only the S&P, Nasdaq, and a few European indices like SMI advanced markedly.

Macro trading also contributed slightly negatively in June. Our European bank position was the main negative contributor. We expect likely Fed tightening in a context of peak growth and peak profits to be less favorable for risk appetite. As such we closed our global reflation trades and remain defensively positioned over the summer.

B. DIRECT INVESTMENTS OTHER THAN BG FUND

On top of its investment in BG Fund, BGHL has other investments. As of 30 June 2021, the net asset value of these investments represents less than 1.00% of the net asset value of BGHL.

Rasaland Investors ("RLI")

Rasaland Investors ("RLI") RLI is a Malta-based holding company structured as a private equity fund in terms of fees and organisation and managed by BK Partners. RLI is dedicated to land, hotels and high-end resort developments in Mexico. RLI's main asset is a majority interest in ACTUR, a private company owning the land developing assets. ACTUR's other shareholders are Mexican public institutions.

In July 2020, RLI made a cash tender offer to buy back its own shares, for a price per share of US\$0.12270. The valuation of BGHL's investment in RLI shares was marked down on 31 August 2020, using the US\$0.12270 per share price as the estimated fair value of the RLI shares. This price represents a circa 80% discount to the latest published NAV per share.

VI. BOUSSARD & GAVAUDAN INVESTMENT MANAGEMENT UPDATE

A. TRANSACTION IN THE COMPANY'S SECURITIES

Please note that transactions in the Company's securities that have been performed by officers, directors and persons referred to in the section 5:60 of the Financial Supervision Act ("Wft") are reported:

- directly on the AFM website: www.afm.nl (professionals > registers > notifications > insider-transactions 5:60 wft);
- on the Company's website through a link to the AFM notification: www.bgholdingltd.com (Investment Manager > Regulatory information).

Transactions in the Company's own securities are also reported on:

- the AFM website: www.afm.nl (professionals > registers > notifications > price-sensitive press releases);
- the Company's website: www.bgholdingltd.com (Investor Relations > Financial announcements).

B. BGIM'S AUM

As of 1 July 2021, BG Fund assets under management are €2.07bn.

Sincerely,

E. Boussard and E. Gavaudan

Investment Manager

Boussard & Gavaudan Investment Management LLP
1 Vine Street, London W1J 0AH, United Kingdom

Emmanuel Gavaudan

☎ +44 20 3751 5389

📧 eg@bgam-uk.com

François-Xavier Baud

☎ +33 1 4490 3947

📧 fx.baud@bgam-fr.com

Rafael Serrano

☎ +44 20 3751 5422

📧 rafael.serrano@bgam-uk.com

Benjamin Sturges

☎ +44 20 3751 5417

📧 benjamin.sturges@bgam-uk.com

Robin Lowe

☎ +44 20 3751 5420

📧 robin.lowe@bgam-uk.com



VII. ANNEXES ON BG FUND

Annex 1: Greeks	
Delta	-0.9% -0.9 bps P&L variation for market +1%
Gamma	0.6% delta variation for market +1%
Vega	11 bps by vol point
Theta	-1 bps by 30 days
Optional theta	-11 bps by 30 days
Rho	-1.7 bps for 1 bp of interest rates increasing
Credit sensitivity	-3.0 bps for 1% of credit spreads widening (in relative)

Annex 2: Performance Attribution *	
Volatility Strategies	29 bps
Mandatory convertible bond arbitrage	12 bps
Convertible bond arbitrage (incl. credit convertible bonds)	1 bps
Volatility trading	0 bps
Warrant arbitrage	15 bps
Equity Strategies	-31 bps
Risk arbitrage / Special situations	6 bps
Long / short trading with short-term catalyst & Value	-36 bps
Credit Strategies	31 bps
Credit long / short	18 bps
Capital structure arbitrage	0 bps
Credit special situations	13 bps
Trading	-26 bps
Total	4 bps

Annex 3: Equity at Risk	
Volatility Strategies	11.7%
Mandatory convertible bond arbitrage	4.9%
Convertible bond arbitrage (incl. credit convertible bonds)	3.5%
Volatility trading	0.3%
Warrant arbitrage	3.0%
Equity Strategies	27.5%
Risk arbitrage / Special situations	17.3%
Long / short trading with short-term catalyst & Value	10.2%
Credit Strategies	13.6%
Credit long / short	8.6%
Capital structure arbitrage	0.0%
Credit special situations	5.0%
Trading	8.2%
Quantitative equity trading	4.8%
Systematic trend following	1.9%
Other	1.6%
Cash Equivalents	0.7%
Total	61.8%

* Monthly estimated figures for USD A share class, net of fees. The data is not audited.

Annex 4: Gross Exposure (in % of AUM)

Volatility Strategies		
	Long	56.2%
Mandatory convertible bond arbitrage	Short equity	61.8%
	Short credit	0.0%
	Long	23.3%
Convertible bond arbitrage (incl. credit convertible bonds)	Short equity	11.6%
	Short credit	0.0%
	Long	2.7%
Volatility trading	Short	3.9%
	Long	9.0%
Warrant arbitrage	Short	1.1%
Equity Strategies		
Risk Arbitrage / Special Situations	Long	82.8%
	Short	33.3%
Long / Short trading with short-term catalyst / Value	Long	26.2%
	Short	24.2%
Credit Strategies		
Credit long / short	Long	11.0%
	Short	0.2%
Capital structure arbitrage	Long	0.2%
	Short	0.0%
Credit special situations	Long	6.1%
	Short	0.0%
Trading		
Quantitative equity trading	Long	23.8%
	Short	23.7%
Systematic trend following	Long	41.1%
	Short	10.0%
Other	Long	3.7%
	Short	3.2%
Gross Exposure		459.1%

	Long	Short
Mandatory convertible bond arbitrage and Convertible bond arbitrage	\sum market value long	Abs (\sum [delta equity + options]) + \sum notional long for CDS
Volatility Trading	\sum Abs (delta)	\sum Abs (delta)
Warrant Arbitrage	\sum delta long	\sum Abs (delta short)
Equity Strategies	\sum delta long	\sum Abs (delta short)
Credit Strategies	\sum market value long + \sum Abs (notional short for CDS)	\sum Abs (market value short) + \sum notional long for CDS
Trading	\sum delta long	\sum Abs (delta short)

Annex 5: Investment Manager's Track Record – Historical Returns Summary (Net of Fees)

USD A Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD (4)
Sark Fund														
2003	-	-	0.67%	0.70%	0.77%	0.94%	0.84%	0.97%	1.15%	1.46%	1.01%	0.15%	9.00%	9.00%
2004	1.00%	-0.17%	0.96%	0.13%	0.07%	-0.35%	-0.47%	-0.47%	-0.24%	-0.59%	1.16%	1.06%	2.08%	11.27%
2005	1.66%	1.08%	1.09%	-0.64%	0.31%	1.30%	1.22%	0.62%	1.06%	-0.32%	0.81%	0.89%	9.45%	21.79%
2006	-0.01%	1.64%	1.78%	1.08%	-0.29%	1.49%	0.56%	1.74%	2.83%	3.06%	2.64%	3.01%	21.29%	47.72%
2007	3.19%	1.58%	4.82%	0.89%	1.45%	-2.15%	0.97%	-2.12%	-0.22%	1.92%	-2.13%	-1.17%	6.97%	58.02%
2008	-2.12%	-0.07%	-2.57%	1.02%	0.98%	-2.52%	-1.50%	0.21%	-10.63%	0.16%	-2.97%	0.22%	-18.56%	28.69%
2009	1.71%	-0.31%	0.84%	4.87%	4.29%	0.72%	2.01%	3.26%	3.48%	1.11%	0.21%	0.46%	24.96%	60.81%
BG Fund														
2010	1.24%	0.36%	1.58%	0.73%	-1.41%	0.77%	2.16%	-0.33%	0.67%	2.05%	-0.15%	1.88%	9.92%	76.77%
2011	0.65%	0.35%	1.93%	-0.15%	-0.12%	-1.35%	-1.00%	-0.30%	-2.72%	2.56%	-4.41%	-0.40%	-5.04%	67.86%
2012	4.03%	2.13%	-0.23%	0.49%	-0.66%	-0.26%	0.14%	1.08%	0.01%	0.87%	0.46%	0.20%	8.49%	82.12%
2013	0.84%	0.65%	-0.69%	0.28%	1.19%	0.73%	1.02%	0.48%	1.16%	1.23%	1.97%	2.17%	11.56%	103.17%
2014	2.41%	0.06%	-1.01%	0.60%	1.18%	-1.07%	0.20%	0.85%	-0.69%	-0.34%	1.76%	0.25%	4.23%	111.75%
2015	2.10%	0.87%	-0.20%	1.01%	1.76%	-1.72%	2.60%	0.81%	-0.97%	0.51%	2.47%	1.12%	10.77%	134.56%
2016	0.05%	2.04%	1.35%	0.86%	1.64%	-0.55%	1.16%	0.52%	0.14%	-0.81%	0.03%	1.35%	8.03%	153.39%
2017	0.63%	1.59%	0.38%	3.93%	1.42%	0.09%	0.34%	0.05%	-0.36%	0.01%	-0.96%	0.41%	7.73%	172.97%
2018	0.82%	1.37%	-0.34%	-0.35%	0.24%	-0.03%	-2.20%	0.42%	0.56%	-1.74%	-1.04%	-0.48%	-2.80%	165.33%
2019	-0.10%	-0.28%	1.19%	-0.42%	0.82%	1.13%	1.69%	1.34%	-1.03%	-0.19%	0.80%	0.79%	5.87%	180.91%
2020	0.91%	2.08%	-9.61%	4.99%	1.42%	1.54%	0.92%	0.05%	1.83%	1.38%	4.32%	2.79%	12.52%	216.09%
2021	0.64%	0.43%	-0.01%	2.71%	-0.25%	0.04%*							3.60%*	227.45%*
													Annualized Net Return	6.68%*

* Estimated numbers, net of fees. The data is not audited.

From March 2003 to Oct 2010, the fund was named Sark Fund before being renamed as BG Fund. No change took place in investment manager, strategies, or fee structure. Performance above is dividends reinvested and net of all fees.

EUR A Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD (4)
Sark Fund														
2003	-	-	0.75%	0.76%	0.82%	1.04%	0.93%	1.06%	1.18%	1.55%	1.05%	0.17%	9.69%	9.69%
2004	1.07%	-0.12%	1.03%	0.22%	0.14%	-0.29%	-0.42%	-0.42%	-0.19%	-0.49%	1.18%	1.07%	2.81%	12.77%
2005	1.70%	1.06%	1.09%	-0.69%	0.27%	1.27%	1.16%	0.50%	1.00%	-0.44%	0.71%	0.77%	8.70%	22.58%
2006	-0.18%	1.56%	1.64%	0.86%	-0.47%	1.35%	0.40%	1.56%	2.73%	2.90%	2.34%	2.91%	18.99%	45.85%
2007	3.14%	1.46%	4.67%	0.74%	1.39%	-2.24%	0.87%	-2.20%	-0.31%	1.83%	-2.15%	-1.24%	5.85%	54.38%
2008	-2.08%	-0.01%	-2.35%	1.10%	1.13%	-2.33%	-1.39%	0.21%	-10.93%	-0.44%	-2.86%	0.18%	-18.58%	25.69%
2009	1.92%	-0.28%	0.90%	4.88%	4.10%	0.73%	1.99%	3.21%	3.48%	1.13%	0.22%	0.48%	25.13%	57.27%
BG Fund														
2010	1.26%	0.37%	1.60%	0.74%	-1.49%	0.74%	2.01%	-0.34%	0.62%	2.02%	-0.14%	1.85%	9.56%	72.31%
2011	0.65%	0.38%	1.94%	-0.09%	-0.07%	-1.27%	-0.95%	-0.24%	-2.86%	2.47%	-4.50%	-0.49%	-5.08%	63.56%
2012	4.01%	2.12%	-0.28%	0.47%	-0.71%	-0.26%	0.10%	1.03%	-0.01%	0.84%	0.43%	0.17%	8.12%	76.84%
2013	0.80%	0.65%	-0.71%	0.25%	1.19%	0.71%	0.99%	0.48%	1.11%	1.22%	1.97%	2.14%	11.31%	96.85%
2014	2.47%	0.05%	-1.01%	0.61%	1.21%	-1.06%	0.20%	0.86%	-0.71%	-0.36%	1.75%	0.27%	4.29%	105.30%
2015	2.22%	0.85%	-0.21%	0.93%	1.79%	-1.73%	2.58%	0.78%	-1.01%	0.47%	2.59%	0.96%	10.60%	127.06%
2016	0.00%	1.98%	1.21%	0.79%	1.62%	-0.65%	1.07%	0.43%	0.03%	-0.92%	-0.03%	1.21%	6.91%	142.74%
2017	0.51%	1.53%	0.26%	3.75%	1.24%	-0.06%	0.19%	-0.10%	-0.47%	-0.11%	-1.08%	0.22%	5.97%	157.24%
2018	0.67%	1.24%	-0.55%	-0.53%	0.04%	-0.22%	-2.66%	0.18%	0.46%	-2.14%	-1.27%	-0.78%	-5.49%	143.11%
2019	-0.36%	-0.52%	0.96%	-0.69%	0.55%	0.88%	1.79%	1.45%	-1.51%	-0.48%	0.83%	0.71%	3.62%	151.89%
2020	0.95%	2.19%	-10.28%	4.91%	1.37%	1.64%	1.02%	0.01%	2.02%	1.33%	4.13%	2.58%	11.58%	181.06%
2021	0.59%	0.39%	-0.07%	2.60%	-0.29%	0.01%*							3.23%*	190.13%*
Annualized Net Return														5.98%*

GBP A Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
BG Fund														
2016	-	-	-	-	-	-	-	-	-	-	0.03%	1.26%	1.29%	1.29%
2017	0.57%	1.57%	0.32%	3.74%	1.37%	0.01%	0.26%	-0.01%	-0.46%	-0.06%	-1.02%	0.29%	6.68%	8.05%
2018	0.72%	1.32%	-0.46%	-0.46%	0.10%	-0.16%	-2.51%	0.29%	0.56%	-2.03%	-1.14%	-0.69%	-4.44%	3.25%
2019	-0.24%	-0.41%	1.06%	-0.58%	0.66%	0.99%	1.92%	1.47%	-1.29%	-0.36%	0.92%	0.75%	4.94%	8.35%
2020	0.84%	2.09%	-10.27%	4.89%	1.50%	1.69%	0.86%	0.04%	1.88%	1.37%	4.16%	2.63%	11.40%	20.71%
2021	0.64%	0.42%	-0.02%	2.69%	-0.26%	0.05%*							3.54%*	24.98%*
Annualized Net Return														4.90%*

* Estimated numbers, net of fees. The data is not audited.

From March 2003 to Oct 2010, the fund was named Sark Fund before being renamed as BG Fund. No change took place in investment manager, strategies, or fee structure. Performance above is dividends reinvested and net of all fees.

Annex 6: Macroeconomic Risks Through Stress Tests

General Stress Tests

	Scenario	Description	Impact % of NAV
1	Delta - spot up	Spot : 10% ; Credit : 0% ; Vol : 0% ; Rates : 0	0.17%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	0.62%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	0.37%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.36%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.72%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.79%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-0.01%
8	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	0.20%
9	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	1.25%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	2.52%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	0.77%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	1.82%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	3.66%
14	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-0.35%
15	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	0.70%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	1.72%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.69%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	-0.33%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	-1.04%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.98%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.61%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.34%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.45%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.81%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.17%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.60%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.94%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.30%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	-0.13%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	0.23%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	0.59%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	-0.26%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	0.08%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	0.43%
	Worst		-1.04%

Hedge Funds Liquidation Stress Tests

Stress tests' scenarios have been improved in order to take into account liquidity issues. This scenario aims at reflecting, to some extent, how the fund would react in distressed market environment (as was the case in late 2008). These stress tests combine the three following adjustments:

- Small, Mid and Large caps adjustment

In certain market conditions, beta may become much higher than its level in normal market conditions and thus the hedging of such positions may not be effective. To address this kind of circumstance we apply a corrective factor to the beta of small, mid and large caps respectively. Since April 2019, the corrective factors have been calibrated on the amplitude of the stresses by looking at worst historical scenario since 1987.

	-5%	-10%	-20%	-30%
Small (<1bn)	2.00	1.75	1.50	1.30
Mid (1bn-5bn)	1.50	1.50	1.25	1.20
Large (5bn-20bn)	1.20	1.15	1.10	1.05
Mega (>20bn)	1.00	1.00	1.00	1.00

- Risk arbitrage adjustment

The risk of risk arbitrage positions is taken into account differently in case the market drops by more than 10%. We consider that one third of risk arbitrage positions will collapse.

- Liquidity adjustment

An average discount (realized in 2008) is applied to bond, convertible bond (including mandatory convertible bond) and loan prices in case credit spreads widen by more than 25%.

Mandatories: Adj. price = Max(Shifted Price – 5% * Max(Credit spread shift – 25%, 0), Parity)

Others : Adj. price = Max(Shifted Price – 5% * Max(Credit spread shift – 25%, 0), 0)

Scenario	Description	Impact % of NAV	
1	Delta - spot up	Spot : 10% ; Credit : 0% ; Vol : 0% ; Rates : 0	0.53%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	-1.71%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	0.37%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.36%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.72%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.79%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-1.19%
8	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-2.43%
9	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	-6.88%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	-8.94%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-1.86%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	-6.16%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	-7.50%
14	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-2.98%
15	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	-7.56%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	-9.96%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.51%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	-0.15%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	-0.87%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	-0.19%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.17%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	-0.56%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.62%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.98%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.35%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.95%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.30%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.66%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	0.05%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	0.41%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	0.77%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	0.10%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	0.44%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	0.79%
Worst			-9.96%

Annex 7: IFRS 13 Classification as of 31 May 2021

	% of NAV	Number of positions
Assets		
Level 1	66.4%	295
Level 2	52.8%	1512
Level 3	14.3%	107
Cash & cash equivalents	25.5%	4
Total Assets	158.9%	1918
Liabilities		
Level 1	-55.4%	183
Level 2	-3.5%	38
Total Liabilities	-58.9%	221
Total Assets + Liabilities	100.0%	2139

	% of NAV
• Encumbered cash and cash equivalents	
- Cash - Derivatives Clearing Organisation	6.1%
- Cash - Counterparties	1.8%
- Money market fund	3.7%
- Cash covering a short market value	0.0%
• Unencumbered cash and cash equivalents	
- Cash covering a short market value	13.9%
- Short-term papers < 90 days	0.0%
- Excess cash	0.0%
Total Cash and cash equivalents	25.5%

Annex 8: AIFMD disclosure to investor

In compliance with AIFMD, BGIM will report in the newsletter the information hereafter:

- The percentage of assets which are subject to special arrangements arising from their illiquid nature:

Nothing to report

- Any new arrangements for managing the liquidity of the AIF:

Nothing to report

- The current risk profile of the AIF and a description of the risk management systems employed by BGIM to manage market risk, liquidity risk, counterparty risk and other risks, including operational risk:

Please refer to this newsletter for the current risk profile of the Fund.

The backbone of the portfolio and risk management systems at BGIM relies on several components all interfaced together to ensure a full Straight Through Processing. The main system is FusionInvest provided by Misys used for position keeping and risk management. FusionInvest is interfaced to a real time market data vendor for real time P&L and risk calculation. Another key system is Trade Smart, the Execution Management System provided by Trading Screen that is interfaced to an in-house implemented Order Management System, itself connected in real time to FusionInvest. All figures used for qualitative and quantitative risk management are produced out of FusionInvest.

- The gross investment exposure of the Company at any time may represent a maximum of 2 times the Net Asset Value at the time of investment.

	Maximum limit	Current usage
Commitment method	200%	101%
Gross method	200%	101%

Important Information

The Company is established as a closed-ended investment company domiciled in Guernsey. The Company has received the necessary approval of the Guernsey Financial Services Commission and the States of Guernsey Policy Council. The Company is registered with the Dutch Authority for the Financial Markets as a collective investment scheme pursuant to article 2:73 in conjunction with 2:66 of the Dutch Financial Supervision Act (Wet op het financieel toezicht). The shares of the Company (the "Shares") are listed on Euronext Amsterdam. The Shares are also listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange plc's main market for listed securities.

This is not an offer to sell or a solicitation of any offer to buy any securities in the United States or in any other jurisdiction. This announcement is not intended to and does not constitute, or form part of, any offer or invitation to purchase any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law.

Neither the Company nor BG Fund have been, and neither will be, registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act"). In addition, the securities referenced in this announcement have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"). Consequently, any such securities may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, US persons except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require the issuer of such securities to register under the Investment Company Act. No public offering of any securities will be made in the United States.

You should always bear in mind that:

- all investments are subject to risk;
- past performance is not a reliable indicator of future results;
- the investment performance of BGHL may go down as well as up. You may not get back all of your original investment; and
- if you are in any doubt about the contents of this communication or if you consider making an investment decision, you are advised to seek expert financial advice.
- any reference to individual investments within this document should not be taken as a recommendation to buy or sell.

This communication is for information purposes only and the information contained in this communication should not be relied upon as a substitute for financial or other professional advice.

VC.44053.15920.IK