

Notice of AGM

30 June, 2020

Dear Shareholder

BOUSSARD & GAVAUDAN HOLDING LIMITED (the "Company") NOTICE OF ANNUAL GENERAL MEETING

Introduction

Please find enclosed a notice (the "**Notice**") of the Company's next annual general meeting (the "**AGM**"), to be held at the registered office of the Company on Wednesday, 29 July, 2020 at 9.30 a.m. to consider and, if thought fit, pass the resolutions specified in the Notice.

The purpose of this letter is to provide you with details as to the procedure to be followed in respect of this year's AGM, to explain the proposed resolutions and to set out the reasons why the directors are recommending that you vote in favour of all resolutions to be proposed at the AGM. A copy of this letter and the Notice will also be posted shortly to the Company's website, www.bgholdingltd.com.

Procedure at the AGMs

Proceeding at the AGM - COVID-19

The Board has considered how best to deal with the potential impact of the COVID-19 pandemic (the "**Pandemic**") on arrangements for the AGM. The Company is required by law to hold an AGM, but the Company is concerned for the safety and wellbeing of its shareholders and other attendees. In addition, measures taken by States of Guernsey in response to the Pandemic mean that attendance at the AGM by shareholders who are not residents of Guernsey is not reasonably practicable. Of those measures, the most relevant to the AGM is the legal requirement that anyone arriving in Guernsey from anywhere in the world including, for the avoidance of doubt, the United Kingdom, will be required to self-isolate for 14 days upon their arrival. Failure to comply with that requirement is a criminal offence. Any shareholder wishing to attend the AGM will need to be prepared to self-isolate for a minimum of 14 days in advance of the AGM to enable their attendance.

Given these unprecedented circumstances, the Company has decided that it will conduct only the statutory, formal business to meet the minimum legal requirements to comply with applicable law and regulation and to enable the Company to continue to function effectively. There will be no opportunity to interact with the directors.

However, the Board considers it important that all shareholders have the opportunity to make their views known and to exercise their voting rights at the AGM. The Company strongly encourages all shareholders to exercise their votes in respect of the meeting in advance and to submit any questions they may have to the Secretary, whose contact details are listed below in the section headed "Action to be taken by Shareholders". Voting by proxy will ensure that your votes are registered.

The Company will continue to monitor the advice of States of Guernsey. Of course, in the event that the situation has improved and travel restrictions and the legal requirement for quarantine are revoked, the Company will announce the same via a regulatory information service.

Proposed Resolutions and Recommendations

Ordinary Resolution 1 – THAT the Company's annual report and audited financial statements for the year ended 31 December, 2019 be received and adopted.

The Companies (Guernsey) Law, 2008, as amended (the "**Companies Law**") and the Company's articles of incorporation (the "**Articles**") require that the annual report and audited financial statements (the "**AFR**") be laid before the AGM and this resolution is proposed pursuant to that requirement.

Ordinary Resolution 2 – THAT Ernst & Young LLP be re-appointed as auditor of the Company

The Companies Law requires that the Company must at each AGM appoint an auditor to hold office from the conclusion of that meeting until the conclusion of the next AGM and this resolution is proposed pursuant to that requirement. The Audit Committee and the Board have considered the performance of Ernst & Young LLP and the quality and cost-effectiveness of its audit and believe that it is in the Company's best interests that Ernst & Young LLP be reappointed as the Company's auditor.

Ordinary Resolution 3 – THAT the directors be authorised to determine the auditor's remuneration

The Company's Articles provide that the ordinary business of the AGM shall include fixing the remuneration of the auditor. For operational efficiency and to enable the directors to negotiate fees with the auditor, it is proposed that this authority be devolved to the directors.

Ordinary Resolutions 4, 5 and 6 – THAT Mr Andrew Henton, Mr Andrew Howat and Ms Sylvie Sauton be re-appointed as directors of the Company.

At the AGM three separate ordinary resolutions will be proposed for the re-election of the three current directors. All of the directors are independent of the Investment Manager and its affiliates.

The present members of the Board are listed on page 2 of the AFR. As stated on page 19 of the AFR, the Board evaluates its performance and the performance of individual directors on an annual basis by reference to the guidance set out in the UK Corporate Governance Code and believes that the current mix of skills and experience of the directors is appropriate to the requirements of BGHL.

Ordinary Resolution 7 – THAT the remuneration of the directors be approved to remain at the current levels.

The Articles provide that the directors shall be entitled to such remuneration as the Board may determine, subject to an aggregate of €150,000 *per annum* or such higher amount as shall be approved by the Company in general meeting. The directors' remuneration is as set out on page 19 of the AFR. Notwithstanding that their aggregate remuneration is significantly below the cap specified in the Articles and that no increase in their remuneration is currently envisaged, the Board is offering shareholders the opportunity to express their views on the directors' remuneration pursuant to this resolution.

Special Resolution 8 - to authorise the Directors to make market purchases of Shares

The Companies Law and the Articles provide the Board with authority to arrange market purchases by the Company of its own shares, provided that such market purchases have been approved by shareholders pursuant to a special resolution. At the annual general meeting held on 28 June, 2019, the Company's Shareholders authorised market repurchases of shares up to an aggregate of 2,147,217 Euro Shares and 45,200 Sterling Shares or such number as represented 14.99% of each class of shares in issue (excluding shares held in treasury) on that date.

The aforementioned authority expires on the earlier of 30 September, 2021 or the conclusion of this AGM. At this AGM, the Board will be seeking renewal of their authority to arrange market purchases by the Company of its own shares. The maximum number of shares which it is proposed that the Company be authorised to repurchase is 14.99% of each class of shares in issue, which is the standard aggregate 14.99% limit normally proposed by listed investment companies. If the proposed special resolution is approved, such authority will remain valid until the earlier of 30 September, 2021 or the conclusion of the following annual general meeting.

The full text of the proposed special resolution is included in the notice of the AGM. The Board considers that the proposed special resolution is in the interests of the Company and its shareholders as a whole. The Board engages with institutional shareholders both directly and indirectly (via the Investment Manager and the retained broker). The Board also regularly considers market dynamics and significant changes in the share register. The Board monitors the discount to the prevailing net asset value at which the Company's shares trade and wishes to have the authority, when considered necessary or desirable, to repurchase its own shares in the market to hold in treasury, which supports the share price and is accretive to the net asset value of the remaining shares in issue.

The Directors unanimously recommend that you vote in favour of the seven proposed ordinary resolutions and the one proposed special resolution, as they intend to do in respect of their own beneficial holdings.

Action to be taken by Shareholders

Shareholders will find enclosed with this document Forms of Proxy for use at the AGM.

You are requested to complete and sign the Forms of Proxy and return them, in accordance with the instructions printed thereon, to JTC Registrars Limited, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT or the proxy agent, F. Van Lanschot Bankiers N.V. Beethovenstraat 300, Attn. Agency Services L3, 1077 WZ Amsterdam, PO Box 75666, 1070 AR, Amsterdam, The Netherlands (by e-mail to proxyvoting@kempen.nl or by fax to +31 20 348 9549), as applicable, as soon as possible and, in any event, so as to arrive by no later than 48 hours before the time appointed for the AGM.

For the reasons explained above, should shareholders wish to ask questions of the directors, please send those by e-mail to the Secretary at fundservicesgsy@jtcgroup.com or by post to the Secretary at its registered office, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT by no later than 9.30 a.m. on Monday, 27 July, 2020. Answers to questions submitted will be uploaded to the "Shareholder Information" section of the Company's website as soon as possible after the conclusion of the AGM.

Yours faithfully

Andrew Henton
Chairman

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "AGM") of the Company will be held at Ground Floor, Dorey Court, Admiral Park, St. Peter Port, Guernsey on Wednesday, 29 July, 2020 at 9.30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Business - Ordinary Resolutions

- 1. THAT** the Company's annual report and audited financial statements for the year ended 31 December, 2019 be approved.
- 2. THAT** Ernst & Young LLP be re-appointed as auditor of the Company, to hold such office until the conclusion of the next annual

general meeting.

3. THAT the directors be authorised to agree the auditor's remuneration.

4. THAT Mr Andrew Henton who, being eligible and having offered himself for re-election, be re-appointed as a director of the Company.

5. THAT Mr Andrew Howat who, being eligible and having offered himself for re-election, be re-appointed as a director of the Company.

6. THAT Ms Sylvie Sauton who, being eligible and having offered herself for re-election, be re-appointed as a director of the Company.

7. THAT the remuneration of the directors be approved to remain at the current levels.

Special Business – Special Resolution

8. THAT, in replacement for all previous authorities, the Company be generally and, subject as hereinafter appears, unconditionally authorised, in accordance with section 315 (1)(a) of the Companies (Guernsey) Law, 2008, as amended (the "**2008 Law**"), to make market acquisitions (within the meaning of section 316 of the 2008 Law) of shares ("**Shares**") in the capital of the Company and to cancel such Shares or hold such Shares as treasury shares, provided that:

a) the maximum number of Shares hereby authorised to be purchased shall be up to an aggregate of the lesser of (a) 2,147,217 Euro Shares and 45,200 Sterling Shares or (b) such number as shall represent 14.99% per cent. of each class of Shares in issue (excluding Shares held in treasury), rounded down to the nearest whole number, on the date on which this resolution is passed;

b) the maximum price which may be paid for a Share shall be the higher of (a) an amount equal to 105.00 per cent. of the average of the closing quotation for a Share of the relevant class taken from and calculated by reference to (i) in the case of the Euro Shares, Euronext Amsterdam or (ii) in the case of the Sterling Shares, the London Stock Exchange plc's Daily Official List, as the case may be, for the five Business Days immediately preceding the day on which the Shares are purchased and (b) the higher of the price of the last independent trade and highest current independent bid on the relevant market when the purchase is carried out, provided that the Company shall not be authorised to acquire Shares at a price above the estimated prevailing net asset value of the relevant class of Shares on the date of purchase;

c) the minimum price which may be paid for a Share shall be €0.01 or £0.01, as the case may be; and

d) unless previously varied, revoked or renewed, the authority hereby conferred shall expire on the earlier of 30 September, 2021 or the date of the next annual general meeting of the Company, whichever is the earlier, save that the Company may, prior to such expiry, enter into a contract to purchase Shares under such authority, and may make a purchase of Shares pursuant to any such contract notwithstanding such expiry.

BY ORDER OF THE BOARD

Yours faithfully

For and on behalf of

JTC Fund Solutions (Guernsey) Limited

Secretary

Guernsey, 30 June, 2020

Notes:-

1. All persons recorded on the register of members as holding shares in the Company as at the close of business on Monday, 27 July 2020 or, if the AGM is adjourned, as at the close of business on Monday, 3 August, 2020, shall be entitled to attend and vote (either in person or by proxy) at the AGM and shall be entitled on a poll to one vote per share held.
2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to exercise all of any of his rights to attend and to speak and vote at the AGM instead of him. A proxy need not be a member of the Company.
3. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.
4. For the convenience of members who may be unable to attend the AGM, a Form of Proxy is enclosed with this document. To be valid, the Form of Proxy must reach the registrar, JTC Registrars Limited, Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT not later than 48 hours before the time appointed for the AGM (or any adjourned AGM). Any power of attorney or other authority under which the form of proxy is signed must be sent with the form of proxy.
5. In the event that a form of proxy is returned without an indication as to how the proxy shall vote on the resolutions, the proxy will exercise their discretion as to whether and, if so, how they vote.
6. The quorum for the AGM is two members present in person or by proxy. If, within half an hour from the appointed time for the AGM, a quorum is not present, then the meeting will be adjourned to Wednesday, 5 August, 2020 at 9.30 a.m. at the same time and place. This Notice shall be deemed to constitute due notice of any such adjourned AGM.

7. None of the directors has a contract of service with the Company.
8. Holders of shares with the following ISINs have the right to attend, speak and vote at the AGM:
 - | Euro Shares – GG00B1FQG453
 - | Sterling Shares – GG00B39VMM07

Attachments

- | [AGM Proxy Form re Euro shares held in Certificated form](#)
- | [AGM Proxy Form re Euroclear Nederland](#)
- | [AGM Proxy Form re Stlg Shares](#)