



June 17, 2019

Dear Investor,

I am writing to share an important business update regarding the Highbridge Multi-Strategy Fund. While we have delivered strong risk-adjusted returns to our investors both recently and over our 27 year-history, we continually evaluate our platform to ensure we are optimally positioned for long-term success.

We are incredibly proud of the nearly 10 percent annualized net return that the Highbridge Multi-Strategy Fund has generated since its launch in 1992. This strong track record has been achieved with relatively low volatility, producing a high Sharpe ratio. Over time, however, we have had to reflect on what is the most prudent approach for the future of our business, our employees and most importantly, our investors.

For any business decision we undertake, we strive to operate from a position of strength and with an eye towards the future of our industry. To this end, we have decided to refocus our business exclusively around Highbridge's credit strategies, including the Tactical Credit Fund, the multi-strategy credit vehicle managed by Jon Segal and Jason Hempel since November 2013.

Credit investing has long been an integral component of our platform both within and alongside the Multi-Strategy Fund. Our credit platform already manages a meaningful portion of our firm's assets and is currently the largest allocation of capital within our Multi-Strategy Fund. Jon and Jason have worked alongside me for the past 13 years and have managed our credit strategies since they were formally carved-out as a standalone allocation within the Multi-Strategy Fund in January 2012.

Over the next six weeks, our business development team as well as Jon, Jason and I will be available to discuss this refocus. As a Multi-Strategy Fund investor, you will have three options for your existing Multi-Strategy Fund investment: 1) transfer your entire Multi-Strategy Fund investment to the Tactical Credit Fund, 2) request a full return of your investment, or 3) transfer a portion of your Multi-Strategy Fund investment to the Tactical Credit Fund and request a return of the balance of your investment. If you do not make an election by July 31, your entire Multi-Strategy Fund investment will be moved to the Tactical Credit Fund. However, transfers to the Tactical Credit Fund will be subject to capacity limitations and other considerations. We anticipate that the initial transfers of fund interests to the Tactical Credit Fund and the initial return of investor capital will occur in early October. We will be reaching out shortly with further information around the timing and the mechanics of the transition.

For investors that will remain with Highbridge, the Tactical Credit Fund seeks to generate its return from relative value and idiosyncratic opportunities, in a substantially similar manner to the long-standing credit allocation in our Multi-Strategy Fund. We believe the Tactical Credit Fund's liquidity terms and volatility, draw-down, and correlation profile are in-line with what Multi-Strategy Fund investors seek.

For those investors who request a return of capital, we will seek to do so as efficiently as possible. I will be working with the other investment teams to unwind their portfolios in an orderly fashion, seeking to balance speed with value maximization. Given the liquidity of the positions, we expect to be able to return the majority of this capital shortly after the end of the third quarter. During this time, we will also be returning capital to our investors in the Highbridge Asia Fund.

As we refocus Highbridge around our credit platform, we understand that this is a change for you as investors and for us as a firm. However, we are confident that this is the best path forward and we are fully focused and committed to ensuring a seamless transition. Going forward, our credit business will continue to have the stewardship of COO & CFO Marc Creatore, who has been with the firm for 15 years, and I will be moving into a role as an Advisor and Director to the credit business once I complete my responsibilities as CIO of the Multi-Strategy Fund. We are also pleased to be a part of J.P. Morgan Asset

Management's \$150 billion Global Alternatives franchise, which will provide us with strategic resources to further invest in our credit business.

Over the coming days, you will be provided with further details around these developments. In the meantime, however, please do not hesitate to reach out to me directly with any questions.

On behalf of our entire team at Highbridge, thank you for your partnership and support over the years. We greatly appreciate it and look forward to building upon our relationship.

Sincerely,  
Mark Vanacore

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