

BREVAN HOWARD

BH GLOBAL LIMITED
MONTHLY SHAREHOLDER REPORT:
DECEMBER 2018

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BH Global Limited

Manager:

Brevan Howard Capital Management LP ("BHCM")

Administrator:

Northern Trust International Fund Administration Services (Guernsey) Limited ("Northern Trust")

Joint Corporate Brokers:

J.P. Morgan Cazenove
Canaccord Genuity Ltd.

Listing:

London Stock Exchange (Premium Listing)

Overview:

BH Global Limited ("BHG") is a closed-ended investment company, registered and incorporated in Guernsey on 25 February 2008 (Registration Number: 48555).

Prior to 1 September 2014, BHG invested all its assets (net of short-term working capital) in Brevan Howard Global Opportunities Master Fund Limited ("BHGO"). With effect from 1 September 2014, BHG changed its investment policy to invest all its assets (net of short-term working capital) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS" or the "Fund") a company also managed by BHCM.

BHG was admitted to the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange on 29 May 2008.

BHMS has the ability to allocate capital to investment funds and directly to the underlying traders of Brevan Howard affiliated investment managers. As referred to in this report, the Direct Investment Portfolio (the "DIP") is the allocation of BHMS' assets to trading books and funds which are managed by an individual portfolio manager. With effect from 1 January 2019, the DIP will be renamed as the Single Manager Portfolio ("SMP"). The BHMS allocations are made by an investment committee of BHCM who draw upon the resources and expertise of the entire Brevan Howard group.

Total Assets: \$430 mm¹

1. As at 31 December 2018 by BHG's administrator, Northern Trust.

Summary Information

BH Global Limited NAV per share (as at 31 December 2018)

Share Class	NAV (USD mm)	NAV per Share
USD Shares	42.5	15.51
GBP Shares	387.8	15.37

BH Global Limited NAV per Share* % Monthly Change

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.16*	0.10	0.05	-3.89	1.13	2.74	0.38	1.55
2009	3.35	1.86	1.16	1.06	2.79	-0.21	1.07	0.27	1.49	0.54	0.11	0.04	14.31
2010	0.32	-0.85	-0.35	0.53	-0.06	0.60	-0.79	0.80	1.23	0.39	-0.21	-0.06	1.54
2011	0.09	0.42	0.34	1.20	0.19	-0.56	1.61	3.51	-1.29	-0.14	0.19	-0.88	4.69
2012	1.22	1.02	-0.54	-0.10	-0.65	-1.53	1.46	0.70	1.47	-0.72	0.81	1.26	4.44
2013	1.33	0.49	0.33	1.60	-0.62	-1.95	-0.14	-0.86	0.09	-0.13	0.95	0.75	1.79
2014	-0.98	-0.04	-0.26	-0.45	0.90	0.70	0.60	0.05	1.56	-0.75	0.71	0.44	2.49
2015	3.37	-0.41	0.35	-1.28	1.03	-1.49	-0.06	-1.56	-0.58	-0.67	3.06	-3.31	-1.73
2016	0.82	1.03	-0.83	-0.66	0.28	1.71	0.13	0.10	-0.23	0.47	3.62	0.82	7.42
2017	0.22	0.92	-0.99	-0.10	0.26	0.19	3.21	0.21	-0.44	-0.85	-0.02	0.03	2.59
2018	3.08	-0.89	-1.35	0.72	5.46	-1.12	0.30	-0.09	-0.29	0.22	-0.01	0.52	6.55

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.40*	0.33	0.40	-4.17	1.25	3.27	0.41	2.76
2009	3.52	1.94	1.03	0.68	2.85	-0.28	1.05	0.31	1.51	0.58	0.12	0.08	14.15
2010	0.35	-0.93	-0.32	0.58	-0.04	0.62	-0.81	0.84	1.17	0.37	-0.20	-0.03	1.61
2011	0.10	0.41	0.38	1.13	0.04	-0.59	1.69	3.67	-1.41	-0.15	0.21	-0.84	4.65
2012	1.23	1.05	-0.51	-0.08	-0.62	-1.51	1.50	0.70	1.44	-0.72	0.72	1.31	4.55
2013	1.36	0.56	0.36	1.63	-0.48	-1.91	-0.11	-0.84	0.14	-0.11	0.97	0.77	2.32
2014	-0.97	-0.14	-0.33	-0.30	0.56	0.48	0.42	0.03	1.85	-0.76	0.78	0.48	2.09
2015	3.48	-0.34	0.33	-1.26	1.18	-1.50	-0.03	-1.44	-0.64	-0.79	3.02	-3.16	-1.32
2016	0.91	1.08	-1.04	-0.65	0.24	1.46	0.13	-0.14	-0.34	0.59	3.28	0.96	6.60
2017	0.16	0.87	-1.15	-0.04	0.10	-0.21	3.12	0.24	-0.43	-0.75	-0.02	-0.11	1.75
2018	3.09	-0.99	-1.42	0.71	5.43	-1.21	0.20	-0.21	-0.38	0.06	-0.13	0.37	5.43

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

Source: Fund NAV data is provided by the administrator of BHMS, International Fund Services (Ireland) Limited ("IFS"). BHG NAV and NAV per Share data is provided by BHG's administrator, Northern Trust. BHG NAV per Share % Monthly Change calculations are made by BHCM. BHG NAV data is unaudited and net of all investment management and performance fees and all other fees and expenses payable by BHG. NAV performance is provided for information purposes only. Shares in BHG do not necessarily trade at a price equal to the prevailing NAV per Share.

* Performance is calculated from a base NAV per Share of 10 in each currency. The opening NAV in May 2008 was 9.9 (after deduction of the IPO costs borne by BHG).

Data as at 31 December 2018.

ASC 820 Asset Valuation Categorisation*

Brevan Howard Multi-Strategy Master Fund Limited

Unaudited as at 31 December 2018

	% of Gross Market Value* on a non-look through basis
Level 1	7.5
Level 2	2.4
Level 3	0.0
At NAV	90.1

Source: BHCM, sum may not total 100% due to rounding.

* This data is unaudited and has been calculated by BHCM using the same methodology as that used in the most recent audited financial statements of the Fund. Sum may not total 100% due to rounding.

Level 1: This represents the level of assets in the portfolio which are priced using unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: This represents the level of assets in the portfolio which are priced using either (i) quoted prices that are identical or similar in markets that are not active or (ii) model-derived valuations for which all significant inputs are observable, either directly or indirectly in active markets.

Level 3: This represents the level of assets in the portfolio which are priced or valued using inputs that are both significant to the fair value measurement and are not observable directly or indirectly in an active market.

At NAV: This represents the level of assets in the portfolio that are invested in other funds and priced or valued at NAV as calculated by IFS.

	% of Gross Market Value* on a look through basis
Level 1	60.0
Level 2	32.2
Level 3	0.2
At NAV	7.6

Source: BHCM, sum may not total 100% due to rounding.

* This data reflects the combined ASC 820 levels of the Fund and the underlying allocations in funds managed by BHCM, proportional to each of the underlying allocation's weighting in the Fund's portfolio. Funds not managed by BHCM are reflected as At NAV. The data is unaudited and has been calculated by BHCM using the same methodology as that used in the most recent audited financial statements of the Fund and the underlying funds (as the case may be). The relative size of each category is subject to change.

Level 1: This represents the level of assets in the portfolio which are priced using unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: This represents the level of assets in the portfolio which are priced using either (i) quoted prices that are identical or similar in markets that are not active or (ii) model-derived valuations for which all significant inputs are observable, either directly or indirectly in active markets.

Level 3: This represents the level of assets in the portfolio which are priced or valued using inputs that are both significant to the fair value measurement and are not observable directly or indirectly in an active market.

At NAV: This represents the level of assets in the portfolio that are invested in other funds and priced or valued at NAV as calculated by IFS.

2018 Portfolio Update

During 2018, the NAV per share of BHG's USD and GBP classes appreciated by 6.55% and 5.43% respectively, which compared favourably to the HFRI Macro Total Index, which was down -3.21%.

The first half of the year proved to be relatively eventful for the Fund's macro positioning. The Fund benefitted from a number of larger moves in both volatility and price levels. The performance in January and May were particularly strong with May producing the highest monthly return since the Fund's inception. The second half of the year was quieter characterised by small positive and negative monthly returns. The Fund continued to show little correlation to global equity markets, which experienced significant volatility and a sell-off during the fourth quarter.

With regard to the returns of the underlying fund allocations, Brevan Howard Master Fund Limited ("BHMF") was the main positive contributor on the back of solid gains within its interest rates trading, where the opportunity set improved compared to the previous few years. The DIP, Brevan Howard Asia Master Fund Limited ("BHA") and Brevan Howard Global Volatility Master Fund Limited ("BHG") added to the gains whereas the contribution from BH-DG Systematic Trading Master Fund Limited ("BHDGST") was flat.

Looking across the trading areas, most of the gains arose in interest rate trading where directional curve positions across EUR, USD and GBP as well as relative value trading in the EUR bond markets generated solid gains. Additional gains arose from tactical trading in equity indices where a long exposure to the S&P Equity Index in January was the main positive contributor. In credit both directional index exposures and agency trading were positive contributors. Some of the gains were offset by losses in FX where relatively small gains and losses across a number of currencies led to an overall modest loss.

As in the past two years, the DIP was a positive contributor to the Fund's performance. The DIP is the area of the portfolio whereby the Investment Committee ("IC") of BHCM has the ability to allocate directly to trading books and funds which are managed by an individual portfolio manager. At the end of 2018, the DIP had exposure to six books and funds. The profits were broadly generated in the same trading areas as described for the Fund overall. Compared to BHMF, the DIP had less exposure to some of the most profitable trades in interest rates.

BHDGST had a small positive year. The bulk of the gains arose in interest rates trading where positioning for higher USD interest rates early in the year was a meaningful contributor. Most of the losses arose in equity indices where BHDGST was positioned for higher prices going into the fourth quarter when equity markets sold off. BHDGST Class Z USD shares appreciated by 1.24% in 2018. Despite the small positive number, it compares favourably to the SG Trend Index, which depreciated by -8.11%.

The information in this section has been provided to BHG by BHCM.

Monthly, quarterly and annual contribution (%) to the performance of BHG USD Shares (net of fees and expenses) by asset class*

	Rates	FX	Commodity	Credit	Equity	Discount Management	TOTAL
December 2018	0.17	-0.09	0.11	-0.04	0.37	0.00	0.52
Q1 2018	0.97	-0.00	-0.08	-0.32	0.24	0.00	0.79
Q2 2018	4.63	-0.31	0.10	0.48	0.15	0.00	5.02
Q3 2018	0.34	-0.00	0.05	-0.08	-0.39	0.00	-0.08
Q4 2018	-0.24	0.37	0.05	-0.04	0.60	0.00	0.74
2018	5.75	0.05	0.12	0.04	0.60	0.00	6.55

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

*Data as at 31 December 2018

Monthly, quarterly and annual figures as 31 December 2018, based on performance data for each period provided by BHG's administrator, Northern Trust. Figures rounded to two decimal places.

Methodology and Definition of Contribution to Performance:

Attribution by asset class is produced at the instrument level, with adjustments made based on risk estimates.

The above asset classes are categorised as follows:

"Rates": interest rates markets

"FX": FX forwards and options

"Commodity": commodity futures and options

"Credit": corporate and asset-backed indices, bonds and CDS

"Equity": equity markets including indices and other derivatives

"Discount Management": buyback activity for discount management purposes

Monthly, quarterly and annual contribution (%) to the performance of BHG USD Shares (net of fees and expenses) by strategy group*

	Macro	Systematic	Rates	FX	Equity	Credit	EMG	Commodity	Discount Management	TOTAL
December 2018	0.05	0.39	0.04	-0.05	-0.00	-0.00	0.09	-0.00	0.00	0.52
Q1 2018	1.01	0.06	-0.00	-0.03	-0.00	-0.26	0.03	-0.00	0.00	0.79
Q2 2018	3.72	-0.11	0.67	0.09	-0.00	0.24	0.39	-0.00	0.00	5.02
Q3 2018	-1.26	0.10	0.71	0.19	-0.00	0.07	0.12	-0.00	0.00	-0.08
Q4 2018	-0.54	0.04	0.80	0.06	-0.00	0.01	0.37	-0.00	0.00	0.74
2018	2.89	0.09	2.19	0.31	-0.00	0.05	0.90	-0.00	0.00	6.55

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

* Data as at 31 December 2018

Monthly, quarterly and annual figures as 31 December 2018, based on performance data for each period provided by BHG's administrator, Northern Trust. Figures rounded to two decimal places.

Methodology and Definition of Contribution to Performance:

Strategy Group Attribution is approximate and has been derived by allocating each underlying trader book to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

"Macro": multi-asset global markets, mainly directional (for BHG, the majority of risk in this category is in rates)

"Systematic": rules-based futures trading

"Rates": developed interest rates markets

"FX": global FX forwards and options

"Equity": global equity markets including indices and other derivatives

"Credit": corporate and asset-backed indices, bonds and CDS

"EMG": global emerging markets

"Commodity": liquid commodity futures and options

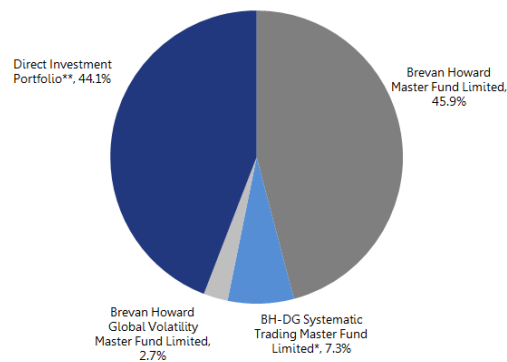
"Discount Management": buyback activity for discount management purposes

Portfolio Update for BHG

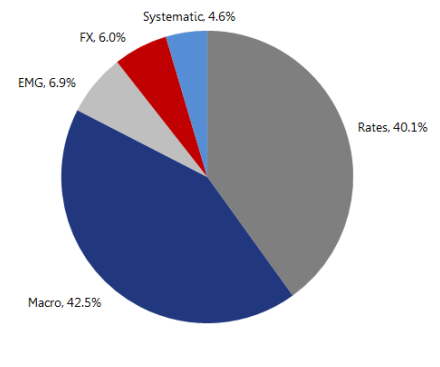
The information in this section has been provided to BHG by BHCM

Allocations of BHMS as at 31 December 2018 (allocations subject to change):

By Underlying Fund & DIP



By Strategy Group



Source: BHCM; figures rounded to one decimal place. Sum may not total 100% due to rounding.

*Known as Brevan Howard Systematic Trading Master Fund Limited prior to 8 April 2016.

** Prior to 3 April 2017, Alan Howard's trading in the DIP was effected via an allocation to an individual trading book managed by Mr Howard. From 3 April 2017, this was replaced by an allocation to Brevan Howard AH Master Fund Limited, a fund which is solely managed by Mr Howard.

Methodology and Definition of Allocation by Strategy Group:

Strategy Group allocation is approximate and has been derived by allocating each trader book in the underlying funds and in the DIP to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

“**Macro**”: multi-asset global markets, mainly directional (for the Fund, the majority of risk in this category is in rates)

“**Systematic**”: rules-based futures trading

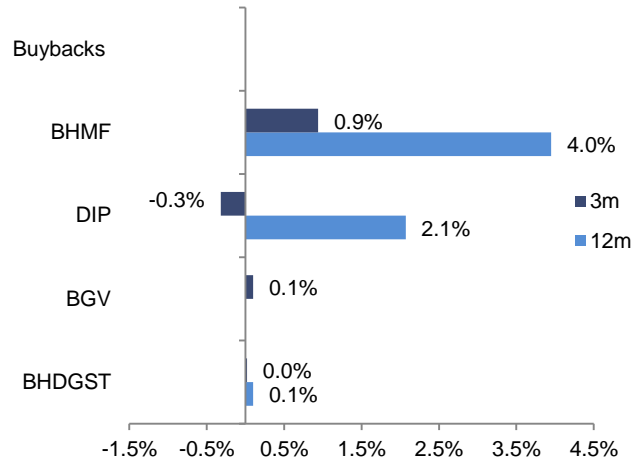
“**Rates**”: developed interest rates markets

“**FX**”: global FX forwards and options

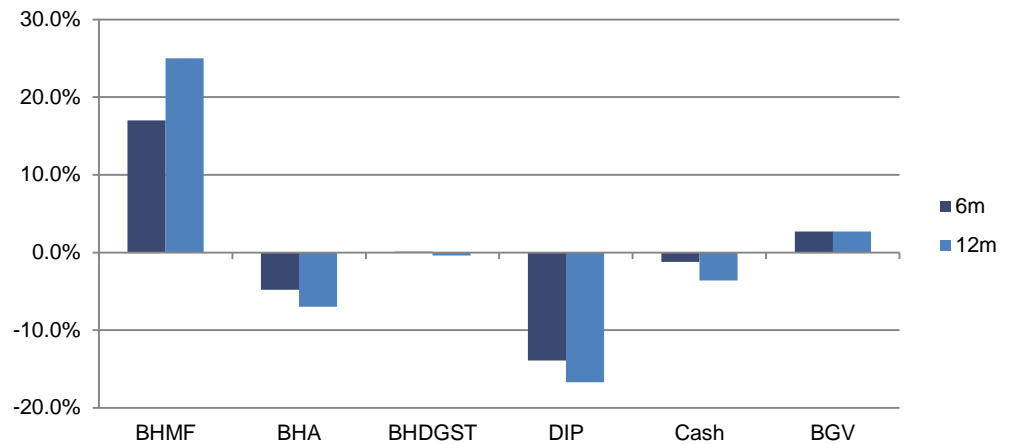
“**Credit**”: corporate and asset-backed indices, bonds and CDS

“**EMG**”: global emerging markets

BHG Quarterly and Annual Contribution (%) by Underlying Allocation as at 31 December 2018



BHG Allocation Changes as a % of NAV as at 31 December 2018 (allocations subject to change):



Fund Definitions

BHMF: Brevan Howard Master Fund Limited

BHA: Brevan Howard Asia Master Fund Limited

BHDGST: BH-DG Systematic Trading Master Fund Limited

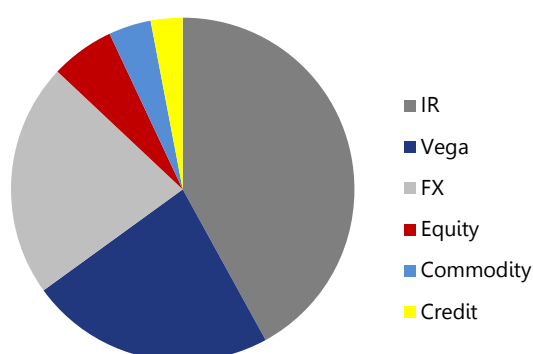
DIP: Direct Investment Portfolio

BGV: Brevan Howard Global Volatility Master Fund Limited

BHG Exposures by Asset Class as at 31 December 2018 (exposures subject to change)

Asset Class	VaR by asset class as a % of total VaR
IR	42
Vega	23
FX	22
Equity	6
Commodity	4
Credit	3

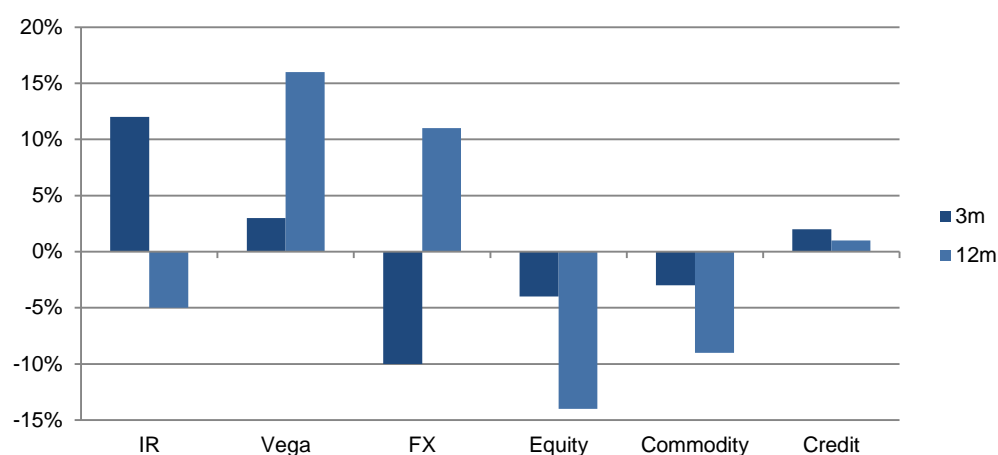
Source: BHCM; figures rounded to the nearest whole number.



Calculated using historical simulation based on a 1 day, 95% confidence interval.

Source: BHCM; figures rounded to the nearest whole number. Data may differ from those published for BHMS as BHG may hold cash for short-term working capital purposes.

BHG Exposure Changes as at 31 December 2018 (subject to change):



Monthly Performance Review for BHG

The information in this section has been provided to BHG by BHCM.

BHG Monthly Commentary

The NAV per share of BHG's USD shares appreciated by 0.52% and the NAV per share of BHG's GBP shares appreciated by 0.37% in December 2018.

Monthly Performance of BHMS Underlying Allocations*

Investment	Rates	FX	Equity	Commodity	Credit	Dec 2018 Total	2018 Total
Brevan Howard Master Fund Limited Class Z (USD)**	0.34%	0.13%	0.15%	0.05%	0.00%	0.67%	16.62%
BH-DG Systematic Trading Master Fund Limited Class Z (USD)**	3.00%	-0.62%	1.63%	0.94%	0.00%	4.96%	1.24%
Brevan Howard Global Volatility Master Fund Limited Class Z (USD)**	0.13%	0.36%	2.52%	0.00%	0.00%	3.01%	6.02%
Direct Investment Portfolio	-0.20%	-0.05%	0.22%	0.05%	-0.07%	-0.05%	4.59%

*As at 31 December 2018

** The USD currency class of each fund is used as a proxy for the performance of each of the funds; BHMS also invests in other currency classes of the funds.

Source: Data for the funds in which BHMS invests in is provided by their respective administrators, calculations by BHCM.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

Brevan Howard Master Fund Limited ("BHMF")

The NAV per share of BHMF Class Z USD shares appreciated by 0.67% in December. Notwithstanding the substantial market moves over the month, modest losses from directional positioning in US interest rates were more than offset by solid gains from yield curve, relative value and tactical trading strategies within the same market. European interest rate trading strategies detracted slightly as did credit index trading. Further small gains were generated from FX and equity trading, in particular from JPY FX positioning.

BH-DG Systematic Trading Master Fund Limited ("BHDGST")

The NAV per share of BHDGST Class Z USD shares appreciated by 4.96% in December. Equity index futures had gross sector returns of 1.54% while bonds had gross sector returns of 1.77%, as US bonds contributed a return of 66bps. The strategy maintained its long STIR exposure in GBP and EUR, and added notably in Bankers' Acceptance (CAD) futures as it witnessed the curves shifting higher throughout the month. These moves in STIR prices returned the largest monthly profit for this sector in 2018, with returns of 1.26%. FX had gross sector returns of -0.83% and the strategy continued to cut its long USD exposure throughout the month.

Brevan Howard Global Volatility Master Fund Limited ("BGV")

The NAV per share of BGV Class Z USD shares appreciated by 3.01% in December. December was a very volatile month in equities. Market liquidity was poor and intraday moves were large. As a result, implied volatilities rose in equities, with shortdated S&P500 volatilities leading the move. FX volatilities rose as well but the expected structured product issuance in January kept moves in FX and rates volatilities subdued.

Direct Investment Portfolio ("DIP")

The DIP depreciated by 0.05% in December, with gains in equities and commodities

more than offset by losses in all other asset classes, especially rates. Most of the losses in rates came from EUR rates RV trades, as well as curve trades which were positioned for a lower and flatter curve; these were partially offset by USD rates trades which were positioned for a steeper curve. In FX, the majority of losses came from GBP trading, which was positioned for a higher pound throughout the month. Equity strategies performed positively, with most of the gains coming at the end of the month thanks to short positions in US equities. Commodities posted a small overall gain from long precious metals and softs, while credit RV strategies posted a very small overall loss.

Manager's Market Review and Outlook

The information in this section has been provided to BHG by BHCM.

US

A solid year for the labour market was punctuated in December by extensive job creation, strong wage gains, and an increase in labour force participation. The indicators for real GDP point to above-trend growth in Q4, although tabulations will become increasingly difficult as the ongoing government shutdown postpones key data releases. Core consumer price inflation rose 0.2% in December and 2.2% over the last twelve months. In the wake of a significant tightening in financial conditions since October, Federal Reserve officials calmed markets with promises to be "patient" in raising rates and flexible on running down the Fed's balance sheet. Meanwhile, dysfunction in Washington seemed poised to worsen under divided government.

UK

The withdrawal agreement that Prime Minister May put forward to parliament was unsurprisingly voted down and she must now find an alternative path. Some ministers have been cited to say the UK's exit from the EU may need to be delayed beyond the original exit date of 29 March 2019, and the Brexit secretary noted that the risk of Brexit not happening has increased. In general, parliament's opposition to a 'no-deal' Brexit has supported the currency, causing Sterling to rise over 3% in the New Year. Theresa May remains opposed to a second referendum and will attempt to renegotiate with the EU with the aim of being granted further concessions, particularly on the 'Irish back-stop', in the hope of gaining a new deal that would foster support within parliament. Meanwhile, the Brexit induced uncertainty has caused economic activity to moderate. GDP is expected to have grown 0.3% q/q in Q4 of 2018, down from 0.6% in Q3 with industrial production likely to detract 0.1ppts from growth. The housing market has also remained weak, putting further downward pressure on house prices. Meanwhile, activity in the rest of the services industry has held up, growing around 0.3% m/m in November. Otherwise, Brexit uncertainty has caused the market to price out expectations of Bank of England rate hikes; a full rate hike is now only priced in by mid-2020, compared to autumn 2019 priced two months prior. The UK stock market has also remained relatively suppressed, with the FTSE 100 still sitting 10% below the 2018 highs in line with how riskier assets have traded globally as well as the higher pound.

EMU

The EMU Composite PMI fell further in December to its lowest level since July 2013, thus unwinding the whole quantitative easing-led cyclical acceleration. As such, the incoming data – both soft and hard - continue to dismantle the market view that EMU growth is robust and only held back by temporary factors. EMU headline inflation fell to 1.6% y/y in December from 1.9% in November, due to unwinding energy inflation. Core inflation remained stuck at 1.0%, confirming that underlying inflation remains

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subdued and shows little sign of a “self-sustaining” convergence process to target. With the exception of wages (which are responding with the usual lag to past growth), the sharp slowdown in activity does not bode well for the chances of a convincing end to the inertia in core inflation going forward.

Overall, incoming data remain consistent with a weak inflation outlook, in the short-term but also the medium-term. Such an outlook clashes, more than ever, with the bullish inflation forecast published by the European Central Bank (“ECB”) and de facto subscribed to by the market consensus. The ECB’s disappointment on inflation, particularly core, is likely to persist and become a prominent theme as the year progresses, increasingly suggesting that ending net quantitative easing purchases was a policy mistake by the ECB.

Japan

World-wide financial instability also impacted Japan in December. Equity prices dropped sharply, with the Tokyo Stock Price Index dropping 10% over December. Interest rates not already pinned down by Bank of Japan monetary policy fell. The 10-year Japanese Government Bond rate temporarily moved into negative territory. More importantly for the macro economic outlook, the yen appreciated sharply; against the dollar it appreciated almost 4% over December. In early January, in a so-called “flash crash”, it jumped another 4%, though most of that crash was later undone.

The Bank of Japan (“BoJ”) left its stance of monetary policy unchanged at its December meeting. According to Minutes of the October meeting, members debated the efficacy of widening the bands in which interest rates would be allowed to fluctuate.

Monetary policymakers continue to argue that inflation will begin to move up towards 2%. At the same time the actual data evince no inclination to do so. The core rate (consumer price index excluding fresh food prices) has been running at around 1% for a while. However, even that owed mostly to the faster rate of increase in energy prices. So-called western core prices (consumer price index excluding all food and energy prices) are up a mere 0.1% over the past twelve months and have been flat on balance on a seasonally adjusted basis for three straight months. Tokyo prices had moved up a little earlier in the year, but they too have done little of late. The recent drop in petroleum prices and the appreciation in the yen suggest a further drag on the core rate is in the offing.

Enquiries

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Important Legal Information and Disclaimer

Brevan Howard Capital Management LP (“BHCM”) has supplied certain information herein regarding BHG, BHMS and the funds which BHMS invests, or has invested, in (together the “Funds”).

The material relating to the Funds included in this report is provided for information purposes only, does not constitute an invitation or offer to subscribe for or purchase shares in the Funds and is not intended to constitute “marketing” of the Funds as such term is understood for the purposes of the Alternative Investment Fund Managers Directive as it has been implemented in states of the European Economic Area. This material is not intended to provide a sufficient basis on which to make an investment decision. Information and opinions presented in this material relating to the Funds have been obtained or derived from sources believed to be reliable, but none of the Funds or BHCM make any representation as to their accuracy or completeness. Any estimates may be subject to error and significant fluctuation, especially during periods of high market volatility or disruption. Any estimates should be taken as indicative values only and no reliance should be placed on them. Estimated results, performance or achievements may materially differ from any actual results, performance or achievements. Except as required by applicable law, the Funds and BHCM expressly disclaim any obligations to update or revise such estimates to reflect any change in expectations, new information, subsequent events or otherwise.

Tax treatment depends on the individual circumstances of each investor in BHG and may be subject to change in the future. Returns may increase or decrease as a result of currency fluctuations.

You should note that, if you invest in BHG, your capital will be at risk and you may therefore lose some or all of any amount that you choose to invest. This material is not intended to constitute, and should not be construed as, investment advice. All investments are subject to risk. You are advised to seek expert legal, financial, tax and other professional advice before making any investment decisions.

THE VALUE OF INVESTMENTS CAN GO DOWN AS WELL AS UP. YOU MAY NOT GET BACK THE AMOUNT ORIGINALLY INVESTED AND YOU MAY LOSE ALL OF YOUR INVESTMENT. PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS.

Risk Factors

Acquiring shares in BHG may expose an investor to a significant risk of losing all of the amount invested. Any person who is in any doubt about investing in BHG (and therefore gaining exposure to BHMS and the investment funds in which BHMS invests (together with BHMS "the Underlying Funds")) should consult an authorised person specialising in advising on such investments. Any person acquiring shares in BHG must be able to bear the risks involved. These include the following:

- The Underlying Funds are speculative and involve substantial risk.
- The Underlying Funds will be leveraged and will engage in speculative investment practices that may increase the risk of investment loss. The Underlying Funds may invest in illiquid securities.
- Past results of each Underlying Fund's investment manager(s) are not necessarily indicative of future performance of that Underlying Fund, and that Underlying Fund's performance may be volatile.
- An investor could lose all or a substantial amount of his or her investment.
- An investment manager may have total investment and trading authority over an Underlying Fund and each Underlying Fund is dependent upon the services of its investment manager(s).
- Investments in the Underlying Funds are subject to restrictions on withdrawal or redemption and should be considered illiquid.
- The investment managers' incentive compensation, fees and expenses may offset an Underlying Fund's trading and investment profits.
- No Underlying Fund is required to provide periodic pricing or valuation information to investors with respect to individual investments.
- The Underlying Funds are not subject to the same regulatory requirements as mutual funds.
- A portion of the trades executed for the Underlying Funds may take place on foreign markets.
- The Underlying Funds are subject to conflicts of interest.
- Each Underlying Fund is dependent on the services of certain key personnel, and, were certain or all of them to become unavailable, an Underlying Fund may prematurely terminate.
- Each Underlying Fund's managers will receive performance-based compensation. Such compensation may give such managers an incentive to make riskier investments than they otherwise would.
- An Underlying Fund may make investments in securities of issuers in emerging markets. Investment in emerging markets involve particular risks, such as less strict market regulation, increased likelihood of severe inflation, unstable currencies, war, expropriation of property, limitations on foreign investments, increased market volatility, less favourable or unstable tax provisions, illiquid markets and social and political upheaval.

The above summary risk factors do not purport to be a complete description of the relevant risks of an investment in shares in BHG or the Underlying Funds and therefore reference should be made to publicly available documents and information.