

**OVERVIEW**

**Estimated AUM** €334m

**Firm AUM** €1.7bn

**Share price** €24.00  
(discount to NAV: 11%)

BGHL is a closed-ended investment company which invests in BG Fund, Boussard & Gavaudan’s flagship fund with 20 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” <sup>(1)</sup>.

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.

<sup>(1)</sup> The risk-free rate is the combination of the Eonia Capitalization index 7 day (EONCAPL7 Index) from 11/2006 to 09/2019 and the Compounded Euro short-term rate index (ESTR OIS Index) from 10/2019 onwards.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
2023	-1.82%	0.08%	-2.36%	1.66%	-1.33%	0.20%	-1.61%	1.72%	0.31%*					<b>Annualized Performance</b>
2022	-3.11%	0.55%	-0.07%	1.42%	-1.36%	-0.68%	-3.07%	4.10%	-0.88%	-0.49%	-2.23%	1.03%	-4.90%	<b>+6.02%*</b> 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>
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%	<b>5.77%*</b> 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%	<b>Sharpe Ratio</b>
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>0.94*</b> 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%	<b>Beta to Euro Stoxx 50®</b>
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%	<b>(Total Return)</b>
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%	<b>0.04*</b> since inception
2006	-	-	-	-	-	-	-	-	-	-	2.27%	2.82%	5.15%	

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

**PERFORMANCE REVIEW**

BGHL and BG Fund ended the month up +0.31% (EUR share class) and +0.45% (USD A share class) respectively vs Euro Stoxx 50® Total Return (-2.79%).

		Equity Strategies Special Situations	Equity Strategies Catalyst & Value	Credit Strategies	Volatility Strategies	Trading Strategies
<b>BG Fund Capital Allocation</b>		21%	12%	34%	25%	9%
<b>BG Fund Performance</b>	Sep 2023	0.46%	0.22%	-0.01%	-0.05%	-0.17%
<b>Attribution</b>	Year-to-date	-2.26%	0.64%	1.42%	0.41%	-1.84%

**CORPORATE UPDATE**

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 3,634,338 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 12,422,502.

**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-us.com](mailto:robin.lowe@bgam-us.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 29<sup>th</sup> September 2023 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 30 September 2023

Net Asset Value (NAV)	Euro share	Sterling share
Estimated NAV*	€ 26.8817	£23.9100
Estimated month to date return*	0.31%	0.44%
Estimated year to date return*	-3.20%	-2.11%
Estimated inception to date return*	168.82%	139.10%

Market information	Amsterdam (AEX)	London (LSE)
EUR share Market close	€ 24.00	-
EUR share Premium / discount to estimated NAV	-10.72%	-
Sterling share Market close	-	£20.50
Sterling share Premium / discount to estimated NAV	-	-14.26%

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	12,296,208	126,294
Shares held in treasury	0	0
Shares outstanding	12,296,208	126,294

	BGHL
Total value of the investments of BGHL based on the estimated NAV for the shares outstanding	€ 334 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	€ 298 million

#### 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%	<b>5.15%</b>
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%	<b>11.00%</b>
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%	<b>-2.66%</b>
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%	<b>23.77%</b>
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%	<b>37.99%</b>
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%	<b>34.42%</b>
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%	<b>47.12%</b>
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>67.14%</b>
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%	<b>78.59%</b>
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%	<b>106.55%</b>
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>121.45%</b>
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%	<b>134.46%</b>
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%	<b>120.05%</b>
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>128.99%</b>
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%	<b>159.36%</b>
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%	<b>192.00%</b>
2022	-3.11%	0.55%	-0.07%	1.42%	-1.36%	-0.68%	-3.07%	4.10%	-0.88%	-0.49%	-2.23%	1.03%	-4.90%	<b>177.69%</b>
2023	-1.82%	0.01%	-2.36%	1.66%	-1.33%	0.20%	-1.61%	1.72%	0.31%*				-3.20%*	<b>168.82%*</b>
<b>BGHL GBP NAV</b>														
2008	-	-	-	-	-	-	-1.45%	-0.08%	-9.09%	0.16%	4.51%	3.69%	-2.84%	<b>-2.84%</b>
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%	<b>17.48%</b>
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%	<b>28.72%</b>
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%	<b>22.28%</b>
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%	<b>33.26%</b>
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%	<b>50.64%</b>
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%	<b>58.61%</b>
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%	<b>80.95%</b>
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%	<b>94.40%</b>
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%	<b>107.08%</b>
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%	<b>96.44%</b>
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%	<b>106.36%</b>
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%	<b>127.69</b>
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%	<b>153.05%</b>
2022	-3.03%	0.63%	-0.09%	1.51%	-1.25%	-0.55%	-2.85%	4.36%	-0.77%	-0.35%	-2.13%	1.21%	-3.47%	<b>144.26%</b>
2023	-1.70%	0.19%	-2.24%	1.76%	-1.18%	0.33%	-1.49%	1.86%	0.44%*				-2.11%*	<b>139.10%*</b>

\* 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 October 2023, 99.45% 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

#### September 2023 HIGHLIGHTS

The impact of sustained interest rate hikes weighed on equities markets in September. Markets in Europe and the US saw a steady downward trend with the EuroStoxx 50<sup>®</sup> Total Return and the S&P500<sup>®</sup> Total Return down -2.79% and -4.77% respectively over the month.

The sell off was orderly however and the market implied volatility measure VStoxx<sup>®</sup> increased marginally from 16.1% to 17.5% while credit spreads were slightly wider with the iTraxx Crossover<sup>®</sup> (S39) increasing across the month from 396bps to an implied 405bps (taking into the account the cash settlement on Casino on top of the index closing level of 369bps).

Against this market backdrop, BG Fund was up +45bps (USD A shares) during the month with positive returns coming from equity strategies, marginally held back by trading strategies and some repricing within credit special situations.

#### September 2023 COMMENTARY

##### Volatility strategies

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

Mandatory convertible bonds contributed +1bp this month.

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

Convertible bond strategies contributed -8bps to the fund performance in September with the majority of the weakness coming from Europe.

European CBs continued to suffer in a soft market context where both hedge and long-only funds were operating in wait-and-see mode due to general uncertainty over how long central banks will sustain the new higher interest rate environment.

September is historically the busiest month in Europe for new issuance however the primary markets have so far disappointed in terms of volume and pricing. New CB issuance has lagged so far in 2023 (€10bn YTD vs 3-year average of €13.5bn) and surprisingly the pricing for September's deals was also unattractive. We declined to participate and secondary trading saw these new issues fall by 2 to 4 implied volatility points. We remain convinced that a delayed backlog of new issuance must start to hit the street soon, as companies look to get ahead of the coming refinancing wall and cheapen their debt burden through selling vol.

US convertible arbitrage managed to tread water this month, delivering quite decent outperformance in a month where the 5-year yield rose from 4.25% to 4.60% and HY CDX spreads widened from 425bps to 480bps. There was also a fair amount of new issues coming to the market, although none of the new issues were particularly interesting and almost all traded flat in delta-neutral terms on day one.

## Volatility Trading

Volatility trading was flat in September.

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

	30d Implied vol level on 31/08/23	Realised vol over the month	Difference
<b>US (VIX®)</b>	13.57	11.33	-2.24
<b>EUROPE (Vstoxx®)</b>	16.06	11.38	-4.68

Variation of implied volatilities during September \*:

	Oct. Vol Index Fut as of 31/08/23	Oct. Vol Index Fut as of 29/09/23	Vol move
<b>US (VIX®)</b>	16.37	17.77	1.40
<b>EUROPE (Vstoxx®)</b>	17.10	17.70	0.60

The month proved to be quite uneventful, continuing the summer trend of a low regime volatility punctuated by a few minor blips.

Managing the negative carry of our long gamma positions remained a challenge however, there was a glimmer of activity towards the end of the month, as volatility picked up slightly following the Federal Reserve meeting.

While the overall tone remained subdued, we continue to monitor the markets closely for potential shifts and opportunities.

## Warrant arbitrage

Warrant arbitrage was almost flat (+1bp) in September.

## Equity strategies

In September equity strategies returned +68bps, primarily driven by risk arbitrage.

There were a welcome series of positive news on several risk arbitrage situations, which led to spread tightening:

- Amgen finally reached an agreement with the US FTC on the Horizon Therapeutics takeover which will now close on 6th October.
- The UK CMA said they are minded to approve the Activision takeover by Microsoft after the new concessions that were proposed.
- The takeover of VM Ware by Broadcom is progressing and, although it is still awaiting Chinese regulatory approval, we and the market are not expecting this to be a major roadblock.

Overall we have seen numerous green shoots of corporate activity coming back and notably the return of private equity bidders in competitive situations. Several notable new deals have emerged: an announced merger of Westrock and Smurfit Kappa, an approach by Blackstone and Permira for Adevinata, and discussions between ADNOC and Covestro for a potential takeover.

As well as a reappearance of M&A activity we are also seeing the emergence of new primary and secondary trading opportunities as corporates are starting to raise capital following the sustained tightening of financing conditions.

---

\* Source: Bloomberg

## Credit strategies

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

Credit long short contributed (+11bps) in September. Despite drifting wider credit markets overall exhibited general resilience this month. There was even a significant improvement in the last week of trading, primarily attributed to the index roll. Cash markets followed a similar pattern, although there were a few exceptions on specific companies. ATOS for example raised concerns about potential roadblocks in the restructuring process during their shareholder meeting and consequently saw a sharp sell off in their bonds.

Conversely CGG was a good illustration of idiosyncratic credit resilience and it contributed a nice positive performance in September.

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

Credit special situations was down slightly (-12bps) in September with negative contributions from re-marks on some specific positions where a debt restructuring process is potentially starting or underway. We are encouraged by this dynamic. We see idiosyncratic upside to come from our existing book and it is a precursor to further special situations we are confident will start to arrive.

## Trading

Trading contributed -17bps in September. Systematic Trend Following was down marginally: a sell off in treasuries and continuing trends in energy, commodities and certain agriculturals were again positive contributors however, these gains were offset by a higher US dollar and weakening equity indices due to rising risk-off sentiment. Macro trading was slightly up in September. We benefitted from our positioning around the fact that policy makers were starting to become constrained, the Bank of England would not be able to raise rates any further and the ECB would also end its hiking cycle. We continue to monitor liquidity and fiscal conditions very closely to assess the extent of the current business cycle.

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

On top of its investment in BG Fund, BGHL has other investments. As of 30 September 2023, the net asset value of these investments represents less than 1.00% of the net asset value of BGHL.

### **Rasa Malta, S.A.P.I. de C.V. (“Rasa”)**

Rasa is a holding company structured as a private equity fund in terms of fees and organisation and managed by BK Partners. BGHL holds Rasa shares through Campastros, S.L.U., a wholly-owned holding company in Spain. Rasa is dedicated to investing in land, hotels and high-end resort developments in Mexico. Rasa’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, Rasa 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 Rasa shares was marked down on 31 August 2020, using the US\$0.12270 per share price as the estimated fair value of the Rasa 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 October 2023, BG Fund assets under management are €1.57bn.

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  
☎ +1 212 837 2302  
✉ [robin.lowe@bgam-us.com](mailto:robin.lowe@bgam-us.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	7.8% 7.8 bps P&L variation for market +1%
Gamma	1.2% delta variation for market +1%
Vega Mat Weighted	26.45 bps by vol point
CBs contribution to Vega Mat Weighted	8.93 bps by vol point
Optional theta	-33.7 bps by 30 days
Rho	0.6 bps for 1% of interest rates increasing
Credit sensitivity	-5.4 bps for 1% of credit spreads widening (in relative)
Annex 2: Performance Attribution *	
<b>Volatility Strategies</b>	<b>-5 bps</b>
Mandatory convertible bond arbitrage	1 bps
Convertible bond arbitrage (incl. credit convertible bonds)	-8 bps
Volatility trading	0 bps
Warrant arbitrage	1 bps
<b>Equity Strategies</b>	<b>68 bps</b>
Risk arbitrage / Special situations	46 bps
Long / short trading with short-term catalyst & Value	22 bps
<b>Credit Strategies</b>	<b>-1 bps</b>
Credit long / short	11 bps
Credit special situations	-12 bps
<b>Trading</b>	<b>-17 bps</b>
<b>Total</b>	<b>45 bps</b>
Annex 3: Equity at Risk	
<b>Volatility Strategies</b>	<b>15.1%</b>
Mandatory convertible bond arbitrage	2.9%
Convertible bond arbitrage (incl. credit convertible bonds)	9.7%
Volatility trading	1.8%
Warrant arbitrage	0.7%
<b>Equity Strategies</b>	<b>20.0%</b>
Risk arbitrage / Special situations	12.6%
Long / short trading with short-term catalyst & Value	7.4%
<b>Credit Strategies</b>	<b>20.6%</b>
Credit long / short	12.2%
Credit special situations	8.4%
<b>Trading</b>	<b>5.2%</b>
<b>Cash Equivalents</b>	<b>0.1%</b>
<b>Total</b>	<b>61.0%</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>			<b>171.5%</b>
Mandatory convertible bond arbitrage	Long		20.2%
	Short equity		11.2%
	Short credit		0.0%
Convertible bond arbitrage (incl. credit convertible bonds)	Long		54.4%
	Short equity		46.0%
	Short credit		0.0%
Volatility trading	Long		18.3%
	Short		19.3%
Warrant arbitrage	Long		2.1%
	Short		0.0%
<b>Equity Strategies</b>			<b>97.3%</b>
Risk Arbitrage / Special Situations	Long		44.6%
	Short		19.1%
Long / Short trading with short-term catalyst / Value	Long		16.6%
	Short		17.0%
<b>Credit Strategies</b>			<b>32.2%</b>
Credit long / short	Long		15.4%
	Short		2.1%
Credit special situations	Long		12.7%
	Short		2.0%
<b>Trading</b>			<b>122.9%</b>
	Long		55.5%
	Short		67.4%
<b>Gross Exposure</b>			<b>423.9%</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%	-0.28%	-2.13%	1.31%	-3.05%	<b>242.04%</b>
2023	-1.67%	0.27%	-2.18%	1.86%	-1.10%	0.40%	-1.48%	1.90%	0.45%*				-1.63%*	<b>236.47%*</b>

**Annualized Net Return 6.07%\***

### 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%	-0.51%	-2.32%	0.88%	-1.84%	<b>-1.84%</b>
2023	-1.95%	-0.02%	-2.50%	1.52%	-1.46%	0.03%	-1.71%	1.55%	0.15%*				-4.40%*	<b>-6.17%*</b>

**Annualized Net Return -4.97%\***

\* 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%	-0.47%	-2.24%	1.05%	-4.77%	<b>196.95%</b>
2023	-1.84%	0.09%	-2.36%	1.68%	-1.31%	0.22%	-1.60%	1.75%	0.32%*				-3.09%*	<b>187.78%*</b>

**Annualized Net Return** 5.27%\*

## 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%	-0.31%	-2.13%	1.24%	-3.17%	<b>30.35%</b>
2023	-1.71%	0.21%	-2.23%	1.78%	-1.17%	0.34%	-1.48%	1.89%	0.45%*				-1.99%*	<b>27.76%*</b>

**Annualized Net Return** 3.61%\*

\* 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	1.01%
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	0.79%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.77%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-1.32%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.42%
7	Rates Up	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : -0.5	-0.25%
8	Rates Down	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : 0.5	0.27%
9	Rates Up (<2y => +0.5 & >2y => +1)	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : <2y 0.5 >2y 1	0.00%
10	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-0.39%
11	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-0.54%
12	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	-0.18%
13	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	0.38%
14	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-0.80%
15	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	-0.44%
16	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	-0.13%
17	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-0.26%
18	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	0.10%
19	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	0.43%
20	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.87%
21	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	-0.10%
22	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	<b>-1.61%</b>
23	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.19%
24	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	0.41%
25	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	2.00%
26	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.07%
27	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.84%
28	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	2.64%
29	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.63%
30	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	2.41%
31	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	3.20%
32	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	1.34%
33	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	2.11%
34	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	2.90%
35	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	1.66%
36	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	2.43%
37	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	3.21%
	<b>Worst</b>		<b>-1.61%</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	1.72%
2	Delta - spot down	Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0	-1.71%
3	Vega - vol up	Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0	0.79%
4	Vega - vol down	Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0	-0.77%
5	Credit spread widen	Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0	-1.32%
6	Credit spread tighten	Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0	1.42%
7	Rates Up	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : -0.5	-0.25%
8	Rates Down	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : 0.5	0.27%
9	Rates Up (<2y => +0.5 & >2y => +1)	Spot : 0% ; Credit : 0% ; Vol : 0% ; Rates : <2y 0.5 >2y 1	0.00%
10	Market crash 0.5	Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0	-1.23%
11	Market crash 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0	-4.41%
12	Market crash 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0	-7.58%
13	Market crash 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0	-8.99%
14	Market crash, rates down 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5	-4.66%
15	Market crash, rates down 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5	-7.83%
16	Market crash, rates down 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1	<b>-9.49%</b>
17	Market crash, rates up 1	Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5	-4.14%
18	Market crash, rates up 2	Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5	-7.31%
19	Market crash, rates up 3	Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1	-8.96%
20	Equity Credit decorrelation 1	Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0	-0.51%
21	Equity Credit decorrelation 2	Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0	0.26%
22	Equity Credit decorrelation 3	Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0	-1.26%
23	Equity Credit decorrelation 4	Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0	0.40%
24	Equity Credit decorrelation 5	Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.19%
25	Equity Credit decorrelation 6	Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0	-0.36%
26	Market rally 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0	1.42%
27	Market rally 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0	2.20%
28	Market rally 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0	3.00%
29	Market rally 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0	2.33%
30	Market rally 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0	3.11%
31	Market rally 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0	3.91%
32	Market rally, Inflation 1	Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5	1.69%
33	Market rally, Inflation 2	Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5	2.46%
34	Market rally, Inflation 3	Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5	3.26%
35	Market rally, Inflation 4	Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1	2.36%
36	Market rally, Inflation 5	Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1	3.13%
37	Market rally, Inflation 6	Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1	3.92%
<b>Worst</b>			<b>-9.49%</b>

**Annex 7: IFRS 13 Classification as of 31 August 2023**

	<b>% of NAV</b>	<b>Number of positions</b>
<b>Assets</b>		
Level 1	49.9%	260
Level 2	60.7%	1208
Level 3	13.8%	50
Cash & cash equivalents	25.9%	5
<b>Total Assets</b>	<b>150.2%</b>	<b>1523</b>
<b>Liabilities</b>		
Level 1	-41.2%	304
Level 2	-9.0%	150
<b>Total Liabilities</b>	<b>-50.2%</b>	<b>454</b>
<b>Total Assets + Liabilities</b>	<b>100.0%</b>	<b>1977</b>

	<b>% of NAV</b>
• Encumbered cash and cash equivalents	
- Cash - Derivatives Clearing Organisation	1.8%
- Cash - Counterparties	6.5%
- Money market fund	2.1%
- Cash covering a short market value	0.0%
• Unencumbered cash and cash equivalents	
- Cash covering a short market value	15.4%
- Short-term papers < 90 days	0.0%
- Excess cash	0.0%
<b>Total Cash and cash equivalents</b>	<b>25.9%</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