

**OVERVIEW**

**Estimated AUM** €350m

**Firm AUM** €2.6bn

**Share price** €22.60  
(discount to NAV: 20%)

BGHL is a closed-ended investment company which invests in BG Fund, Boussard & Gavaudan's flagship fund with 19 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 "Compounded euro short-term rate index".

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	-3.11%	0.55%	-0.07%	1.42%	-1.36%	-0.68%	-3.07%	4.10%	-0.88%	-0.37%*			-3.61%*	<b>Annualized Performance</b> +6.68%* 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%	<b>Annualized Volatility</b> 5.31%* since inception
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%	<b>Sharpe Ratio</b> 1.16* since inception
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%	<b>Beta to Euro Stoxx 50®</b> <b>(Total Return)</b> 0.04* 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%	
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 -0.37% (EUR share class) and -0.16% (USD A share class) respectively vs Euro Stoxx 50® Total Return (+9.09%).

		Equity Strategies Special Situations	Equity Strategies Catalyst & Value	Credit Strategies	Volatility Strategies	Trading Strategies
<b>BG Fund Capital Allocation</b>		25%	14%	19%	26%	17%
<b>BG Fund Performance</b>	Oct 2022	0.77%	-0.43%	-0.54%	0.48%	-0.44%
<b>Attribution</b>	Year-to-date	-3.54%	-0.17%	-0.67%	1.20%	1.05%

**CORPORATE UPDATE**

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 3,613,413 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 12,443,368.

**CONTACTS**

Emmanuel Gavaudan ☎+44 20 3751 5389 ✉ [eg@bgam-uk.com](mailto:eg@bgam-uk.com)

François-Xavier Baud ☎+ 33 1 4490 3947 ✉ [fx.baud@bgam-fr.com](mailto:fx.baud@bgam-fr.com)

Vanessa Levi ☎ + 44 20 3751 5422 ✉ [vanessa.levi@bgam-uk.com](mailto:vanessa.levi@bgam-uk.com)

Benjamin Sturges ☎+ 44 20 3751 5417 ✉ [benjamin.sturges@bgam-uk.com](mailto:benjamin.sturges@bgam-uk.com)

Robin Lowe ☎+1 212 837 2302 ✉ [robin.lowe@bgam-uk.com](mailto: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 30<sup>th</sup> June 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	<a href="http://www.bgholdingltd.com">www.bgholdingltd.com</a>
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 October 2022

Net Asset Value (NAV)	Euro share	Sterling share
Estimated NAV*	€ 28.1473	£24.6887
Estimated month to date return*	-0.37%	-0.23%
Estimated year to date return*	-3.61%	-2.44%
Estimated inception to date return*	181.47%	146.89%

Market information	Amsterdam (AEX)	London (LSE)
EUR share Market close	€ 22.60	-
EUR share Premium / discount to estimated NAV	-19.71%	-
Sterling share Market close	-	£20.00
Sterling share Premium / discount to estimated NAV	-	-18.99%

Transactions in own securities purchased into treasury	Euro share	Sterling share
Number of shares	3,474	-
Average Price	€ 22.36	-
Range of Price	-	-

Ordinary Shares	Euro share	Sterling share
Shares issued	12,316,588	130,254
Shares held in treasury	3,474	0
Shares outstanding	12,313,114	130,254

	BGHL
Total value of the investments of BGHL based on the estimated NAV for the shares outstanding	€ 350 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	€ 281 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	
<b>BGHL EUR NAV</b>															
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	-3.11%	0.55%	-0.07%	1.42%	-1.36%	-0.68%	-3.07%	4.10%	-0.88%	-0.37%*			-3.61%*	181.47%*	
<b>BGHL GBP NAV</b>															
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	-3.03%	0.63%	-0.09%	1.51%	-1.25%	-0.55%	-2.85%	4.36%	-0.77%	-0.23%*			-2.44%*	146.89%*	

\* 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 November 2022, 98.88% 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

#### OCTOBER HIGHLIGHTS

Equity markets reversed their downward trend in October and rallied strongly in Europe and in the US. The Euro Stoxx 50<sup>®</sup> Total Return was up +9.1% and the S&P500<sup>®</sup> Total Return up +8.1% for the month.

With this bullish backdrop, the market implied volatility measure VStoxx<sup>®</sup> decreased from 30.7% to 24.8% and credit markets tightened with the iTraxx Crossover<sup>®</sup> (S37) moving from 604bps to 518bps.

In this context BG Fund (USD A) was marginally down in October, losing -16bps overall. The fund saw solid positive returns from risk arbitrage, special situations, convertibles and other vol strategies offset by idiosyncratic moves in credit special situations and losses in quantitative equity trading.

#### OCTOBER COMMENTARY

##### Volatility strategies

###### ***Mandatory convertible bond arbitrage***

Mandatory convertible bonds contributed +8bps this month with performance primarily driven by the Siemens Energy position.

###### ***Convertible bond arbitrage***

Convertible bonds contributed +32bps in October.

Following a difficult month in September, European CBs saw relatively stable pricing in October where credit spread tightening (circa 30bps on average) was offset by the effects of rising interest rates. BG's portfolio is well hedged against rate moves and consequently most positions in the portfolio delivered a positive performance, with one exception which was dragged down by a re-mark on one of its peers.

The US convertible market ended October slightly up in a market context similar to Europe where US benchmark interest rates continued to increase while credit spreads tightened (CDX HY moved from 610bps to 521bps). The US portfolio also remains well hedged against interest rates and consequently contributed overall positively in October.

A notable positive contribution came from our event position in the Twitter take over situation. We had structured this position through CBs to express a more attractive risk reward profile, attributable to the ratchet clause within the CB prospectus, providing more ways to win in case the deal price had been renegotiated. The CB ratchet was triggered and delivered circa +15bps performance to the fund.

##### ***Volatility Trading***

Realised volatility vs implied forwards at the end of September \*:

	30d Implied vol level on 30/09/22	Realised vol over the month	Difference
US (VIX <sup>®</sup> )	31.62	27.54	-4.08
Europe (Vstoxx <sup>®</sup> )	30.71	19.86	-10.85

\* Source: Bloomberg

Variation of implied volatility during October \*:

	Oct Vol Index Fut as of 30/09/22	Oct Vol Index Fut as of 31/10/22	Vol move
US (VIX®)	31.07	25.87	-5.20
Europe (Vstoxx®)	30.80	25.25	-5.55

Volatility Trading contributed +8bps in October. The environment has remained very challenging for long volatility strategies as realized volatility has remained remarkably calm and contained. The month saw volatility realize lower than the forwards, and implied volatility fell over the course of October.

It was also hard to monetize the skew and the market remained in an unusual fixed strike spot up/vol up dynamic which mainly reflects the fact that market participants were already bearish and well-hedged.

In this context we traded actively around existing positions, tactically exiting some defensive positions after the CPI release and market bottom while our long convexity to the upside helped in the very bullish second half of the month. In addition, our volatility stock picking around earnings was also profitable.

### ***Warrant arbitrage***

Warrant arbitrage & Spacs contributed +1bp this month.

### **Equity strategies**

Equity strategies returned +34bps in October, with positive returns coming primarily from risk arbitrage and special situations.

In risk arbitrage, a few transactions closed or are nearing close. The most talked about position was of course the acquisition of Twitter by Elon Musk, which finally completed after many twists, tweets and twits over the past few months. In addition, the minority squeeze out of Continental Resources Inc by founder Harold Hamm closed, following a 6% improvement in the terms, and separately UnitedHealth Group won a court ruling that allowed it to buy out Change Healthcare. Finally, CSC completed the acquisition of Intertrust, marking the end of a 1-year process, as the last of a long list of required authorisations were obtained.

Towards October month end we were nearing the conclusion of the takeover of Swedish Match by Philip Morris (PMI). Numerous shareholders had rejected the 106 SEK price originally offered by PMI and as we had anticipated, PMI increased its offer to 116 SEK in order to try and secure a higher tender rate. It was our opinion that this bump would secure success for the transaction and as we write this newsletter the offer has now been accepted.

Our position in Ambac Financial also performed well as the company agreed to a \$1.84bn settlement with Bank of America on the long-lasting Countrywide litigation. We are now waiting for details of how the company will return some of the cash to shareholders.

### **Credit strategies**

#### ***Capital Structure Arbitrage***

Capital structure arbitrage was flat this month.

#### ***Credit long / short***

Credit long / short contributed +10bps. There was a significant credit tightening during October, and in addition to this positive credit back drop, CGG in particular benefited from a favourable tailwind specific to the oil and services sector.

#### ***Credit special situations***

Credit special situations saw a negative mark of -63bps in October, driven by a combination of KCA Deutag which, despite having closed its acquisition of the Saipem assets saw its bonds marginally cheapen and equity shift downward in a vacuum of liquidity. Pizza Express equity was also marked down in October on no volume and a lack of

---

\* Source: Bloomberg

liquidity. On a more positive note, Casino bought back bonds in the market, closed the disposal of Green Yellow and announced its intention to sell a stake in its LatAm subsidiary. We remain very positive about the prospects for all of these positions despite some short-term mark to market volatility.

## Trading

Trading strategies contributed -44bps overall.

The equity quantitative strategy suffered from its negative beta due to the short squeeze that took place in October in a strongly rallying market. We have continued to develop our allocation optimization framework for the strategy. This should lead to a more dynamic management of the allocation size and points towards a reduction for November.

The systematic trend following strategy also had a difficult October with a number of markets displaying divergent directions: US interest rate and Treasury contracts closed lower while Europe saw a rally in interest rates, especially in the UK (SONIA and Gilts). We also saw a counter-trend rally from a number of currencies which strengthened against the US dollar. Although, European and US indices rallied overall we profited due to shorts on Asian markets. Lastly, even though we were able to capitalize on the appreciation of energy commodities such as heating oil, the decline in European gas contracts meant the model lost some money over the month.

Macro trading was flat in September. A less bearish market outlook may well prevail into year-end and, while we think a US recession is less likely over the coming months, hopes on a dovish Fed may now be overplayed. We still have the view that the equity bear market is not yet over and indeed is likely to regain traction at the beginning of next year.

## **B. DIRECT INVESTMENTS OTHER THAN BG FUND**

On top of its investment in BG Fund, BGHL has other investments. As of 31 October 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](http://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](http://www.bgholdingltd.com) (Investment Manager > Regulatory information).

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

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

## B. BGIM'S AUM

As of 1 November 2022, BG Fund assets under management are €2.34bn.

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](mailto:eg@bgam-uk.com)

François-Xavier Baud  
☎ +33 1 4490 3947  
✉ [fx.baud@bgam-fr.com](mailto:fx.baud@bgam-fr.com)

Benjamin Sturges  
☎ +44 20 3751 5417  
✉ [benjamin.sturges@bgam-uk.com](mailto:benjamin.sturges@bgam-uk.com)

Robin Lowe  
☎ +44 20 3751 5420  
✉ [robin.lowe@bgam-uk.com](mailto:robin.lowe@bgam-uk.com)

Vanessa Levi  
☎ +44 20 3751 5422  
✉ [vanessa.levi@bgam-uk.com](mailto:vanessa.levi@bgam-uk.com)





## VII. ANNEXES ON BG FUND

Annex 1: Greeks	
Delta	3.7% 3.7 bps P&L variation for market +1%
Gamma	0.9% delta variation for market +1%
Vega	23 bps by vol point
Theta	-17 bps by 30 days
Optional theta	-37 bps by 30 days
Rho	0.8 bps for 1 bp of interest rates increasing
Credit sensitivity	-6.1 bps for 1% of credit spreads widening (in relative)

Annex 2: Performance Attribution *	
<b>Volatility Strategies</b>	<b>48 bps</b>
Mandatory convertible bond arbitrage	8 bps
Convertible bond arbitrage (incl. credit convertible bonds)	32 bps
Volatility trading	8 bps
Warrant arbitrage	1 bps
<b>Equity Strategies</b>	<b>34 bps</b>
Risk arbitrage / Special situations	77 bps
Long / short trading with short-term catalyst & Value	-43 bps
<b>Credit Strategies</b>	<b>-54 bps</b>
Credit long / short	10 bps
Capital structure arbitrage	0 bps
Credit special situations	-63 bps
<b>Trading</b>	<b>-44 bps</b>
<b>Total</b>	<b>-16 bps</b>

Annex 3: Equity at Risk **	
<b>Volatility Strategies</b>	<b>17.5%</b>
Mandatory convertible bond arbitrage	1.4%
Convertible bond arbitrage (incl. credit convertible bonds)	12.6%
Volatility trading	0.6%
Warrant arbitrage	3.0%
<b>Equity Strategies</b>	<b>26.1%</b>
Risk arbitrage / Special situations	16.7%
Long / short trading with short-term catalyst & Value	9.4%
<b>Credit Strategies</b>	<b>12.8%</b>
Credit long / short	7.3%
Capital structure arbitrage	0.0%
Credit special situations	5.5%
<b>Trading</b>	<b>11.8%</b>
Quantitative equity trading	7.8%
Systematic trend following	1.1%
Other	3.0%
<b>Cash Equivalents</b>	<b>0.0%</b>
<b>Total</b>	<b>68.2%</b>

\* 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)

<b>Volatility Strategies</b>		
	Long	9.9%
Mandatory convertible bond arbitrage	Short equity	7.8%
	Short credit	0.0%
	Long	67.3%
Convertible bond arbitrage (incl. credit convertible bonds)	Short equity	50.6%
	Short credit	0.0%
	Long	3.5%
Volatility trading	Short	4.3%
	Long	8.8%
Warrant arbitrage	Short	0.0%
	<b>Equity Strategies</b>	
Risk Arbitrage / Special Situations	Long	54.1%
	Short	22.4%
Long / Short trading with short-term catalyst / Value	Long	15.4%
	Short	15.7%
<b>Credit Strategies</b>		
Credit long / short	Long	8.3%
	Short	0.4%
Capital structure arbitrage	Long	0.0%
	Short	0.0%
Credit special situations	Long	9.2%
	Short	1.6%
<b>Trading</b>		
Quantitative equity trading	Long	32.4%
	Short	28.2%
Systematic trend following	Long	8.8%
	Short	16.8%
Other	Long	11.6%
	Short	8.2%
<b>Gross Exposure</b>		<b>385.3%</b>

	<b>Long</b>	<b>Short</b>
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)
<b>Sark Fund</b>														
2003	-	-	0.67%	0.70%	0.77%	0.94%	0.84%	0.97%	1.15%	1.46%	1.01%	0.15%	9.00%	<b>9.00%</b>
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%	<b>11.27%</b>
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%	<b>21.79%</b>
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%	<b>47.72%</b>
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%	<b>58.02%</b>
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%	<b>28.69%</b>
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%	<b>60.81%</b>
<b>BG Fund</b>														
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%	<b>76.77%</b>
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%	<b>67.86%</b>
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%	<b>82.12%</b>
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%	<b>103.17%</b>
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%	<b>111.75%</b>
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%	<b>134.56%</b>
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%	<b>153.39%</b>
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%	<b>172.97%</b>
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%	<b>165.33%</b>
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%	<b>180.91%</b>
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%	<b>216.09%</b>
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%	<b>252.81%</b>
2022	-2.95%	0.60%	-0.04%	1.47%	-1.23%	-0.47%	-2.79%	4.26%	-0.64%	-0.16%*			-2.12%*	<b>245.32%*</b>

*Annualized Net Return* 6.50%\*

### CHF A Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
<b>BG Fund</b>														
2022	-	-	-	-	-	-	-2.95%	3.91%	-0.70%	-0.40%*			-0.27%*	<b>-0.27%*</b>

*Annualized Net Return* -0.79%\*

\* 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)
<b>Sark Fund</b>														
2003	-	-	0.75%	0.76%	0.82%	1.04%	0.93%	1.06%	1.18%	1.55%	1.05%	0.17%	9.69%	<b>9.69%</b>
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%	<b>12.77%</b>
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%	<b>22.58%</b>
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%	<b>45.85%</b>
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%	<b>54.38%</b>
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%	<b>25.69%</b>
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%	<b>57.27%</b>
<b>BG Fund</b>														
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%	<b>72.31%</b>
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%	<b>63.56%</b>
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%	<b>76.84%</b>
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%	<b>96.85%</b>
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%	<b>105.30%</b>
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%	<b>127.06%</b>
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%	<b>142.74%</b>
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%	<b>157.24%</b>
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%	<b>143.11%</b>
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%	<b>151.89%</b>
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%	<b>181.06%</b>
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%	<b>211.81%</b>
2022	-3.05%	0.55%	-0.16%	1.45%	-1.34%	-0.67%	-3.06%	4.14%	-0.85%	-0.36%*			-3.49%*	<b>200.93%*</b>

**Annualized Net Return 5.76%\***

## GBP A Share Class

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
<b>BG Fund</b>														
2016	-	-	-	-	-	-	-	-	-	-	0.03%	1.26%	1.29%	<b>1.29%</b>
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%	<b>8.05%</b>
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%	<b>3.25%</b>
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%	<b>8.35%</b>
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%	<b>20.71%</b>
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%	<b>34.62%</b>
2022	-2.97%	0.64%	-0.07%	1.54%	-1.23%	-0.53%	-2.84%	4.38%	-0.72%	-0.20%*			-2.17%*	<b>31.70%*</b>

**Annualized Net Return 4.69%\***

\* 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	11.64%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	-0.21%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	1.30%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.98%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	<b>-1.43%</b>
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.61%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-0.19%
8	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-0.12%
9	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	0.80%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	2.07%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-0.18%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	0.73%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	1.98%
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	0.92%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y  1	2.29%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	3.31%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	4.31%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	2.41%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.39%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.39%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	2.41%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	4.94%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	5.71%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	6.74%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	12.14%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	12.89%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	13.66%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	5.27%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	6.04%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	7.03%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y  1	12.53%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y  1	13.28%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y  1	14.04%
	<b>Worst</b>		<b>-1.43%</b>

## 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	11.92%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	-2.41%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	1.30%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.98%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-1.43%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.61%
7	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-1.34%
8	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-2.76%
9	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	-6.55%
10	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	-7.92%
11	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-2.81%
12	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	-6.61%
13	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	<b>-8.00%</b>
14	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-2.64%
15	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	-6.43%
16	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	-7.71%
17	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	3.45%
18	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	4.45%
19	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	2.58%
20	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.27%
21	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.28%
22	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	-0.73%
23	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	5.08%
24	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	5.85%
25	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	6.88%
26	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	12.41%
27	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	13.17%
28	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	13.95%
29	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	5.41%
30	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	6.18%
31	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	7.17%
32	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	12.81%
33	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	13.56%
34	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	14.33%
	<b>Worst</b>		<b>-8.00%</b>

**Annex 7: IFRS 13 Classification as of 30 September 2022**

	<b>% of NAV</b>	<b>Number of positions</b>
<b>Assets</b>		
Level 1	42.2%	365
Level 2	49.2%	1129
Level 3	10.2%	69
Cash & cash equivalents	39.3%	5
<b>Total Assets</b>	<b>140.9%</b>	<b>1568</b>
<b>Liabilities</b>		
Level 1	-34.9%	195
Level 2	-6.1%	91
<b>Total Liabilities</b>	<b>-40.9%</b>	<b>286</b>
<b>Total Assets + Liabilities</b>	<b>100.0%</b>	<b>1854</b>

	<b>% of NAV</b>
• Encumbered cash and cash equivalents	
- Cash - Derivatives Clearing Organisation	-0.5%
- Cash - Counterparties	6.0%
- Money market fund	2.8%
- Cash covering a short market value	0.0%
• Unencumbered cash and cash equivalents	
- Cash covering a short market value	31.0%
- Short-term papers < 90 days	0.0%
- Excess cash	0.0%
<b>Total Cash and cash equivalents</b>	<b>39.3%</b>

## 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%	100%
Gross method	200%	100%



## 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