



24 October 2019

The Highbridge Multi-Strategy Fund (“MSF”) estimated return for the third quarter was -2.53%, bringing the YTD net return to -0.22%¹.

Since the June announcement regarding Highbridge Capital Management, LLC’s plan to refocus our business around our credit strategies we have made meaningful progress managing down exposure in the MSF. The MSF has returned a majority of its estimated September 30, 2019 capital balance to investors, by way of distributions or transfers into the Highbridge Tactical Credit Fund.

The vast majority of the MSF’s exposure across its global equity oriented books was unwound very early in this process resulting in nominal P/L attribution from those strategies. Certain strategies such as Cross Asset Relative Value, Asia Capital Structure Arbitrage, Convertible & Volatility Arbitrage, and Derivatives Relative Value were gradually unwound over the course of the quarter. We were also able to divest more than half of the MSF’s exposure to the Convertible Credit & Capital Structure Arbitrage strategy.

Although we did spend the quarter unwinding the fund’s exposure, we feel that the liquidation impact to the MSF was relatively small. Notable detractors included the Convertible Credit & Capital Structure Arbitrage and Distressed portfolios that were impacted by the underperformance of both less liquid, high-yield credits, and reorganized public equity positions. Additionally, the SPAC portfolio within Equity Capital Markets had a negative impact as the underlying equities also sold off meaningfully.

We continue to work hard on behalf of all investors and expect to return the majority of the investors’ remaining capital by year-end.

The Fund is an actively managed portfolio; holdings, sector weightings and allocations are subject to change and the Fund is managed to internal risk guidelines which are not absolute and can change over time. This material is provided for illustrative purposes only and represents HCM’s subjective opinions and views as of the date hereof subject to change depending on market environment. The information is not intended to provide and should not be relied on for legal, accounting or tax advice.

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any holdings discussed herein will remain in an account’s portfolio at the time you receive this report.

(1) As of September 30, 2019, Highbridge Multi-Strategy Fund Corporation. (“HMSF”) performance and performance attribution is unaudited and is based on HMSF Class F Non-Restricted shares net of a 1.5% management fee, a 20.0% incentive fee, and 45 bps of estimated fund expenses. Performance attribution represents a capital-weighted contribution to the HMSF overall return for the period indicated net of all fees and expenses assigned to the strategy (does not represent a return on equity figure). **Performance shown is not necessarily reflective of the performance of your investment. Please refer to your monthly NAV reporting for your investment returns.** Certain recent performance is estimated and unaudited. Past performance is not necessarily indicative of future results.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RETURNS.
There can be no assurance that the Fund’s return objectives will be realized or that the Fund will not experience losses.

