

BREVAN HOWARD

BH GLOBAL LIMITED
MONTHLY SHAREHOLDER REPORT:
NOVEMBER 2016

YOUR ATTENTION IS DRAWN TO THE DISCLAIMER AT THE END OF THIS DOCUMENT

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.

Listings:

London Stock Exchange (Premium Listing)
NASDAQ Dubai - USD Class (Secondary Listing)
Bermuda Stock Exchange (Secondary 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. The Direct Investment Portfolio (the "DIP") is the allocation of BHMS' assets to individual trading books. 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: \$457 mm¹

1. As at 30 November 2016 by BHG's administrator, Northern Trust.

Summary Information

BH Global Limited NAV per share (as at 30 November 2016)

Shares Class	NAV (USD mm)	NAV per Share
USD Shares	59.5	\$14.08
GBP Shares	398.0	£14.19

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		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		5.58

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

www.bhglobal.com

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 30 November 2016.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

ASC 820 Asset Valuation Categorisation*

Brevan Howard Multi-Strategy Master Fund Limited

Unaudited as at 30 November 2016

	% of Gross Market Value* on a non-look through basis
Level 1	47.9
Level 2	25.8
Level 3	0.7
At NAV	25.6

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.

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	61.1
Level 2	38.3
Level 3	0.6

Source: BHCM

* This data reflects the combined ASC 820 levels of the underlying allocations (Funds and DIP portfolio) in which the Fund is invested, proportional to each of the underlying allocation's weighting in the Fund's portfolio. 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 underlying funds. The relative size of each category is subject to change. 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.

Portfolio Update for BHG

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
Nov 2016	2.15	1.36	0.01	0.00	0.10	0.00	3.62
Q1 2016	1.14	0.31	-0.22	0.50	-1.17	0.44	1.01
Q2 2016	0.61	-0.04	-0.12	1.03	-0.56	0.40	1.32
Q3 2016	-0.48	-0.65	-0.14	1.01	-0.11	0.38	0.00
QTD2016	2.26	1.64	-0.10	0.16	0.14	0.00	4.11
YTD 2016	3.57	1.25	-0.57	2.72	-1.69	1.22	6.55

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

*Data as at 30 November 2016

Monthly, quarterly and annual figures as at 30 November 2016, 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
Nov 2016	3.51	0.10	0.35	0.04	-0.00	-0.01	-0.09	-0.00	0.00	3.62
Q1 2016	-0.04	0.63	0.14	-0.01	-0.00	-0.12	-0.04	-0.00	0.44	1.01
Q2 2016	-0.16	-0.14	-0.04	0.01	-0.00	0.97	0.28	-0.00	0.40	1.32
Q3 2016	-1.13	-0.17	0.09	-0.08	-0.00	0.91	0.02	-0.00	0.38	0.00
QTD 2016	4.22	-0.21	0.38	0.07	-0.00	0.15	-0.22	-0.00	0.00	4.11
YTD 2016	2.84	0.11	0.57	-0.00	-0.00	1.92	0.04	-0.00	1.22	6.55

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

*Data as at 30 November 2016

Monthly, quarterly and annual figures as at 30 November 2016, 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

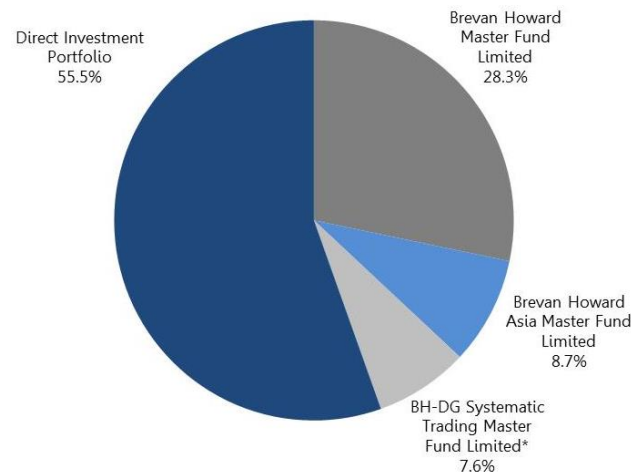
“**Discount Management**”: buyback activity for discount management purposes

Fund Allocations

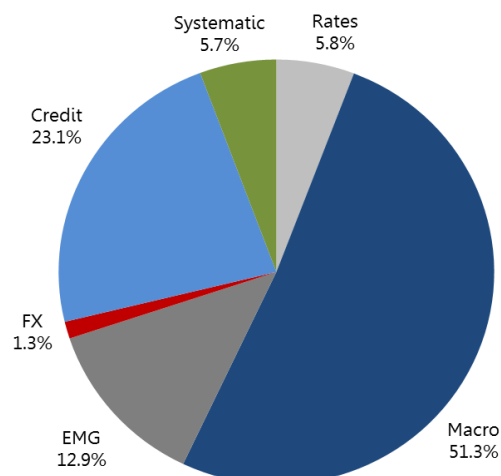
The information in this section has been provided to BHG by BHCM.

Allocations of BHMS as at 30 November 2016 (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.

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 Direct Investment Portfolio 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 Exposures by Asset Class as at 30 November 2016 (exposures subject to change):

Asset Class	VaR by asset class as a % of total VaR
IR	24
Vega	11
Equity	21
Credit	4
FX	38
Commodity	1

Sum may not total 100% due to rounding.

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 3.62% and the NAV per share of BHG's GBP shares appreciated by 3.28% in November 2016.

Monthly Performance of BHMS Underlying Allocations*

Investment	Rates	FX	Equity	Commodity	Credit	Nov 2016 Total	YTD Total
Brevan Howard Master Fund Limited Class Z (USD)**	3.57%	2.05%	0.03%	0.01%	0.12%	5.78%	5.14%
Brevan Howard Asia Master Fund Limited (USD)**	0.45%	0.77%	0.16%	-0.00%	0.00%	1.38%	1.11%
BH-DG Systematic Trading Master Fund Limited Class Z (USD)**	0.89%	0.52%	0.25%	-0.22%	0.00%	1.44%	1.54%
Direct Investment Portfolio	2.56%	1.74%	0.19%	0.04%	-0.04%	4.49%	12.72%

*As at 30 November 2016

** 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 5.78% in November. Gains came primarily from interest rate and FX trading. Higher interest rates in the US and, to some extent, in Europe together with the strengthening of the US dollar, mostly against the Japanese Yen and the Euro, drove returns. Long positioning in option volatility and gamma in both FX and interest rates also contributed strongly.

Brevan Howard Asia Master Fund Limited ("BHA")

The NAV per share of BHA Ordinary USD shares appreciated by 1.38% in November. Foreign exchange, interest rate and equity trading strategies all contributed positively to November's performance. FX gains were primarily driven by short positioning in the Chinese Renminbi, with smaller positive contributions coming from short positioning in JPY and SGD. Further gains came from interest rate trading. Short positioning in US and HKD rates together with long positions in option volatility contributed alongside curve steepening trades in US and AUD rates. These gains were partially offset by modest losses from long positions and curve flatteners in other Asian interest rate markets. Equity trading was also slightly positive for the month with gains coming from directional and volatility trading in the Nikkei.

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

The NAV per share of BHDGST Class Z USD shares appreciated by 1.44% in November. BHDGST increased its net short position in fixed income during November, reversing a number of markets from long to short. BHDGST increased net risk within short term interest rate futures in November. A short across the Euribor curve, initiated in October, was almost doubled. Most major changes across index futures materialised in Asian markets in November. BHDGST reverted to a bearish stance in the Nifty 50 and Malaysian KLCI and KOSPI index futures. Longs in the TOPIX, Hang Seng and Taiwanese indices were also cut, although October's short in the MSCI Singapore index was reversed back into a long. Elsewhere of note, BHGHST more than doubled its long in the S&P e-mini, but cut its long in the UK's

www.bhglobal.com

FTSE 100 index future as, whilst the economy looked resilient, no specific timeline for the triggering of Article 50 meant 'Hard Brexit' negotiations looked set to be protracted. With the greenback rallying sharply and traders fully pricing in a December US rate hike, BHDGST heavily increased USD longs in currencies in November. Short EURUSD was BHDGST's best performer on the month and long USD versus the Japanese yen was also a top-performing position. BHDGST reversed longs in gold and silver futures to initiate small shorts in November. Both increasing Chinese and global demand along with moderating stockpiles drove prices higher in industrial metals to the benefit of BHDGST's long positions.

Direct Investment Portfolio ("DIP")

The DIP appreciated by 4.49% in November. The bulk of the gains arose from macro trading across interest rates and FX. Trading in equity indices and commodities generated small additional gains whereas credit was a small detractor. In interest rates, the gains were generated mainly in USD and EUR. Both directional and RV positions (e.g. asset swap strategies) contributed positively. In USD positioning for higher interest rates was the predominate driver. Exposure to higher interest rate volatility also contributed positively. In FX the DIP benefitted from a strong dollar following the US election. The USD dollar index strengthened close to 4% from 7 November to the end of the month, with the DIP maintaining a long exposure to the USD against mainly EUR and JPY. A small long exposure to the Mexican Peso was a minor detractor. Tactical trading in equity indices generated small gains with a long bias to the Nikkei throughout the month as well as a tactical short exposure to the S&P during the first few days of November being positive contributors. In commodities, a modest long exposure to oil generated minor gains. At the end of the month the DIP held no commodity exposure. In credit trading there was no big driver. Gains from long exposures to bonds (including ABS and MBS) were more than offset by portfolio hedges resulting in overall minor losses.

Manager's Market Review and Outlook

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

Market Commentary

US

The unemployment rate declined to 4.6% in November, a little below many experts' estimates of full employment. Broader measures of labour market slack also showed some improvement. With the labour market getting tighter, the trend toward faster wage growth appears to be entrenched.

Real GDP growth was pushed up in the third quarter by a remarkable one-time surge in agricultural exports that is poised to turn into a drag in the current quarter. Apart from the swings in trade, moderate growth has been maintained in the fourth quarter. Consumption spending has slowed from the brisk pace set in the middle of the year. Business investment is mixed, and residential investment looks to have turned the corner into positive territory.

Inflation is gradually building. Headline prices are following energy prices with a lag, while underlying core inflation is inching up ever so slowly. The latest reading on core Personal Consumption Expenditure Index inflation was 1.3%, the highest level seen since 2014. Going forward, the trend in inflation will depend on the tailwinds from a stronger economy and the headwinds from another leg of appreciation in the exchange value of the US dollar.

The Republicans' win in the election shifted the focus from monetary policy to fiscal

www.bhglobal.com

policy, deregulation, trade and immigration. The outlines of certain policy proposals like corporate tax reform are taking shape quickly, but in other areas like trade and immigration there is much uncertainty. The President – Elect’s cabinet looks extraordinarily business-friendly so while it will take time for the legislative agenda to come together, animal spirits may be buoyed in 2017.

UK

The UK economy has continued to defy expectations of a slowdown in response to the vote to leave the European Union. Growth has proved remarkably resilient, with companies continuing to invest and consumer spending remaining buoyant. Rather than slowing, retail sales actually accelerated to an annual pace of around 7% in the last two releases. This is just one example for the resilience of private domestic demand. One very relevant question going forward will be to what extent consumer spending will have to adjust to the expected hit to real incomes, as nominal incomes move largely sideways, while inflation is expected to pick up materially. So far, some of the outperformance in consumption over real income growth can be explained by faster credit growth and rising house prices. It is possible that this trend continues and consumption spending defies the upcoming slowdown in real income growth, but it is also possible that there is some adjustment. This will be one of the key calls for the UK outlook in 2017. The UK labour market has remained broadly stable in recent months, with higher frequency indicators showing a slight loss of momentum. However, so far, there haven’t been any clear signs of the rise in unemployment that the Bank of England (“BoE”) expects for 2017.

Core inflation has been evolving slightly weaker than expected by the BoE in its November Inflation Report, but headline inflation is broadly on track, helped by the most recent rise in oil prices, offsetting the slight undershooting of core inflation. In November, the BoE forecast a material overshoot of inflation relative to its target in the next few years, largely on account of the sharp depreciation of Sterling over the past year, prompting the Monetary Policy Committee to abandon its easing stance and move to a more neutral policy stance. The latest appreciation of Sterling – likely triggered by the market’s perception of a lower probability of a ‘hard Brexit’ – has reduced the projected overshoot in inflation and should thus leave the BoE in a comfortable wait-and-see mode for the coming months. More news on the Brexit process is expected in January, when the United Kingdom’s Supreme Court is expected to rule on the need for parliamentary approval for triggering Article 50 TEU. Under most scenarios, the Government’s timetable for the Article 50 notification by the end of March 2017 remains intact.

EMU

Euro area Q3 GDP was confirmed at 0.3% q/q (with some risk of an upwards revision to 0.4% q/q) supported by domestic demand. Survey data in October-December suggest the potential for growth to exceed Q3, while solid data released thus far were softer, pointing in the direction of a softer outcome. Following recent revisions, the euro area unemployment rate has now fallen to 9.8% in October – its lowest since July 2009 – from a revised 9.9% in September (previously 10%). However, wage growth has yet to pick up despite the improvement in the labour market in recent years. Euro area negotiated wage growth remains low at just 1.4% y/y in Q3, its slowest annual growth rate since Q4 1991. Headline inflation edged up again (0.6% y/y in November) and may move to approximately 1% early next year driven by higher oil prices and base effects. However, core inflation remained stubbornly low at 0.8% y/y in November.

The ECB announced its intention to reduce the pace of monthly purchases from €80bn to €60bn from April 2017 onwards, as part of a 9-month Quantitative Easing (“QE”) extension until at least the end of 2017, or beyond, if necessary (adding €540bn of purchases and taking the total intended stock of QE to €2.28trn, or 21% of GDP). The reduction in the monthly pace was the only novelty, albeit relevant, on the hawkish side. The additional announcements from the ECB were leaning to the dovish side. This includes a warning that the ECB intends to increase the programme in terms of size and/or duration if, in the meantime, (i) the outlook becomes less favourable (likely mindful of increased uncertainty following the resounding Italian referendum result and resignation of PM Renzi), or (ii) financial conditions become inconsistent with achieving a sustained inflation adjustment (perhaps reflecting concerns over what the QE pace reduction might mean for markets). The ECB also changed some of the parameters to accommodate an expanded QE programme (expanding the maturity of eligible bonds by decreasing the minimum remaining maturity to 1yr from 2yrs and allowing purchases with a yield to maturity below the deposit rate “to the extent necessary”). The profile of ECB policy for 2017 therefore looks quite orthogonal to what is currently expected by the Fed, envisaging a continuation of tightening.

China

In November, activity in China remained resilient, although the indications stemming from the manufacturing Purchasing Managers’ Index (“PMI”) overshoot actual underlying dynamics. The official PMI rebounded further to 51.7, much stronger than expected and the highest level since Q3 2014, while the Caixin PMI stood at a reasonable 50.9 level. Fixed Asset Investment grew by a relatively modest 8.3% y/y YTD, as did Industrial Production (“IP”) growth at 6.2% y/y, while retail sales growth rose to 10.8% y/y and car registrations accelerated further. Inflation accelerated from 2.1% to 2.3% in November, exceeding the consensus forecast, while the Producer Price Index (“PPI”) rose by a solid 3.3% y/y.

On the monetary side, total social financing accelerated further in November, to 18.3% y/y. The 7-day repo rate has been volatile for the past month, ranging from 2.35% to 3.24%, which is the highest since early 2015. Foreign exchange reserves fell in November by nearly US\$70bn to US\$3.05 trn.

Japan

Economic data suggest an economy operating a little above its potential rate. Q3 GDP revised down, but at 1.3% (annualised rate), it is still running above estimated potential GDP growth. Household and government consumption expanded moderately. Trade added arithmetically to growth as exports moved up and imports declined for the fourth straight quarter. Inventories were a modest drag on activity, and fixed investment was mixed. Higher-frequency survey data improved. The Shoko-Chukin survey of small and medium-sized businesses edged up again. The economy watchers survey jumped 3.2 points; at 52.5 it is at its highest level in two and a half years.

National prices excluding food and energy edged up 0.1% seasonally adjusted in October, as did Tokyo prices in November. Even so, both nationally and just in Tokyo, the 12-month change remains around zero. After falling rapidly, consumer inflation expectations have flattened out in the last six months at a relatively low level. The recent 10% depreciation in the yen relative to the dollar should provide some impetus to inflation in the next half year, though not nearly enough to raise

www.bhglobal.com

inflation to be consistent with the implied path of the median projection from members of the Bank of Japan.

Enquiries

Northern Trust International Fund Administration Services (Guernsey) Limited

Harry Rouillard +44 (0) 1481 74 5315

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.