

OVERVIEW

Estimated AUM €356m

Firm AUM €2.6bn

Share price €23.10
(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 | -3.11% | 0.64%* | | | | | | | | | | | -2.49%* | 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 up +0.64% (EUR share class) and +0.67% (USD A share class) respectively vs Euro Stoxx 50® Total Return (-5.92%).

| | | Equity Strategies Special Situations | Equity Strategies Catalyst & Value | Credit Strategies | Volatility Strategies | Trading Strategies |
|-----------------------------------|--------------|---|---------------------------------------|-------------------|-----------------------|--------------------|
| BG Fund Capital Allocation | | 29% | 14% | 18% | 20% | 19% |
| BG Fund Performance | Feb 2022 | -0.30% | 0.34% | -0.18% | 0.18% | 0.63% |
| Attribution | Year-to-date | -0.78% | -0.10% | -0.02% | -0.05% | -1.35% |

CORPORATE UPDATE

Since the restart of the share buyback program on 17 December 2019, the firm has bought back 3,545,106 shares. The current number of shares outstanding excluding treasury shares for both the EUR and GBP share classes is 12,511,675.

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Risk warning: Past performance is no guide to future performance. The value of holdings may fall as well as rise and investors may not get back their initial investment. Performance displayed is for the EUR share class net of fees with income reinvested and is calculated on a NAV to NAV basis. Performance data is estimated and unaudited. All figures are correct as of 28th February 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 28 February 2022

| Net Asset Value (NAV) | Euro share | Sterling share |
|-------------------------------------|------------|----------------|
| Estimated NAV* | € 28.4737 | £24.7123 |
| Estimated month to date return* | 0.64% | 0.71% |
| Estimated year to date return* | -2.49% | -2.34% |
| Estimated inception to date return* | 184.74% | 147.12% |

| Market information | Amsterdam (AEX) | London (LSE) |
|--|-----------------|--------------|
| EUR share Market close | € 23.10 | - |
| EUR share Premium / discount to estimated NAV | -18.87% | - |
| Sterling share Market close | - | £20.00 |
| Sterling share Premium / discount to estimated NAV | - | -19.07% |

| Transactions in own securities purchased into treasury | Euro share | Sterling share |
|--|------------|----------------|
| Number of shares | 5,640 | - |
| Average Price | € 23.12 | - |
| Range of Price | - | - |

| Ordinary Shares | Euro share | Sterling share |
|-------------------------|------------|----------------|
| Shares issued | 12,387,061 | 130,254 |
| Shares held in treasury | 5,640 | 0 |
| Shares outstanding | 12,381,421 | 130,254 |

| | BGHL |
|--|---------------|
| Total value of the investments of BGHL based on the estimated NAV for the shares outstanding | € 356 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 | € 289 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 | -3.11% | 0.64%* | | | | | | | | | | | -2.49%* | 184.74%* | |
| 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 | -3.03% | 0.71%* | | | | | | | | | | | -2.34%* | 147.12%* | |

* 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 March 2022, 99.14% 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 came under significant selling pressure this month, with the Euro Stoxx 50® Total Return falling -5.9% impacted by the invasion of Ukraine by Russia which has shaken markets. Similar stress started to show in credit markets with the iTraxx Crossover® (S36) widening to 345bps from 286bps at the end of January and the market implied volatility measure VStoxx® jumping from 27.0% to 35.3%.

Against this backdrop BG Fund was up +67bps in February with positive returns from trading strategies, convertibles and volatility, with overall performance held back by specific special situations in credit and equities.

The Ukraine/Russia situation continues to generate a lot of uncertainty and market volatility. We are very closely monitoring risk. The Fund has zero direct exposure to Russian or Ukrainian equity, debt or currency. The fund continues to roll down and forward its optionality. In combination with the risk environment, we are also mindful of potential market overreaction on certain situations. The BG Fund has robust levels of excess margin and unencumbered cash, and we will look to deploy capital to specific positions within arbitrage and hard catalyst events when/if dislocations reach extreme levels.

JANUARY COMMENTARY

Volatility strategies

Mandatory convertible bond arbitrage

Mandatory convertible bond arbitrage was flat in February in a lackluster secondary market. There was no primary activity during this period in Europe.

Convertible bond arbitrage

Convertible bonds (excl. mandatories) contributed +9bps to the performance of the fund in February.

The earnings season for most European convertible issuers was relatively weak. A disappointment on earnings generally led to a meaningful sell-off in the respective stock. This notwithstanding our convertible bonds were overall positive with most of the performance coming from US exposures.

In general, in US convertible bonds February was a challenging month with bad sentiment pervading the market which was rocked by large moves in underlying stocks. This was due a combination of different factors: earnings releases, the first days of the Ukraine conflict, and the large upward moves in interest rates. All of these contributed to material downward moves in stocks, however our in-the-money portfolio held up very well in what was a difficult month.

Volatility Trading

Volatility trading contributed +9bps to the performance of the fund in February.

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

| | 30d Implied vol level on 31/01/22 | Realised vol over the month | Difference |
|----|-----------------------------------|-----------------------------|------------|
| US | 24.83 | 23.23 | -1.60 |

* Source: Bloomberg

| | | | |
|--------|-------|-------|------|
| EUROPE | 27.00 | 27.03 | 0.03 |
|--------|-------|-------|------|

Variation of implied volatility during February *:

| | Mar. Vol Index Fut as of 31/01/22 | Mar. Vol Index Fut as of 28/02/22 | Vol move |
|--------|-----------------------------------|-----------------------------------|----------|
| US | 25.54 | 28.61 | 3.07 |
| Europe | 26.05 | 30.10 | 4.05 |

Realised volatility over the month was roughly in line with the implied forward at the start of the month. This enabled us to generate some nice positive carry in the portfolio with active gamma trading over the month. Implied volatility also repriced higher over the month. At this stage there does not appear to be a real panic in the volatility space and though we are seeing protection buying the skew was already very rich before the market started to drift lower.

Our dispersion positions, which are mainly in US names, also helped out and generated some decent moves around earnings.

Warrant arbitrage

P&L contribution from warrant arbitrage and SPACs was flat this month.

Equity strategies

In February, equity strategies were slightly positive (+4bps), holding up well in a difficult market with support provided by its long gamma profile.

Playtech made a strong positive contribution in February. After Aristocrat Leisure's bid lapsed, as mentioned in last month's newsletter, TTB an Asian-backed investor have announced they are contemplating a new bid for the company. Following this, Mor Weizer, Playtech CEO, along with Tom Hall, a former CEO, have announced that they had approached TTB to participate in the investor group bidding for the company. This should bring more credibility and increase the likelihood of a formal offer being put forward and accepted.

The portfolio also profited from its position in Carrefour, following a set of positive results and the announcement of a new share buyback program.

One of the big negative contributors was our position in German utility company Uniper. The stock was materially impacted by the Russia/Ukraine crisis given its exposure to Nordstream 2 as well as a Russia listed subsidiary Unipro, and general concerns around continuity of gas supplies to Europe. While the backdrop for Russia/Ukraine remains very uncertain, we remain constructive on the outlook for Uniper as the majority of its assets are in Western Europe. These include significant hydro power and other generation assets which are going to become increasingly important for the security of energy supply to Central and Northern Europe.

Finally, the portfolio was hit on its position in Clariant, which delayed publication of its full year results. The delay is due to an investigation into profit provisioning for 2020 and 2021 which may require restatement. The investigation was started in October and should be concluded very soon. The share price impact appears very large versus the likely economic impact of the potential restatements.

Credit strategies

Capital Structure Arbitrage

Capital structure arbitrage was flat this month.

Credit long / short

Credit long / short contributed +3bps in February. The high yield crossover index widened +59bps to 345bps on geopolitical concerns. Our position in CGG suffered slightly but was helped by increasing oil prices (+9% in February) and it was a clear outperformer with a credit spread widening of only 30bps (CGG Z-spreads widened from 720 to 750bps).

Credit special situations

Credit special situations contributed -21bps, mainly impacted by KCA Deutag. We expect the business overall to benefit from the continuing rise in oil prices, however it has some Russian operations which have consequently led to a near term markdown.

Trading

Trading contributed +63bps in February led by the systematic trend-following and equity quantitative trading.

February was a very favorable month for systematic trend-following, which benefited primarily from the continued rise in rates (although this movement slowed at the end of the month) as well as strong returns in commodities. These were concentrated in grains, lumber, and metals, with strong contributions also from the energy sector. Currencies did not show a decisive trend, but the model made some small profits as it switched allocations while stock market indices continued their correction and delivered small losses.

The equity quantitative strategy was profitable over the month benefitting from the risk-off environment triggered by the Russian invasion of Ukraine. While the strategy had started rotating into more cyclical stocks, it still maintained a defensive risk profile and the portfolio construction ensures limited sector bias and good diversification. That proved invaluable as banks that were among the top performers at the beginning of the year performed very poorly in this risk-off phase.

Macro trading was slightly positive in February as we continued to reduce risk exposure during the month. We are adopting a very tactical approach.

B. DIRECT INVESTMENTS OTHER THAN BG FUND

On top of its investment in BG Fund, BGHL has other investments. As of 28 February 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 March 2022, BG Fund assets under management are €2.29bn.

The annual and quarterly ESG reports are made available to investors on request.

Sincerely,

E. Boussard and E. Gavaudan

Investment Manager

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VII. ANNEXES ON BG FUND

| Annex 1: Greeks | |
|--------------------|--|
| Delta | -0.7% -0.7 bps P&L variation for market +1% |
| Gamma | 1.2% delta variation for market +1% |
| Vega | 15 bps by vol point |
| Theta | -39 bps by 30 days |
| Optional theta | -48 bps by 30 days |
| Rho | 1.5 bps for 1 bp of interest rates increasing |
| Credit sensitivity | -3.5 bps for 1% of credit spreads widening (in relative) |

| Annex 2: Performance Attribution * | |
|---|----------------|
| Volatility Strategies | 18 bps |
| Mandatory convertible bond arbitrage | 0 bps |
| Convertible bond arbitrage (incl. credit convertible bonds) | 9 bps |
| Volatility trading | 9 bps |
| Warrant arbitrage | 0 bps |
| Equity Strategies | 4 bps |
| Risk arbitrage / Special situations | -30 bps |
| Long / short trading with short-term catalyst & Value | 34 bps |
| Credit Strategies | -18 bps |
| Credit long / short | 3 bps |
| Capital structure arbitrage | 0 bps |
| Credit special situations | -21 bps |
| Trading | 63 bps |
| Total | 67 bps |

| Annex 3: Equity at Risk ** | |
|---|--------------|
| Volatility Strategies | 13.7% |
| Mandatory convertible bond arbitrage | 2.3% |
| Convertible bond arbitrage (incl. credit convertible bonds) | 6.8% |
| Volatility trading | 0.5% |
| Warrant arbitrage | 4.1% |
| Equity Strategies | 29.8% |
| Risk arbitrage / Special situations | 20.1% |
| Long / short trading with short-term catalyst & Value | 9.7% |
| Credit Strategies | 12.8% |
| Credit long / short | 8.0% |
| Capital structure arbitrage | 0.0% |
| Credit special situations | 4.8% |
| Trading | 13.3% |
| Quantitative equity trading | 8.1% |
| Systematic trend following | 2.0% |
| Other | 3.3% |
| Cash Equivalents | 0.1% |
| Total | 69.7% |

* 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 | 9.1% |
| | Short credit | 0.0% |
| | Long | 42.5% |
| Convertible bond arbitrage (incl. credit convertible bonds) | Short equity | 34.0% |
| | Short credit | 0.0% |
| | Long | 4.4% |
| Volatility trading | Short | 5.5% |
| | Long | 9.4% |
| Warrant arbitrage | Short | 0.0% |
| Equity Strategies | | |
| | Long | 73.0% |
| Risk Arbitrage / Special Situations | Short | 35.4% |
| | Long | 17.2% |
| Long / Short trading with short-term catalyst / Value | Short | 15.3% |
| Credit Strategies | | |
| | Long | 8.7% |
| Credit long / short | Short | 0.2% |
| | Long | 0.0% |
| Capital structure arbitrage | Short | 0.0% |
| | Long | 5.9% |
| Credit special situations | Short | 0.5% |
| Trading | | |
| | Long | 34.0% |
| Quantitative equity trading | Short | 33.6% |
| | Long | 13.8% |
| Systematic trend following | Short | 42.0% |
| | Long | 11.9% |
| Other | Short | 8.4% |
| Gross Exposure | | 413.3% |

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

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

USD A Share Class

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | ITD (4) |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|---------|-----------------|
| Sark Fund | | | | | | | | | | | | | | |
| 2003 | - | - | 0.67% | 0.70% | 0.77% | 0.94% | 0.84% | 0.97% | 1.15% | 1.46% | 1.01% | 0.15% | 9.00% | 9.00% |
| 2004 | 1.00% | -0.17% | 0.96% | 0.13% | 0.07% | -0.35% | -0.47% | -0.47% | -0.24% | -0.59% | 1.16% | 1.06% | 2.08% | 11.27% |
| 2005 | 1.66% | 1.08% | 1.09% | -0.64% | 0.31% | 1.30% | 1.22% | 0.62% | 1.06% | -0.32% | 0.81% | 0.89% | 9.45% | 21.79% |
| 2006 | -0.01% | 1.64% | 1.78% | 1.08% | -0.29% | 1.49% | 0.56% | 1.74% | 2.83% | 3.06% | 2.64% | 3.01% | 21.29% | 47.72% |
| 2007 | 3.19% | 1.58% | 4.82% | 0.89% | 1.45% | -2.15% | 0.97% | -2.12% | -0.22% | 1.92% | -2.13% | -1.17% | 6.97% | 58.02% |
| 2008 | -2.12% | -0.07% | -2.57% | 1.02% | 0.98% | -2.52% | -1.50% | 0.21% | -10.63% | 0.16% | -2.97% | 0.22% | -18.56% | 28.69% |
| 2009 | 1.71% | -0.31% | 0.84% | 4.87% | 4.29% | 0.72% | 2.01% | 3.26% | 3.48% | 1.11% | 0.21% | 0.46% | 24.96% | 60.81% |
| BG Fund | | | | | | | | | | | | | | |
| 2010 | 1.24% | 0.36% | 1.58% | 0.73% | -1.41% | 0.77% | 2.16% | -0.33% | 0.67% | 2.05% | -0.15% | 1.88% | 9.92% | 76.77% |
| 2011 | 0.65% | 0.35% | 1.93% | -0.15% | -0.12% | -1.35% | -1.00% | -0.30% | -2.72% | 2.56% | -4.41% | -0.40% | -5.04% | 67.86% |
| 2012 | 4.03% | 2.13% | -0.23% | 0.49% | -0.66% | -0.26% | 0.14% | 1.08% | 0.01% | 0.87% | 0.46% | 0.20% | 8.49% | 82.12% |
| 2013 | 0.84% | 0.65% | -0.69% | 0.28% | 1.19% | 0.73% | 1.02% | 0.48% | 1.16% | 1.23% | 1.97% | 2.17% | 11.56% | 103.17% |
| 2014 | 2.41% | 0.06% | -1.01% | 0.60% | 1.18% | -1.07% | 0.20% | 0.85% | -0.69% | -0.34% | 1.76% | 0.25% | 4.23% | 111.75% |
| 2015 | 2.10% | 0.87% | -0.20% | 1.01% | 1.76% | -1.72% | 2.60% | 0.81% | -0.97% | 0.51% | 2.47% | 1.12% | 10.77% | 134.56% |
| 2016 | 0.05% | 2.04% | 1.35% | 0.86% | 1.64% | -0.55% | 1.16% | 0.52% | 0.14% | -0.81% | 0.03% | 1.35% | 8.03% | 153.39% |
| 2017 | 0.63% | 1.59% | 0.38% | 3.93% | 1.42% | 0.09% | 0.34% | 0.05% | -0.36% | 0.01% | -0.96% | 0.41% | 7.73% | 172.97% |
| 2018 | 0.82% | 1.37% | -0.34% | -0.35% | 0.24% | -0.03% | -2.20% | 0.42% | 0.56% | -1.74% | -1.04% | -0.48% | -2.80% | 165.33% |
| 2019 | -0.10% | -0.28% | 1.19% | -0.42% | 0.82% | 1.13% | 1.69% | 1.34% | -1.03% | -0.19% | 0.80% | 0.79% | 5.87% | 180.91% |
| 2020 | 0.91% | 2.08% | -9.61% | 4.99% | 1.42% | 1.54% | 0.92% | 0.05% | 1.83% | 1.38% | 4.32% | 2.79% | 12.52% | 216.09% |
| 2021 | 0.64% | 0.43% | -0.01% | 2.71% | -0.25% | 0.01% | 0.32% | 0.67% | 1.75% | 2.78% | 1.79% | 0.26% | 11.62% | 252.81% |
| 2022 | -2.95% | 0.67%* | | | | | | | | | | | -2.30%* | 244.71%* |

Annualized Net Return 6.73%*

* 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 | -3.05% | 0.62%* | | | | | | | | | | | -2.44%* | 204.18%* |

Annualized Net Return **6.03%***

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 | -2.97% | 0.71%* | | | | | | | | | | | -2.28%* | 31.55%* |

Annualized Net Return **5.28%***

* 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 | 0.56% |
| 2 | Delta - spot down | Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0 | 0.62% |
| 3 | Vega - vol up | Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0 | 0.67% |
| 4 | Vega - vol down | Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0 | -0.64% |
| 5 | Credit spread widen | Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.82% |
| 6 | Credit spread tighten | Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.88% |
| 7 | Market crash 0.5 | Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0 | 0.32% |
| 8 | Market crash 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0 | 0.87% |
| 9 | Market crash 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0 | 2.47% |
| 10 | Market crash 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0 | 4.09% |
| 11 | Market crash, rates down 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5 | 0.53% |
| 12 | Market crash, rates down 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5 | 2.14% |
| 13 | Market crash, rates down 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1 | 3.67% |
| 14 | Market crash, rates up 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5 | 1.37% |
| 15 | Market crash, rates up 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5 | 2.97% |
| 16 | Market crash, rates up 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1 | 4.55% |
| 17 | Equity Credit decorrelation 1 | Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.68% |
| 18 | Equity Credit decorrelation 2 | Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0 | -0.02% |
| 19 | Equity Credit decorrelation 3 | Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0 | -1.29% |
| 20 | Equity Credit decorrelation 4 | Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.06% |
| 21 | Equity Credit decorrelation 5 | Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.43% |
| 22 | Equity Credit decorrelation 6 | Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.73% |
| 23 | Market rally 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.36% |
| 24 | Market rally 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.00% |
| 25 | Market rally 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.68% |
| 26 | Market rally 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.80% |
| 27 | Market rally 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.41% |
| 28 | Market rally 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 2.07% |
| 29 | Market rally, Inflation 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5 | 0.86% |
| 30 | Market rally, Inflation 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5 | 1.49% |
| 31 | Market rally, Inflation 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5 | 2.17% |
| 32 | Market rally, Inflation 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1 | 1.37% |
| 33 | Market rally, Inflation 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1 | 1.97% |
| 34 | Market rally, Inflation 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1 | 2.62% |
| | Worst | | -1.29% |

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 | 1.00% |
| 2 | Delta - spot down | Spot : -10% ; Credit : 0% ; Vol : 0% ; Rates : 0 | -2.49% |
| 3 | Vega - vol up | Spot : 0% ; Credit : 0% ; Vol : 10% ; Rates : 0 | 0.67% |
| 4 | Vega - vol down | Spot : 0% ; Credit : 0% ; Vol : -10% ; Rates : 0 | -0.64% |
| 5 | Credit spread widen | Spot : 0% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.82% |
| 6 | Credit spread tighten | Spot : 0% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 0.88% |
| 7 | Market crash 0.5 | Spot : -5% ; Credit : 25% ; Vol : 15% ; Rates : 0 | -1.25% |
| 8 | Market crash 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0 | -2.40% |
| 9 | Market crash 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0 | -6.48% |
| 10 | Market crash 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : 0 | -8.03% |
| 11 | Market crash, rates down 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : -0.5 | -2.74% |
| 12 | Market crash, rates down 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : -0.5 | -6.81% |
| 13 | Market crash, rates down 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : -1 | -8.54% |
| 14 | Market crash, rates up 1 | Spot : -10% ; Credit : 50% ; Vol : 30% ; Rates : 0.5 | -1.91% |
| 15 | Market crash, rates up 2 | Spot : -20% ; Credit : 75% ; Vol : 50% ; Rates : 0.5 | -5.99% |
| 16 | Market crash, rates up 3 | Spot : -30% ; Credit : 100% ; Vol : 70% ; Rates : <2y 0.5,>2y 1 | -7.46% |
| 17 | Equity Credit decorrelation 1 | Spot : 5% ; Credit : 25% ; Vol : 0% ; Rates : 0 | -0.45% |
| 18 | Equity Credit decorrelation 2 | Spot : 5% ; Credit : 25% ; Vol : 10% ; Rates : 0 | 0.21% |
| 19 | Equity Credit decorrelation 3 | Spot : 5% ; Credit : 25% ; Vol : -10% ; Rates : 0 | -1.07% |
| 20 | Equity Credit decorrelation 4 | Spot : -5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | -0.49% |
| 21 | Equity Credit decorrelation 5 | Spot : -5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.17% |
| 22 | Equity Credit decorrelation 6 | Spot : -5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | -1.12% |
| 23 | Market rally 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 0.58% |
| 24 | Market rally 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.22% |
| 25 | Market rally 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 1.91% |
| 26 | Market rally 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : 0 | 1.25% |
| 27 | Market rally 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : 0 | 1.86% |
| 28 | Market rally 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : 0 | 2.52% |
| 29 | Market rally, Inflation 1 | Spot : 5% ; Credit : -25% ; Vol : -10% ; Rates : 0.5 | 1.08% |
| 30 | Market rally, Inflation 2 | Spot : 5% ; Credit : -25% ; Vol : 0% ; Rates : 0.5 | 1.72% |
| 31 | Market rally, Inflation 3 | Spot : 5% ; Credit : -25% ; Vol : 10% ; Rates : 0.5 | 2.40% |
| 32 | Market rally, Inflation 4 | Spot : 10% ; Credit : -25% ; Vol : -10% ; Rates : <2y 0.5,>2y 1 | 1.81% |
| 33 | Market rally, Inflation 5 | Spot : 10% ; Credit : -25% ; Vol : 0% ; Rates : <2y 0.5,>2y 1 | 2.42% |
| 34 | Market rally, Inflation 6 | Spot : 10% ; Credit : -25% ; Vol : 10% ; Rates : <2y 0.5,>2y 1 | 3.07% |
| | Worst | | -8.54% |

Annex 7: IFRS 13 Classification as of 31 January 2022

| | % of NAV | Number of positions |
|-----------------------------------|---------------|---------------------|
| Assets | | |
| Level 1 | 61.7% | 339 |
| Level 2 | 34.3% | 1036 |
| Level 3 | 13.1% | 92 |
| Cash & cash equivalents | 25.6% | 3 |
| Total Assets | 134.7% | 1470 |
| Liabilities | | |
| Level 1 | -30.1% | 181 |
| Level 2 | -4.6% | 68 |
| Total Liabilities | -34.7% | 249 |
| Total Assets + Liabilities | 100.0% | 1719 |

| | % of NAV |
|--|--------------|
| • Encumbered cash and cash equivalents | |
| - Cash - Derivatives Clearing Organisation | 2.3% |
| - Cash - Counterparties | 3.7% |
| - Money market fund | 4.7% |
| - Cash covering a short market value | 0.0% |
| • Unencumbered cash and cash equivalents | |
| - Cash covering a short market value | 14.9% |
| - Short-term papers < 90 days | 0.0% |
| - Excess cash | 0.0% |
| Total Cash and cash equivalents | 25.6% |

Annex 8: AIFMD disclosure to investor

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

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

Nothing to report

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

Nothing to report

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

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

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

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

| | Maximum limit | Current usage |
|-------------------|---------------|---------------|
| Commitment method | 200% | 101% |
| Gross method | 200% | 102% |

Important Information

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

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

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

You should always bear in mind that:

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

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

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