

OVERVIEW

Estimated AUM €353m

Firm AUM €2.5bn

Share price €21.50
(discount to NAV: 21%)

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%	2.86%*									4.50%*
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%

Annualized Performance
+7.12%* since inception

Annualized Volatility
5.24%* since inception

Sharpe Ratio
1.24* 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 +2.86% (EUR share class) and +2.76% (USD A share class) respectively vs Euro Stoxx 50® Total Return (+1.82%).

		Equity Strategies Special Situations	Equity Strategies Catalyst & Value	Credit Strategies	Volatility Strategies	Trading Strategies
BG Fund Capital Allocation		23%	31%	21%	14%	11%
BG Fund Performance	Apr 2021	1.14%	0.70%	0.20%	0.16%	0.56%
Attribution	Year-to-date	2.17%	-0.41%	1.21%	1.03%	-0.15%

CORPORATE UPDATE

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 2,448,466 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 13,055,263.

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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 April 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 April 2021

Net Asset Value (NAV)	Euro share	Sterling share
Estimated NAV*	€ 27.1022	£23.6186
Estimated month to date return*	2.86%	2.69%
Estimated year to date return*	4.50%	3.73%
Estimated inception to date return*	171.02%	136.19%

Market information	Amsterdam (AEX)	London (LSE)
EUR share Market close	€ 21.50	-
EUR share Premium / discount to estimated NAV	-20.67%	-
Sterling share Market close	-	£18.00
Sterling share Premium / discount to estimated NAV	-	-23.79%

Transactions in own securities purchased into treasury	Euro share	Sterling share
Number of shares	185,000	-
Average Price	€ 21.40	-
Range of Price	-	-

Ordinary Shares	Euro share	Sterling share
Shares issued	12,945,769	294,494
Shares held in treasury	185,000	0
Shares outstanding	12,760,769	294,494

	BGHL
Total value of the investments of BGHL based on the estimated NAV for the shares outstanding	€ 354 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	€ 280 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%	2.86%*									4.50%*	171.02%*
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%	2.69%*									3.73%*	136.19%*

* 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 May 2021, 100.24% 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 continued their steady rally in April leaving the Eurostoxx 50[®] Total Return up +1.82% for the month and the iTraxx Crossover[®] (\$35) at 249bps (3bps tighter). Implied volatility increased slightly on the month for the first time in a while with VStoxx[®] ending the month at 20.6%, up from 18.0% and bouncing off intramonth lows of circa 15%.

In this context BG Fund delivered a robust +2.76% (USD A estimate) for April with all strategies contributing positively and the most notable gains in risk arbitrage and special situations. From a capital deployment perspective, we continue to increase allocations to the most interesting opportunities notably risk arbitrage, special situations and CB arbitrage, while reducing investments with softer catalysts.

COMMENTARY

Volatility strategies

Mandatory convertible bond arbitrage

Mandatory convertible bonds contributed +2bps in April. Performance was mainly due to a slight repricing in a low liquidity environment. There was no primary activity during this period.

Convertible bond arbitrage

Convertible bonds (excl. mandatories) contributed +7bps to the performance of the fund in April.

After the huge amount of recent US issuance, convertible bond valuations declined overall, especially in the US. Both primary and secondary markets were fairly lacklustre and appetite for new issues was rather more limited, enabling us to access some opportunities at more attractive levels. New issues are listed below with ASOS, TUI and Diasorin among the transactions that we believed offered good relative value.

The portfolio benefited from various specific special situations this month and therefore performed overall despite the general lowering in CB valuations.

Name	Amount	Ccy	Maturity	Premium	Spot Ref	CDS	Vol	Delta
ASOS 0.75% 2026	500	GBP	16-apr-26	47.50%	54.00	275 bps	32.0	53
TUI 5% 2028	400	EUR	16-apr-28	25.00%	4.29	825 bps	25.0	55
Nexity 0.125% 2023	270							
Nexity 0.875% 2028	240	EUR	19-apr-28	35.00%	44.30	300 bps	25.0	52
DiaSorin 0% 2028	500	EUR	5-mei-28	47.50%	137.00	200 bps	28.0	52
WH Smith 1.625% 2026	375	GBP	7-mei-26	40.00%	17.85	375 bps	28.0	55

Volatility Trading

Realised volatility vs implied forward at the end of March *:

	30d Implied vol level on 31/03/21	Realised vol over the month	Difference
US	19.40	10.70	-8.70
EUROPE	17.97	11.15	-6.82

* Source: Bloomberg

Variation of implied volatilities during April *:

	May. Vol Index Fut as of 31/03/21	May. Vol Index Fut as of 30/04/21	Vol move
US	22.66	20.43	-2.23
Europe	19.65	20.45	0.80

Volatility trading posted +1bp this month. April was very strong for all risky assets and despite the rally in implied vol towards the end of the month, implied vol generally traded lower during the month and the gap to realised was significant. After the continued reset lower of volatility during recent months, implied volatility seemed to reach a local floor in April and bounced slightly. Given the low realised volatility the carry in our long gamma positions has remained very painful however our downside VIX positions have helped us to make a small net profit while maintaining our overall long convexity position.

On a positive note, the sell off in volatility has created some interesting entry points for certain positions and we have started to slowly build our dispersion strategies during the month.

Warrant arbitrage

Warrant and SPAC arbitrage contributed +6bps in April.

Equity strategies

In April the equity portfolio contributed +184bps to the performance of the fund overall, with +114bps coming from risk arbitrage and special situations and +70bps from the long/short and value-with-catalyst strategies.

The biggest contributor for April was our long-held position in the Suez / Veolia takeover battle. After seven months of heated opposition between the two companies, Veolia and Suez finally negotiated a compromise, leading to an increase in the offer price from €18 to €20.5, representing a 14% bump. Although no binding agreement has yet been signed, board recommendation was received which was one of the biggest hurdles, and the transaction will move onto the various regulatory approvals still required. Given our early involvement, we are very satisfied with the outcome for all stakeholders. Suez represented one of the largest positions in the Fund. We believe the deal will create a 'Global Green Major' and world leader in the waste and water treatment business.

The fund also benefited from its risk arbitrage position in Alexion which is being acquired by AstraZeneca. The transaction received an important milestone clearance from US regulators on 15th April and the spread to the offer tightened significantly.

The rest of the portfolio also performed well with the effects of recent style rotations abating slightly and some growth names finding new support.

Credit strategies

Capital Structure Arbitrage

Capital structure arbitrage was flat in April.

Credit long / short

Credit long / short contributed +11bps this month. Realised volatility in credit spreads was extremely low in April. Credit spreads from investment grade to high yield remained extremely resilient and traded near historical lows throughout the month. Although most of our positions have a strong special-situation component, many of these are now returning on the path to normality (after restructuring) and these benefited from the stable environment.

Credit special situations

Credit special situations contributed +9bps. In particular, our position in KCA Deutag benefited from a rebound in oil field services activity and our holding in Pizza Express from the gradual re-opening of restaurants in the UK.

Trading

Trading strategies all contributed positively in April delivering +56bps overall, with the main positive contributions from the Equity Quantitative Strategy and the CTA strategy.

The rates sell-off during the previous two months reversed slightly, especially on US rates, which enabled the growth style to bounce back, helping the Equity Quantitative strategy to perform.

April was a solid month for the CTA strategy, with profit concentrated on commodities while US Treasuries bounced from their recent bottom offsetting some of these gains. Metals, energy and carbon emission contracts were generally strong while sugar, grains, cotton, lean hogs and lumber generated most of the profit. All these commodities are in the ascending phase of their respective cycles. The long position on indices contributed positively, though impeded by some weakness in Asian markets.

Macro trading attribution was positive in April. We benefited from our reflation trades through being long European banks, oil and gold. Our view is that most of the cyclical upturn is now priced in, but there are still pockets of value stocks which remain attractive such as financials. We are looking for peak growth and peak liquidity to happen over the coming months and believe the near-term reflation trade may be close to an end.

B. DIRECT INVESTMENTS OTHER THAN BG FUND

On top of its investment in BG Fund, BGHL has other investments. As of 30 April 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 May 2021, BG Fund assets under management are €2.04bn.

Sincerely,

E. Boussard and E. Gavaudan

Investment Manager

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VII. ANNEXES ON BG FUND

Annex 1: Greeks	
Delta	4.2% 4.2 bps P&L variation for market +1%
Gamma	1.8% delta variation for market +1%
Vega	8 bps by vol point
Theta	-8 bps by 30 days
Optional theta	-19 bps by 30 days
Rho	-1.1 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	16 bps
Mandatory convertible bond arbitrage	2 bps
Convertible bond arbitrage (incl. credit convertible bonds)	7 bps
Volatility trading	1 bps
Warrant arbitrage	6 bps
Equity Strategies	184 bps
Risk arbitrage / Special situations	114 bps
Long / short trading with short-term catalyst & Value	70 bps
Credit Strategies	20 bps
Credit long / short	11 bps
Capital structure arbitrage	0 bps
Credit special situations	9 bps
Trading	56 bps
Total	276 bps

Annex 3: Equity at Risk	
Volatility Strategies	9.3%
Mandatory convertible bond arbitrage	4.5%
Convertible bond arbitrage (incl. credit convertible bonds)	2.0%
Volatility trading	0.2%
Warrant arbitrage	2.6%
Equity Strategies	36.3%
Risk arbitrage / Special situations	15.7%
Long / short trading with short-term catalyst & Value	20.5%
Credit Strategies	13.8%
Credit long / short	9.1%
Capital structure arbitrage	0.0%
Credit special situations	4.6%
Trading	7.6%
Quantitative equity trading	4.1%
Systematic trend following	1.7%
Other	1.8%
Cash Equivalents	0.3%
Total	67.3%

* 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	52.0%
Mandatory convertible bond arbitrage	Short equity	57.2%
	Short credit	0.0%
	Long	13.9%
Convertible bond arbitrage (incl. credit convertible bonds)	Short equity	5.3%
	Short credit	0.0%
	Long	2.7%
Volatility trading	Short	3.3%
	Long	7.3%
Warrant arbitrage	Short	0.5%
Equity Strategies		
	Long	80.8%
Risk Arbitrage / Special Situations	Short	28.4%
	Long	82.6%
Long / Short trading with short-term catalyst / Value	Short	78.4%
Credit Strategies		
	Long	13.1%
Credit long / short	Short	0.2%
	Long	0.0%
Capital structure arbitrage	Short	0.0%
	Long	5.8%
Credit special situations	Short	0.0%
Trading		
	Long	19.7%
Quantitative equity trading	Short	19.7%
	Long	33.7%
Systematic trend following	Short	13.0%
	Long	3.8%
Other	Short	3.1%
Gross Exposure		524.5%

	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%	2.76%*									3.86%*	228.30%*
													Annualized Net Return	6.76%*

* 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%	2.65%*									3.58%*	191.11%*
Annualized Net Return														6.06%*

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%	2.75%*									3.81%*	25.31%*
Annualized Net Return														5.14%*

* 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	1.08%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	0.48%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	0.24%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.24%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.66%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.74%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-0.28%
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	0.69%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	1.73%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	0.13%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	1.02%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	2.38%
14	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-0.50%
15	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	0.40%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	1.41%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.24%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	-0.01%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	-0.47%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.78%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.56%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.01%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.92%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.15%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.39%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.59%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.81%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	2.04%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	0.60%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	0.83%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	1.06%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	1.20%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	1.42%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	1.65%
	Worst		-0.66%

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	1.51%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	-3.54%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	0.24%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.24%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.66%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.74%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-2.28%
8	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-4.61%
9	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	-10.20%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	-13.07%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-4.18%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	-9.78%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	-12.25%
14	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-4.98%
15	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	-10.56%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	-13.47%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.01%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	0.22%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	-0.24%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	-0.97%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	-0.75%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	-1.21%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.14%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.38%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	1.61%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	2.02%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	2.25%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	2.48%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	0.82%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	1.05%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	1.29%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	1.64%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	1.86%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	2.09%
	Worst		-13.47%

Annex 7: IFRS 13 Classification as of 31 March 2021

	% of NAV	Number of positions
Assets		
Level 1	67.3%	257
Level 2	52.2%	1372
Level 3	14.4%	112
Cash & cash equivalents	28.4%	4
Total Assets	162.2%	1745
Liabilities		
Level 1	-56.1%	172
Level 2	-6.2%	48
Total Liabilities	-62.2%	220
Total Assets + Liabilities	100.0%	1965

	% of NAV
• Encumbered cash and cash equivalents	
- Cash - Derivatives Clearing Organisation	5.3%
- Cash - Counterparties	2.3%
- Money market fund	3.7%
- Cash covering a short market value	0.0%
• Unencumbered cash and cash equivalents	
- Cash covering a short market value	6.4%
- Short-term papers < 90 days	10.8%
- Excess cash	0.0%
Total Cash and cash equivalents	28.4%

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%	98%
Gross method	200%	98%

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.

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