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If you have sold or otherwise transferred all of your shares in BH Macro Limited please send this document and the accompanying documents at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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## **BH MACRO LIMITED**

*(an authorised closed-ended collective investment scheme established as a non-cellular company limited by shares under the laws of Guernsey with registration number 46235)*

### **Approval of issue and sub-division of Shares**

### **Description of amendments to Management Agreement and terms of investment in the Master Fund**

### **Notice of Extraordinary General Meeting**

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Notice of an Extraordinary General Meeting to be held at 8.30 a.m. on 6 February 2023 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL is set out at the end of this document.

Shareholders are requested to return the Form(s) of Proxy accompanying this document for use at the Extraordinary General Meeting. To be valid, the Form(s) of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, not later than 8.30 a.m. on 2 February 2023. The Form(s) of Proxy may also be sent to Computershare Investor Services Plc, either by fax at +44(0)870 703 6322 or by email at [#UKCSBRS.ExternalProxyQueries@computershare.co.uk](mailto:#UKCSBRS.ExternalProxyQueries@computershare.co.uk). If you own more than one class of shares, you will need to complete and return a Form of Proxy for the Extraordinary General Meeting in respect of each class of shares that you own.

**Your attention is drawn to the letter from the Chair of BH Macro Limited which is set out in Part 1 of this document and which recommends that you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting. Your attention is also drawn to the section entitled “Action to be Taken” in the Letter from the Chair in Part 1 of this document.**

Certain terms used in this document are defined in Part 3 of this document.

## EXPECTED TIMETABLE FOR THE SHARE SUB-DIVISION

Latest time and date for receipt of forms of proxy in respect of the Extraordinary General Meeting	8.30 a.m. on 2 February 2023
Extraordinary General Meeting	8.30 a.m. on 6 February 2023
Record date for the Share Sub-Division and disablement in CREST of existing Shares	6.00 p.m. on 6 February 2023
Admission of sub-divided Shares arising pursuant to the Share Sub-Division Resolution becomes effective*	8.00 a.m. on 7 February 2023
Crediting of CREST stock accounts in respect of the sub-divided Shares arising pursuant to the Share Sub-Division	At or soon after 8.00 a.m. on 7 February 2023
Expected date for despatch of certificates in respect of sub-divided Shares held in certificated form	Week commencing 13 February 2023 (or as soon as possible thereafter)

\* Assuming that the Share Sub-Division is approved and becomes effective.

*All references to times and dates in this document are to London time. Each of the times and dates in this document is subject to change. If any of the above times and/or dates change, the revised time and/or date will be notified to Shareholders through a regulatory information service.*

## PART 1

### Letter from the Chair

## BH MACRO LIMITED

*(an authorised closed-ended collective investment scheme established as a non-cellular company limited by shares under the laws of Guernsey with registration number 46235)*

*Directors:*

Richard Horlick (Chair)  
Caroline Chan  
Julia Chapman  
Bronwyn Curtis OBE  
John Le Poidevin  
Claire Whittet

*Registered office:*

PO Box 255, Trafalgar Court,  
Les Banques  
St Peter Port  
Guernsey GY1 3QL  
Channel Islands

23 January 2023

### APPROVAL OF ISSUE AND SUB-DIVISION OF SHARES

### DESCRIPTION OF AMENDMENTS TO MANAGEMENT AGREEMENT AND TERMS OF INVESTMENT IN THE MASTER FUND

### EXTRAORDINARY GENERAL MEETING

Dear Shareholder,

#### Introduction

The Company today announced a proposed new capital raising by way of the issue of new Shares (to be denominated as either Sterling Shares or US Dollar Shares) (the "Capital Raising"). The Capital Raising will consist of an initial placing, intermediaries offer and offer for subscription of Shares until 10 February 2023 (the "Initial Issue"), with the possibility of raising additional capital by way of further issues (or sales from treasury) until 23 January 2024 (the "Issuance Programme").

The Company has agreed with its manager, Brevan Howard Capital Management LP (the "Manager") that the proceeds of the Capital Raising, net of expenses and short-term working capital requirements, will be invested in Brevan Howard Master Fund Limited (the "Master Fund"). The Directors believe that the Capital Raising is a very significant and important development for the Company, which should lead to a significant increase in the Company's market capitalisation and potential increase in the liquidity of the Shares.

The Company has today published a prospectus (the "Prospectus") which includes further information on the Capital Raising, including the Initial Issue, and the Company.

The Company is proposing to issue Sterling Shares and US Dollar Shares in the Initial Issue at a price per Share of the relevant class equal to the estimated net asset value per Share of the relevant class as at the closing date of the Initial Issue (currently expected to be 10 February 2023) plus a premium of two per cent., in order to cover the costs of the Initial Issue. Any Sterling Shares or US Dollar Shares issued (or sold from treasury) in the Issuance Programme would be issued at a price to be determined at the time and which would be at a premium to the then prevailing estimated net asset value per Share of the relevant class, including an amount to cover the costs of the issue (or sale) of those Shares.

The net proceeds of the Initial Issue and each further issue under the Issuance Programme that are to be invested in the Master Fund will be invested on the next available subscription date for the Master Fund, which will ordinarily be the first business day of the month following the receipt of the proceeds of the relevant issue by the Company. During the period between the date on which such proceeds are received by the Company and the relevant subscription date, the Company will retain the proceeds of the relevant issue in cash and will not be exposed to the performance of the Master Fund in respect of that cash during that period. The Master Fund net asset value(s) at

which the Company acquires Master Fund shares with the proceeds of each issue may differ from the Master Fund net asset value(s) (and, therefore, the Company's net asset values(s)) at the time of pricing of the such issue. This may mean that the impact of any increase or decrease in the performance of the Master Fund over that period on the net asset value(s) per Share of the Company is smaller than would have been the case if the relevant issue had not taken place.

The Capital Raising is conditional on the granting of authority to the Directors to allot the Shares to be issued in the Capital Raising and the disapplication of pre-emption rights in respect of the Shares to be issued in the Capital Raising, which will require the approval of Shareholders (the "Capital Raising Resolutions").

The Company is also proposing a sub-division of its Shares, so that each existing Share is replaced by ten Shares of the same currency class, in order to assist in liquidity of the Shares (the "Share Sub-Division"). The Share Sub-Division is also conditional on Shareholder approval. The Capital Raising is not conditional on the Share Sub-Division being approved by Shareholders.

An extraordinary general meeting of the Company (the "Extraordinary General Meeting") will be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey at 8.30 a.m. on 6 February 2023 at which the Capital Raising Resolutions and a resolution to approve the Share Sub-Division will be proposed. The formal Notice of the Extraordinary General Meeting is set out at the end of this document.

This document explains the business to be considered at the Extraordinary General Meeting and includes a recommendation from the Board that you vote in favour of the resolutions which will be proposed at the Extraordinary General Meeting (the "Resolutions").

In addition, in connection with the Capital Raising and its increased investment in the Master Fund, the Company has agreed certain amendments to the existing terms of its management agreement with the Manager (the "Management Agreement") and the terms on which the Company may redeem its investment in the Master Fund. These amendments do not require Shareholder approval and are described further below and in Part 2 of this document.

## **Issue of Shares**

The Capital Raising is being made on a non-pre-emptive basis, so is conditional on Shareholders disapplying the pre-emption rights contained in the Articles in respect of the Capital Raising, as well as the Directors being given authority to allot the Shares to be issued in the Capital Raising.

Although the Capital Raising is being made on a non-pre-emptive basis, Shareholders located in the United Kingdom and Guernsey may apply for Shares in the Initial Issue through the offer for subscription, and Shareholders located in the United Kingdom may also apply through the intermediaries offer described further below under "Initial Issue".

The Capital Raising Resolutions are in substitution for the issuance and pre-emption disapplication authorities obtained at the 2022 Annual General Meeting, which will cease to have effect if the Capital Raising Resolutions are approved.

The Capital Raising Resolutions will provide the Board with the authority to allot and issue (or sell from treasury) for cash on a non-preemptive basis 22 million Sterling Shares and up to 22 million US Dollar Shares (prior to the Share Sub-Division described below), which is equivalent to approximately 72.9 per cent. of the Sterling Shares in issue as at the latest practicable date prior to the date of publication of this document (excluding Sterling Shares held in treasury) and approximately 770 per cent. of the US Dollar Shares in issue as at the latest practicable date prior to the date of publication of this document (excluding US Dollar Shares held in treasury).

Shareholders should note that the authorities being sought by the Company at the EGM are to facilitate the issue of either Sterling Shares or US Dollar Shares up to the maximum number available under the Capital Raising, depending on demand. Accordingly, the terms of the Capital Raising Resolutions provide that no more than 22 million (or, if the Share Sub-Division is effected, 220 million) Sterling Shares and US Dollar Shares, in aggregate, may be issued pursuant to them. The Company expects to issue a combination of Sterling Shares and US Dollar Shares under the Capital Raising.

The Capital Raising Resolutions will expire on the date falling 12 months after the date of passing of such resolutions, and permits the Company to allot and issue shares (or sell shares from treasury) on a non-pre-emptive basis after that date if it has agreed to do so beforehand.

Shares issued (or sold from treasury) pursuant to the Capital Raising Resolutions will not be issued at a price for the relevant class of Shares that is less than the prevailing net asset value per Share of the relevant class plus a premium to the prevailing net asset value per Share of the relevant class, including to cover the costs of such issue (or sale). As the issue of Shares (or sale from treasury) by the Company on a non-pre-emptive basis is subject to the additional qualification that the relevant Shares must be issued for a price at least equal to the prevailing estimated net asset value for the relevant class of Shares, the Board believes that seeking authority to issue (or sell from treasury) Shares for cash on a non-pre-emptive basis in the amounts sought by the Capital Raising Resolutions is appropriate.

If the Capital Raising Resolutions are not passed, the Capital Raising will not proceed.

### **Share Sub-Division**

The cost of a single Share of the Company is significantly higher than most investment companies traded on the London Stock Exchange. Accordingly, the Company proposes that each Share should be sub-divided into ten Shares of the same currency class so that the cost per Share is closer to the market standard and which, therefore, should facilitate the acquisition of smaller numbers of Shares and thereby further increase market liquidity. The Share Sub-Division is subject to Shareholder approval at the Extraordinary General Meeting and is conditional upon the sub-divided Shares arising pursuant to the Share Sub-Division being admitted to the premium listing segment of the Official List of the FCA and to trading on London Stock Exchange plc's Main Market for listed securities ("Admission").

If approved by Shareholders, the Share Sub-Division would result in Shareholders holding ten sub-divided Shares for each existing Share they hold immediately prior to the Share Sub-Division. It is anticipated that, following the Share Sub-Division, the market price of each Share will become one-tenth of the market price of an existing Share of the same class, reflecting the fact that Shareholders will own ten times as many Shares. The sub-divided Shares of each class will carry the same rights in all respects as the existing Shares of the same class, including voting rights. The Share Sub-Division will have no impact on the Company's net assets as it will not change the total aggregate value of the Company's issued Shares.

Assuming that the Share Sub-Division is effective, the ticker symbols for the Sterling Shares and the US Dollar Shares will remain as BHMG and BHMU respectively, but the ISIN and SEDOL for the sub-divided Shares will change as follows:

ISIN for the sub-divided Sterling Shares: GG00BQBFY362

ISIN for the sub-divided US Dollar Shares: GG00BQBFY479

SEDOL for the sub-divided Sterling Shares: BQBFY36

SEDOL for the sub-divided US Dollar Shares: BQBFY47

The sub-divided Shares will be in registered form and may be held in certificated or uncertificated form. Following the Share Sub-Division becoming effective, share certificates in respect of the existing Shares will cease to be valid and will be cancelled.

New certificates in respect of the sub-divided Shares will be issued to those Shareholders who hold their existing Shares in certificated form, and are expected to be dispatched, at the risk of Shareholders, in the week commencing 13 February 2023. Share certificates in respect of existing Shares should be destroyed upon receipt of new certificates. No temporary documents of title will be issued.

Transfers of sub-divided Shares after 6 February 2023, but before the dispatch of new certificates, will be certified against the register of members of the Company. CREST accounts are expected to be credited at or soon after 8.00 a.m. on 7 February 2023.

Assuming that the Share Sub-Division resolution is passed, the Share Sub-Division will become effective on Admission, which is expected to take place at 8.00 a.m. on 7 February 2023. Application will be made for admission of the sub-divided Shares to the premium listing segment of

the Official List of the FCA and to trading on London Stock Exchange plc's Main Market for listed securities. It is anticipated that the last day of dealings in existing Shares will be 6 February 2023 and the effective date for dealings to commence in the sub-divided Shares will be 7 February 2023.

### **Amendments to the Management Agreement and the terms of the Company's investment in the Master Fund**

In order to reflect the increased investment of the Company in the Master Fund as a result of the Capital Raising and the fact that the Company will become an even more significant feeder fund into the Master Fund, the Company and the Manager have agreed to a number of amendments to the Management Agreement and the terms on which the Company's investment in the Master Fund can be redeemed in order to provide the Manager with more operational certainty regarding the Company's investment in the Master Fund. These changes, which do not require Shareholder approval, are described in Part 2 of this document.

The main changes and their effect are as follows:

- The Company will ordinarily be required to provide 12 months' notice of the redemption of all or some of its investment in the Master Fund, except as may be required to fund the Company's specific working capital requirements and, up to a maximum amount equal to five per cent. of each class of the Company's holding of Master Fund shares every month, to finance on-market share buy backs. Any redemption of all or part of the Company's investment in the Master Fund on a winding up of the Company or to finance a tender offer or a class closure resolution will be required to be on 12 months' notice. In those cases, the Company would only receive the proceeds of redemption from the Master Fund (and, therefore, Shareholders would only receive payment from the Company) after the redemption date at the end of the 12 month notice period and the Company (and, therefore, Shareholders) would remain exposed to the investment performance of the Master Fund in the intervening period to that redemption date.
- The circumstances in which the Company can terminate the Management Agreement and redeem its investment in the Master Fund on less than 12 months' notice will be limited to certain "cause" events affecting the Manager, in which case the Company would be entitled to terminate the Management Agreement and redeem its investment in the Master Fund on three months' notice.
- In addition, the Annual Buy Back Allowance arrangements introduced in 2021 will continue to apply in respect of repurchases and redemptions of Shares of each class in excess of a number equal to five per cent. of the Shares in issue of the relevant class as at 31 December in the prior year, as described further in Part 2 of this document.

The Directors believe that these changes are in the interests in the Company, given that they help facilitate the Capital Raising and that the Capital Raising should benefit the Company through a significant increase in its market capitalisation and potential increase in the liquidity of the Shares.

### **Initial Issue**

The Company is proposing to issue Sterling Shares and US Dollar Shares in the Initial Issue at a price per Share of the relevant class equal to prevailing estimated net asset value per Share of the relevant class as at the closing date of the Initial Issue (currently expected to be 10 February 2023) plus a premium of two per cent., in order to cover the costs of the Initial Issue.

As described above, the Capital Raising, including the Initial Issue, will not be made on a pre-emptive basis. The Initial Issue will include an offer for subscription in which investors in the United Kingdom and Guernsey may participate and an intermediaries offer in which investors in the United Kingdom may participate.

Eligible Shareholders who would like to participate in the Initial Issue are encouraged to apply for Shares in the offer for subscription or contact their respective intermediaries in respect of the intermediaries offer. Applications for Shares in the offer for subscription and the intermediaries offer must be received by 11.00 a.m. on 9 February 2023. The Prospectus is available to eligible Shareholders on the Company's website at [www.bhmacro.com](http://www.bhmacro.com).

## **The Extraordinary General Meeting**

### **Action to be taken**

You will find accompanying this document the Form(s) of Proxy for use at the Extraordinary General Meeting. You are urged to complete and return the Form(s) of Proxy as soon as possible. To be valid, the Form(s) of Proxy must be completed in accordance with the instructions printed on it and lodged with Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, not later than 8.30 a.m. on 2 February 2023 (or such later time as the Directors may determine). The Form(s) of Proxy may also be sent to Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, by fax to +44 (0) 870 703 6322 or by email to #UKCSBRS.ExternalProxyQueries@computershare.co.uk. If you own more than one class of Shares, you will need to complete and return a Form of Proxy for the Extraordinary General Meeting in respect of each class of Shares that you own.

Subject to any restrictions in place at the time of the Extraordinary General Meeting, the lodging of the Form(s) of Proxy will not prevent you from attending the Extraordinary General Meeting and voting in person if you so wish. If you have any queries relating to the completion of the Form(s) of Proxy, please contact the Company's administrator, Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL at the following number +44 (0) 1481 745 001. Northern Trust International Fund Administration Services (Guernsey) Limited can only provide information regarding the completion of the Form(s) of Proxy and cannot provide you with investment or tax advice.

The votes on the Resolutions at the Extraordinary General Meeting will be held by poll, so that all proxy votes will be counted.

A quorum consisting of two Shareholders entitled to vote and attending in person or by proxy (or, in the case of a corporation, by a duly appointed representative) is required for the Extraordinary General Meeting.

In order to pass, the ordinary resolution to authorise the Directors to issue Shares in the Capital Raising and the ordinary resolution authorising the Share Sub-Division will require the approval of Shareholders representing more than 50 per cent. of the votes cast at the Extraordinary General Meeting and the special resolution to disapply pre-emption rights in respect of the Shares to be issued (or sold from treasury) in the Capital Raising will require the approval of Shareholders representing at least 75 per cent. of the votes cast at the Extraordinary General Meeting.

### **Recommendations**

The Board considers that the Resolutions are in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders, as those Directors who own shares in the Company intend to do in respect of their own beneficial holdings, to vote in favour of the Resolutions. **You are requested to complete and return the accompanying Form(s) of Proxy without delay, whether or not you intend to attend the Extraordinary General Meeting.**

Yours faithfully

**Richard Horlick**

*Chair*

## PART 2

### AMENDMENTS TO THE MANAGEMENT AGREEMENT AND THE TERMS FOR REDEMPTION OF THE COMPANY'S INVESTMENT IN THE MASTER FUND

#### Amendments to the Management Agreement

The notice period for termination of the Management Agreement by either the Company and the Manager will remain at 12 months.

In addition, the Company will remain entitled to terminate the Management Agreement on 90 days' notice following a material breach of the Management Agreement by the Manager which, if that breach is capable of being made good, the Manager has failed to make good within 30 days of receipt of written notice from the Company requiring the Manager to do so. The notice period for redemption of the Company's investment in the Master Fund in these circumstances will be three months.

The other circumstances in which the Company may terminate the Management Agreement on shorter notice than 12 months will be revised as follows:

- The ability of the Company to terminate the Management Agreement on 90 days' notice absent any material breach by the Manager but subject to the payment to the Manager of 12 months' management fees and any accrued performance fee, will be removed.
- The Company will be permitted to terminate the Management Agreement on 90 days' notice and redeem its investment in the Master Fund on three months' notice on any of the following cause events by the Manager:
  - the Manager ceasing to manage the Master Fund;
  - fraud by the Manager in respect of its duties under the Management Agreement or by the Manager or any Investment Manager in respect of the Master Fund as determined by a court of competent jurisdiction;
  - gross negligence by the Manager in respect of its duties under the Management Agreement as determined by a court of competent jurisdiction;
  - the occurrence of an insolvency, winding up, receivership or administration event (excluding a solvent reorganisation) at the Manager or any Investment Manager to which the Manager has delegated any of its duties where such event occurs whilst the delegation is continuing; or
  - the Manager or any Investment Manager or any of their respective associates ceasing to hold any licence, permission, authorisation or consent necessary for the performance of its duties under the Management Agreement or in relation to the Master Fund.
- The ability of the Company to terminate the Management Agreement immediately in case of any of the following events will be removed (and the Company would be required to terminate the Management Agreement on 12 months' notice instead):
  - the occurrence of a significant change in the management or operations of the Manager which materially and adversely affects the ability of the Manager to perform its duties under the Management Agreement;
  - a change of control of the Manager which the Directors, acting reasonably, consider would bring the Company into disrepute; or
  - if the net asset value of the Master Fund on any calculation date is more than 25 per cent. lower than the highest net asset value of the Master Fund on any of the previous 12 calculation dates.
- In the event that Board is required to propose a liquidation resolution to Shareholders because the Company's aggregate NAV at the end of any quarter is lower than US\$300 million (a "Liquidation Resolution"), and the Liquidation Resolution is passed by Shareholders, the Management Agreement would automatically terminate on the date that is six months following the date of the passing of the Liquidation Resolution and the Company would be required to pay the Manager a payment equal to one per cent. of the Company's NAV, net of any Annual



Buy Back Allowance (as defined below) for the relevant calendar year that remains unused, in addition to all other fees due to the Manager under the Management Agreement until its termination date.

If any other resolution (not being a Liquidation Resolution) is passed by Shareholders to wind up the Company, including if all classes of Shares then in issue were to vote in favour of any class closure resolutions required to be proposed under the Articles, the Management Agreement would automatically terminate on the date that is 12 months following the date of the passing of that resolution.

In all cases, the Manager will be entitled to all fees due to the Manager under the Management Agreement until its termination date, which will be the effective date of the redemption of the Company's investment in the Master Fund in the event that the notice period for termination of the Management Agreement expires before that date.

### **Terms for redemption of the Company's investment in the Master Fund**

The notice period for redemption of the Company's investment in the Master Fund will be extended to 12 months' notice, except that the Company may redeem all or part of its investment in the Master Fund on shorter notice in the following circumstances:

- In order to finance the Company's standard working capital requirements, including the payment of fees (but not the financing of share buy backs, share redemptions, capital returns or dividends), which redemptions may be made on a monthly basis.
- In order to fund on-market share buy backs, in which case the Company may redeem a part of its investment in the Master Fund equal to up to five per cent. of each class of the Company's holding of Master Fund shares on a monthly basis.
- In order to fund an Annual Redemption Offer, in which case the Company may redeem a part of its investment in the Master Fund equal to up to ten per cent. of each class of the Company's holding of Master Fund shares on three months' notice.
- Following termination of the Management Agreement by the Company on 90 days' notice for the "cause" events described above, in which case the relevant redemption notice period is three months.
- On liquidation of the Company following the passing of a Liquidation Resolution, in which case the relevant redemption notice period is six months.

It should be noted, in particular, that the Company would be required to provide 12 months' notice of redemption of all or part of its investment in the Master Fund in the following circumstances, meaning that any payment to Shareholders would only be made after such 12 month notice period had expired:

- on termination of the Management Agreement for any reason;
- to finance a tender offer by the Company;
- following the passing of a class closure resolution; or
- on liquidation of the Company other than following the passing of a Liquidation Resolution.

The process for redemption from the Master Fund requires the Company to serve the requisite notice of redemption in advance of the relevant Master Fund redemption date, which ordinarily is the first business day of every month, and the proceeds of redemption, which will be calculated by reference to the relevant net asset value(s) of the Master Fund on the relevant redemption date, should ordinarily be received by the Company within one month of that redemption date. This means that the timing between service of a redemption notice and receipt of the proceeds of redemption will ordinarily exceed the notice period by up to two months, depending on the timing of the service of the notice of redemption. In addition, the proceeds to be received by the Company pursuant to the redemption will not be known until after the relevant redemption date and the Company will remain exposed to the performance of the Master Fund in the intervening period.

It should also be noted that any redemption by the Company of all or part of its investment in the Master Fund will also be subject to other overriding restrictions on redemptions from the Master Fund, including gates, in place from time to time.

**Annual Buy Back Allowance**

The amendments made to the Management Agreement in 2021 require that if, in any calendar year, the Company makes repurchases or redemptions of any class of its Shares above a number equal to five per cent. of the shares in issue of the relevant class as at 31 December in the prior year (the "Annual Buy Back Allowance"), the Company is required to pay the Manager an additional fee equal to two per cent. of the price paid by the Company to repurchase or redeem those additional Shares. These arrangements will continue to apply in respect of any Shares which are repurchased or redeemed by the Company in excess of the Annual Buy Back Allowance in any year, including by way of market purchases, tender offer, Annual Redemption Offer or following the passing of a class closure resolution in respect of one class of Shares. However, the Annual Buy Back Allowance will not apply, and no further fee will be payable to the Manager in addition to the management and performance fees accruing under the Management Agreement for the relevant notice period (in addition to the operational services fee borne by the Company's investment in the Master Fund for such period), on a winding up of the Company (including following the passing of class closure resolutions in respect of all classes of Shares then in issue), except that on the passing of a Liquidation Resolution, the fee arrangements described above will apply.

## PART 3

### DEFINITIONS

“2022 Annual General Meeting” means the annual general meeting of the Company held on 9 September 2022;

“Admission” means admission of the sub-divided Shares arising pursuant to the Share Sub-Division to the premium listing segment of the Official List of the FCA and to trading on London Stock Exchange plc’s Main Market for listed securities;

“Annual Buy Back Allowance” has the meaning given that term in Part 2 of this document;

“Annual Redemption Offer” means the arrangements, in the discretion of the Directors, for the Company to make a return of capital to Shareholders each year described in the Articles;

“Articles” means the articles of incorporation of the Company in force from time to time;

“Board” or “Directors” (each a “Director”) means the board of directors of the Company from time to time;

“Capital Raising” means the proposed capital raising by the Company pursuant to the Initial Issue and Issuance Programme, as described in this document and the Prospectus;

“Capital Raising Resolutions” means the resolutions numbered one and two to be proposed at the Extraordinary General Meeting;

“Company” means BH Macro Limited;

“Extraordinary General Meeting” means the extraordinary general meeting of the Company convened for 8.30 a.m. on 6 February 2023 (or any adjournment thereof), notice of which is set out at the end of this document;

“Form of Proxy” means the form of proxy for use at the Extraordinary General Meeting;

“Initial Issue” has the meaning given that term in Part 1 of this document;

“Investment Manager” means the affiliates of the Manager which provide management services to the Master Fund;

“Issuance Programme” has the meaning given that term in Part 1 of this document;

“Liquidation Resolution” has the meaning given that term in Part 2 of this document;

“Management Agreement” means the management agreement between the Company and the Manager;

“Manager” means Brevan Howard Capital Management LP;

“Master Fund” means Brevan Howard Master Fund Limited;

“NAV” or “Net Asset Value” means the net asset value of the Company, a class of Shares or a Share, as the context indicates;

“Prospectus” means the prospectus of the Company in connection with the Capital Raising published on the date of this document;

“Resolutions” (and each a “Resolution”) means the resolutions to be proposed at the Extraordinary General Meeting and contained in the notice of the Extraordinary General Meeting;

“Shareholders” (each a “Shareholder”) means the shareholders of the Company from time to time;

“Share Sub-Division” means the proposed sub-division of each existing issued Share into ten new Shares of the same currency class;

“Shares” means the Sterling Shares and the US Dollar Shares;

“Sterling Shares” means the shares of the Company denominated in Sterling; and

“US Dollar Shares” means the shares of the Company denominated in US Dollars.

# BH MACRO LIMITED

(Company No. 46235)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE** is hereby given that an extraordinary general meeting of BH Macro Limited (the “Company”) will be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey on 6 February 2023 at 8.30 a.m. to consider and if thought fit, to pass the following resolutions the first and third of which will be proposed as ordinary resolutions and the second of which as a special resolution:

### ORDINARY RESOLUTION

1. That, in substitution for all subsisting resolutions, the Directors be generally and unconditionally authorised to allot and issue (or sell from treasury), grant rights to subscribe for, or to convert securities into up to:
  - (a) 22,000,000 shares designated as Sterling shares (the “Sterling Shares”) or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 Sterling Shares, being equivalent to 72.95 per cent. of the Sterling Shares in issue (excluding Sterling Shares held in treasury) as at the latest practicable date prior to the date of publication of the Company’s circular to shareholders dated 23 January 2023 (the “Circular”); and
  - (b) 22,000,000 shares designated as US Dollar shares (the “US Dollar Shares”) or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 US Dollar Shares, being equivalent to 770.06 per cent. of the US Dollar Shares in issue (excluding US Dollar Shares held in treasury) as at the latest practicable date prior to the date of publication of the Circular,

in each case for the period expiring on the date falling 12 months after the date of passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted and issued after such expiry and the Directors may allot and issue shares in pursuance of such an offer or agreement as if the authority had not expired, and provided that the total number of Sterling Shares and US Dollar Shares in aggregate that may be issued pursuant to this authority may not exceed 22,000,000 shares or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 shares.

### SPECIAL RESOLUTION

2. That, in accordance with Article 6.4 of the Articles and in substitution for all subsisting authorities pursuant to Article 6.4, the Directors be empowered to allot and issue (or sell from treasury) for cash as if Article 6.1 of the Articles did not apply to the allotment and issue (or sale from treasury) up to:
  - (a) 22,000,000 Sterling Shares or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 Sterling Shares, and equivalent to 72.95 per cent. of the Sterling Shares in issue (excluding Sterling Shares held in treasury) as at the latest practicable date prior to the date of publication of the Circular; and
  - (b) 22,000,000 US Dollar Shares or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 US Dollar Shares and equivalent to 770.06 per cent. of the US Dollar Shares in issue (excluding US Dollar Shares held in treasury) as at the latest practicable date prior to the date of publication of the Circular,

in each case for the period expiring on the date falling 12 months after the date of passing of this resolution, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted and issued (or sold) after such expiry and the Directors may allot and issue (or sell) shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired, and provided that the total number of Sterling Shares and US Dollar Shares in aggregate that may be issued pursuant to this authority may not exceed 22,000,000 shares or, assuming that resolution 3 below is passed and becomes effective, 220,000,000 shares.

### ORDINARY RESOLUTION

3. THAT, with effect from and conditional upon Admission occurring by 8.00 a.m. on 7 February 2023, or such other time and/or date as the Directors may, in their absolute discretion, in accordance with Article 16.3.2 of the Articles:
- (a) each share of no par value in the Company designated as a Sterling Share be sub-divided into 10 Sterling Shares, each such share as sub-divided having the same rights and being subject to the same restrictions as the existing Sterling Shares of no par value in the capital of the Company as set out in the Company's articles of incorporation for the time being; and
  - (b) each share of no par value of the Company designated as a US Dollar Share be sub-divided into 10 US Dollar Shares, each such share as sub-divided having the same rights and being subject to the same restrictions as the existing US Dollar Shares of no par value in the capital of the Company as set out in the Company's articles of incorporation for the time being.

By order of the Board

Registered Office  
PO Box 255  
Trafalgar Court, Les Banques  
St Peter Port,  
Guernsey, GY1 3QL  
Channel Islands

Dated 23 January 2023

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**Notes:**

1. To have the right to attend and vote at the meeting you must hold shares in the Company and your name must be entered on the share register of the Company in accordance with note 4 below.
2. Shareholders entitled to attend and vote at the meeting may appoint one or more proxies (who need not be a Shareholder) to attend, speak and vote on their behalf, provided that if two or more proxies are to be appointed, each proxy must be appointed to exercise the rights attaching to different shares. On a poll, all or any of the rights of the Shareholder may be exercised by one or more duly appointed proxies.
3. To be valid, the relevant instrument appointing a proxy (and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy thereof) must be received by Computershare Investor Services (Guernsey) Limited c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, not later than 8.30 a.m. on 2 February 2023. A Form of Proxy accompanies this notice. Subject to any restrictions in place at the time of the meeting, completion and return of the Form(s) of Proxy will not preclude members from attending and voting at the meeting should they wish to do so.
4. The time by which a person must be entered on the register of members in order to have the right to attend and vote at the meeting is 8.30 a.m. on 2 February 2023. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. In calculating such 48 hours period, no account shall be taken of any part of a day that is not a business day in London and Guernsey. Changes to entries on the register of members after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. On a poll each Shareholder will be entitled to 0.7606 votes per US Dollar share held and 1.4710 votes per Sterling share held. As at the latest practicable date prior to the date of this notice, the Company's issued share capital (excluding shares held in treasury) consisted of 2,856,934 US Dollar shares and 30,157,494 Sterling shares. Therefore, the total voting rights in the Company as at the latest practicable date prior to the date of this notice is 46,534,658.

