

OVERVIEW

Estimated AUM €355m

Firm AUM €2.6bn

Share price €22.90
(discount to NAV: 19%)

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 | |
|------|---------|--------|---------|--------|--------|--------|--------|--------|---------|--------|--------|--------|---------|---|
| 2022 | -3.00%* | | | | | | | | | | | | -3.00%* | Annualized Performance +7.06%* since inception |
| 2021 | 0.99% | 0.57% | 0.04% | 2.81% | -0.24% | 0.23% | 0.45% | 0.80% | 1.72% | 2.71% | 1.80% | 0.11% | 12.59% | |
| 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% | Annualized Volatility 5.31%* since inception |
| 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% | Sharpe Ratio 1.23* since inception |
| 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% | Beta to Euro Stoxx 50® (Total Return) 0.04* since inception |
| 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% | |

*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 down -3.00% (EUR share class) and -2.87% (USD A share class) respectively vs Euro Stoxx 50® Total Return (-2.78%).

| | | Equity Strategies Special Situations | Equity Strategies Catalyst & Value | Credit Strategies | Volatility Strategies | Trading Strategies |
|-----------------------------------|--------------|---|---------------------------------------|-------------------|-----------------------|--------------------|
| BG Fund Capital Allocation | | 30% | 14% | 19% | 19% | 18% |
| BG Fund Performance | Jan 2022 | -0.47% | -0.44% | 0.17% | -0.14% | -1.98% |
| Attribution | Year-to-date | -0.47% | -0.44% | 0.17% | -0.14% | -1.98% |

CORPORATE UPDATE

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 3,539,466 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 12,517,315.

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 31st January 2022 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 31 January 2022

| Net Asset Value (NAV) | Euro share | Sterling share |
|-------------------------------------|------------|----------------|
| Estimated NAV* | € 28.3236 | £24.5638 |
| Estimated month to date return* | -3.00% | -2.93% |
| Estimated year to date return* | -3.00% | -2.93% |
| Estimated inception to date return* | 183.24% | 145.64% |

| Market information | Amsterdam (AEX) | London (LSE) |
|--|-----------------|--------------|
| EUR share Market close | € 22.90 | - |
| EUR share Premium / discount to estimated NAV | -19.15% | - |
| Sterling share Market close | - | £19.60 |
| Sterling share Premium / discount to estimated NAV | - | -20.21% |

| Transactions in own securities purchased into treasury | Euro share | Sterling share |
|--|------------|----------------|
| Number of shares | 0 | - |
| Average Price | € 0.00 | - |
| Range of Price | - | - |

| Ordinary Shares | Euro share | Sterling share |
|-------------------------|------------|----------------|
| Shares issued | 12,387,061 | 130,254 |
| Shares held in treasury | 0 | 0 |
| Shares outstanding | 12,387,061 | 130,254 |

| | BGHL |
|--|---------------|
| Total value of the investments of BGHL based on the estimated NAV for the shares outstanding | € 355 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 | € 287 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% | 0.23% | 0.45% | 0.80% | 1.72% | 2.71% | 1.80% | 0.11% | 12.59% | 192.00% | |
| 2022 | -3.00%* | | | | | | | | | | | | -3.00%* | 183.24%* | |
| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | ITD | |
| 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% | 0.00% | 0.29% | 0.65% | 1.76% | 2.68% | 1.81% | 0.10% | 11.14% | 153.05% | |
| 2022 | -2.93%* | | | | | | | | | | | | -2.93%* | 145.64%* | |

* 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 February 2022, 99.69% 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

JANUARY HIGHLIGHTS

European equity markets had a volatile month with the Euro Stoxx 50® Total Return dropping as much as -5.58% intra month before finishing the month down -2.78%. US markets had an even more volatile time with Nasdaq 100® Total Return down as much as -14.18% and S&P 500® Total Return down -9.16% for the month on an intraday low, before finishing respectively down -8.49% and -5.17% for the month overall. Equity markets were particularly impacted by a rotation out of growth and technology stocks.

In credit the iTraxx Crossover® (S36) widened to 286bps out from 242bps at the end of December while market implied volatility widened materially with VStoxx® moving from 19.27% to 27.01%.

In this market context we saw a significant amount of forced selling by leveraged investors which in the short term impacted several idiosyncratic positions as well as the quantitative trading strategy. BG Fund returned -2.87% in January (USD A estimate) with positive contributions from volatility and credit, while the biggest detractors were the equity and trading strategies.

JANUARY COMMENTARY

Volatility strategies

Mandatory convertible bond arbitrage

Mandatory convertible bonds contributed -4bps in January due to a small repricing in the market. There was no particularly strong market dynamic nor new issue supply. Many of the existing issues have been repaid or will be so in the course of this year: ArcelorMittal bought back most of its mandatory convertible bonds in December, Sika mandatory bonds were converted during January and the Vodafone mandatory bonds will also be converted in June. We are hopeful that market conditions and ongoing M&A may precipitate new mandatories during the course of 2022.

Convertible bond arbitrage

Convertible bonds (excl. mandatories) contributed -9bps in January. Following the overall market weakness, most European valuations were down and issuers have been reluctant to launch new convertible bonds in the weak environment.

US CB market was also weak from the beginning of January as soon as equity markets started moving down aggressively. Initially the weakness was focussed on new CBs issued in late 2021, but the weakness spread more widely as the month progressed. One area of the market that performed well was deep-in-the-money CBs, which helped us in ending the month with a small positive return in US CBs.

Volatility Trading

Realised volatility vs implied forwards at the end of December *:

| | 30d Implied vol level on 31/12/21 | Realised vol over the month | Difference |
|--------|--------------------------------------|--------------------------------|------------|
| US | 17.63 | 19.21 | 1.58 |
| EUROPE | 19.56 | 22.75 | 3.19 |

* Source: Bloomberg

Variation of implied volatility during January *:

| | Feb. Vol Index Fut as of 31/12/21 | Feb. Vol Index Fut as of 31/01/22 | Vol move |
|--------|-----------------------------------|-----------------------------------|----------|
| US | 21.95 | 26.95 | 5.00 |
| Europe | 22.15 | 26.40 | 4.25 |

Volatility trading posted +5bps to the performance of the fund in January. The month saw a risk-off mood, linked to a move higher in rates, which drove a strong sector rotation and general de-risking. This notwithstanding, volatility did not really react that much, there was no real panic and implied volatility only went up marginally, despite a decent move lower in spot levels. We attribute this to the already steep levels of skew which made it difficult for vol to outperform what was already priced in.

Realised volatility however did pop and enabled us to carry our long gamma positions. We also benefited from large moves on some single stocks with earnings release as Netflix was -22% for example. We increased our general dispersion positions, as we saw much better entry levels due to a repricing of implied correlation. Liquidity however was not as good as expected and the bid/offer on new trades hampered monthly performance, which we expect to earn back in time.

Warrant arbitrage

Warrant arbitrage and SPACS contributed -7bps in January.

Equity strategies

January was a difficult month overall for equity strategies which lost -91bps.

The portfolio suffered in general from the de-risking and rotation in the market, which hit a few positions, especially our exposure to smaller caps which underperformed during the month.

Most of the negative performance however came from a specific position in Playtech which was subject to a takeover bid. During the month, it became apparent that a group of shareholders, primarily based in Hong Kong and holding about 30% of the capital, was intending to, and did, block the takeover from Aristocrat Leisure. This action also discouraged an approach from JKO, another consortium working on a counterbid. The stock consequently finished the month down -20%. The Aristocrat bid has officially lapsed, however a further shareholder has subsequently expressed interest to take over the company. This situation is still live, and though the dynamic remains complicated, we remain constructive on outcome.

There were a number of positive contributors in January: the Xilinx takeover by AMD was cleared by the Chinese authorities and is expected to close within a month, pending re-authorization from the US authorities (the US authorised the deal last year but due to the delay, a new authorisation is required). Finally, the expected merger between the Australian and the UK entities of BHP was completed.

Credit strategies

Capital Structure Arbitrage

Capital structure arbitrage was flat this month.

Credit long / short

Credit long / short contributed +7bps. The Crossover index widened +44bps during the month of January. The widening occurred in an orderly fashion, without any particular spike in index volatility, and also coincided with a material increase of +20bps in 5-year euro swap rates. Despite this significant index move, our position in CGG contributed positively, benefitting from an improved outlook for the oil services sector.

Credit special situations

Credit special situations contributed +9bps mainly thanks to KCA Deutag equity which benefited from news of a large new long-term contract.

Trading

Trading had a challenging month and contributed -198bps overall.

The equity quantitative strategy was a large contributor to the negative performance with interest rate moves triggering a strong rotation out of growth into value and a de-risking out of momentum stocks. During January we think this was a repricing rather than a true regime shift. However, as we progress into February the move seems to be a more confirmed rotation and this is reflected in the constituents of the new roll within the portfolio. If the expected rate hikes confirm a new paradigm, new momentum themes will continue to grow as the months progress.

Systematic trend following had a good month in rates, currencies and commodities while the month was also marred by the decline in stocks and the sector rotation. The portfolio remains long indices but has rotated further out of technology into other sectors such as banking and oil.

Macro trading attribution was negative in January, suffering from our constructive view on growth for the start of 2022. We still believe consensus underestimates the volatility which is likely to be triggered by liquidity withdrawal by the Fed. This is likely to be a theme for H1 2022 where further shocks like higher yields and surging commodity prices could destabilize markets further.

B. DIRECT INVESTMENTS OTHER THAN BG FUND

On top of its investment in BG Fund, BGHL has other investments. As of 31 January 2022, 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 February 2022, BG Fund assets under management are €2.29bn.

The BG Fund has been classed as an Article 8 Fund under the European Sustainable Finance Disclosure Regulation ("SFDR"). A quarterly ESG report is made available to investors on request.

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 | 5.3% 5.3 bps P&L variation for market +1% |
| Gamma | 0.9% delta variation for market +1% |
| Vega | 13 bps by vol point |
| Theta | -21 bps by 30 days |
| Optional theta | -31 bps by 30 days |
| Rho | 0.2 bps for 1 bp of interest rates increasing |
| Credit sensitivity | -3.2 bps for 1% of credit spreads widening (in relative) |

| Annex 2: Performance Attribution * | |
|---|-----------------|
| Volatility Strategies | -9 bps |
| Mandatory convertible bond arbitrage | -5 bps |
| Convertible bond arbitrage (incl. credit convertible bonds) | -2 bps |
| Volatility trading | 5 bps |
| Warrant arbitrage | -7 bps |
| Equity Strategies | -98 bps |
| Risk arbitrage / Special situations | -52 bps |
| Long / short trading with short-term catalyst & Value | -45 bps |
| Credit Strategies | 16 bps |
| Credit long / short | 5 bps |
| Capital structure arbitrage | 0 bps |
| Credit special situations | 10 bps |
| Trading | -196 bps |
| Total | -287 bps |

| Annex 3: Equity at Risk ** | |
|---|--------------|
| Volatility Strategies | 13.5% |
| Mandatory convertible bond arbitrage | 1.9% |
| Convertible bond arbitrage (incl. credit convertible bonds) | 6.9% |
| Volatility trading | 0.5% |
| Warrant arbitrage | 4.1% |
| Equity Strategies | 30.7% |
| Risk arbitrage / Special situations | 20.9% |
| Long / short trading with short-term catalyst & Value | 9.8% |
| Credit Strategies | 12.9% |
| Credit long / short | 7.9% |
| Capital structure arbitrage | 0.0% |
| Credit special situations | 5.0% |
| Trading | 12.4% |
| Quantitative equity trading | 8.1% |
| Systematic trend following | 1.5% |
| Other | 2.8% |
| Cash Equivalents | 0.0% |
| Total | 69.5% |

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

** In July 2021 the EAR methodology was adjusted to better reflect the risk as if all positions were on a single PB account.

| Annex 4: Gross Exposure (in % of AUM) | | |
|---|--------------|---------------|
| Volatility Strategies | | |
| | Long | 8.5% |
| Mandatory convertible bond arbitrage | Short equity | 8.9% |
| | Short credit | 0.0% |
| | Long | 35.2% |
| Convertible bond arbitrage (incl. credit convertible bonds) | Short equity | 26.8% |
| | Short credit | 0.0% |
| | Long | 3.8% |
| Volatility trading | Short | 5.0% |
| | Long | 9.4% |
| Warrant arbitrage | Short | 0.0% |
| Equity Strategies | | |
| | Long | 82.1% |
| Risk Arbitrage / Special Situations | Short | 38.8% |
| | Long | 17.1% |
| Long / Short trading with short-term catalyst / Value | Short | 15.0% |
| Credit Strategies | | |
| | Long | 8.7% |
| Credit long / short | Short | 0.2% |
| | Long | 0.0% |
| Capital structure arbitrage | Short | 0.0% |
| | Long | 5.8% |
| Credit special situations | Short | 0.7% |
| Trading | | |
| | Long | 35.2% |
| Quantitative equity trading | Short | 35.0% |
| | Long | 19.0% |
| Systematic trend following | Short | 23.3% |
| | Long | 8.1% |
| Other | Short | 6.3% |
| Gross Exposure | | 392.9% |

| | | |
|---|---|--|
| Mandatory convertible bond arbitrage and Convertible bond arbitrage | Long \sum market value long | Short 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% | 0.01% | 0.32% | 0.67% | 1.75% | 2.78% | 1.79% | 0.26% | 11.62% | 252.81% |
| 2022 | -2.87%* | | | | | | | | | | | | -2.87%* | 242.71%* |

Annualized Net Return 6.72%*

* 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% | -0.03% | 0.27% | 0.63% | 1.74% | 2.73% | 1.82% | 0.11% | 10.94% | 211.81% |
| 2022 | -2.96%* | | | | | | | | | | | | -2.96%* | 202.57%* |

Annualized Net Return 6.02%*

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% | 0.01% | 0.31% | 0.67% | 1.79% | 2.71% | 1.91% | 0.15% | 11.53% | 34.62% |
| 2022 | -2.89%* | | | | | | | | | | | | -2.89%* | 30.74%* |

Annualized Net Return 5.23%*

* 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 | 0.72% |
| 2 | Delta - spot down | Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0 | -0.02% |
| 3 | Vega - vol up | Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0 | 0.46% |
| 4 | Vega - vol down | Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0 | -0.55% |
| 5 | Credit spread widen | Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.76% |
| 6 | Credit spread tighten | Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.64% |
| 7 | Market crash 0.5 | Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0 | -0.06% |
| 8 | Market crash 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0 | 0.11% |
| 9 | Market crash 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0 | 0.86% |
| 10 | Market crash 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0 | 1.88% |
| 11 | Market crash, rates down 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5 | 0.20% |
| 12 | Market crash, rates down 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5 | 0.95% |
| 13 | Market crash, rates down 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1 | 2.07% |
| 14 | Market crash, rates up 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5 | -0.01% |
| 15 | Market crash, rates up 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5 | 0.75% |
| 16 | Market crash, rates up 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1 | 1.73% |
| 17 | Equity Credit decorrelation 1 | Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.39% |
| 18 | Equity Credit decorrelation 2 | Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0 | 0.13% |
| 19 | Equity Credit decorrelation 3 | Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0 | -0.91% |
| 20 | Equity Credit decorrelation 4 | Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.53% |
| 21 | Equity Credit decorrelation 5 | Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.09% |
| 22 | Equity Credit decorrelation 6 | Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.00% |
| 23 | Market rally 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.49% |
| 24 | Market rally 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.92% |
| 25 | Market rally 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.38% |
| 26 | Market rally 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.94% |
| 27 | Market rally 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.34% |
| 28 | Market rally 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.79% |
| 29 | Market rally, Inflation 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5 | 0.36% |
| 30 | Market rally, Inflation 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5 | 0.79% |
| 31 | Market rally, Inflation 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5 | 1.25% |
| 32 | Market rally, Inflation 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1 | 0.73% |
| 33 | Market rally, Inflation 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1 | 1.14% |
| 34 | Market rally, Inflation 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1 | 1.59% |
| | Worst | | -0.91% |

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 | 1.16% |
| 2 | Delta - spot down | Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0 | -3.31% |
| 3 | Vega - vol up | Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0 | 0.47% |
| 4 | Vega - vol down | Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0 | -0.55% |
| 5 | Credit spread widen | Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.76% |
| 6 | Credit spread tighten | Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.64% |
| 7 | Market crash 0.5 | Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0 | -1.70% |
| 8 | Market crash 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0 | -3.31% |
| 9 | Market crash 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0 | -7.80% |
| 10 | Market crash 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0 | -9.91% |
| 11 | Market crash, rates down 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5 | -3.18% |
| 12 | Market crash, rates down 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5 | -7.68% |
| 13 | Market crash, rates down 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1 | -9.65% |
| 14 | Market crash, rates up 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5 | -3.46% |
| 15 | Market crash, rates up 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5 | -7.95% |
| 16 | Market crash, rates up 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1 | -10.11% |
| 17 | Equity Credit decorrelation 1 | Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.12% |
| 18 | Equity Credit decorrelation 2 | Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0 | 0.36% |
| 19 | Equity Credit decorrelation 3 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | -0.64% |
| 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 | -0.40% |
| 22 | Equity Credit decorrelation 6 | Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | -1.54% |
| 23 | Market rally 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.71% |
| 24 | Market rally 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.14% |
| 25 | Market rally 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.60% |
| 26 | Market rally 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 1.37% |
| 27 | Market rally 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.78% |
| 28 | Market rally 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 2.23% |
| 29 | Market rally, Inflation 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5 | 0.58% |
| 30 | Market rally, Inflation 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5 | 1.01% |
| 31 | Market rally, Inflation 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5 | 1.47% |
| 32 | Market rally, Inflation 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1 | 1.17% |
| 33 | Market rally, Inflation 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1 | 1.58% |
| 34 | Market rally, Inflation 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1 | 2.03% |
| Worst | | | -10.11% |

Annex 7: IFRS 13 Classification as of 31 December 2021

| | % of NAV | Number of positions |
|-----------------------------------|-----------------|----------------------------|
| Assets | | |
| Level 1 | 56.0% | 309 |
| Level 2 | 39.7% | 1461 |
| Level 3 | 12.6% | 95 |
| Cash & cash equivalents | 29.5% | 3 |
| Total Assets | 137.8% | 1868 |
| Liabilities | | |
| Level 1 | -33.8% | 186 |
| Level 2 | -4.1% | 43 |
| Total Liabilities | -37.8% | 229 |
| Total Assets + Liabilities | 100.0% | 2097 |

| | % of NAV |
|--|-----------------|
| • Encumbered cash and cash equivalents | |
| - Cash - Derivatives Clearing Organisation | 2.9% |
| - Cash - Counterparties | 4.7% |
| - Money market fund | 3.5% |
| - Cash covering a short market value | 0.0% |
| • Unencumbered cash and cash equivalents | |
| - Cash covering a short market value | 18.3% |
| - Short-term papers < 90 days | 0.0% |
| - Excess cash | 0.0% |
| Total Cash and cash equivalents | 29.5% |

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% | 105% |
| Gross method | 200% | 105% |

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