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This Circular is not being sent to Shareholders with registered addresses in the United States or in any other jurisdiction where its circulation would be unlawful.

Accordingly copies of this Circular or any accompanying documents are not being mailed and must not be, directly or indirectly, mailed or otherwise distributed, forwarded or transmitted into the United States or any other such jurisdiction and all persons receiving such documents (including, without limitation, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise distribute, forward or transmit them in, into or from the United States or any other such jurisdiction.

If you have sold or otherwise transferred all of your Shares in the Company, please send this Circular and the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction.

HIGHBRIDGE MULTI-STRATEGY FUND LIMITED

(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 44704)

Proposal for a Tender Offer for up to 20 per cent. of the Shares

Notice of Extraordinary General Meeting

The Tender Offer will close at 6.00 p.m. on 19 October 2016 and will only be available to Eligible Shareholders on the Register at the close of business on 19 October 2016.

The Tender Offer described in this Circular is conditional on the approval of the Shareholders of the first Special Resolution at the Extraordinary General Meeting. Notice of the Extraordinary General Meeting to be held at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT at 10.30 a.m. on 21 October 2016 is set out at the end of this Circular.

Shareholders are requested to return the Form of Proxy accompanying this Circular for use at the Extraordinary General Meeting. To be valid, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX, as soon as possible and in any event not later than 48 hours (excluding weekends and any bank holiday) before the time of the Extraordinary General Meeting.

Eligible Shareholders who hold their Shares in certificated form (that is, not in CREST) who wish to tender their Shares under the Tender Offer will find enclosed with this Circular a Tender Form for use in connection with the Tender Offer which should be completed and returned with their share certificate(s) either by post or by hand to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX before 6.00 p.m. on 19 October 2016.

Eligible Shareholders who hold their Shares in uncertificated form (that is, in CREST) who wish to tender their Shares under the Tender Offer should follow the procedure set out in the paragraph 4 in Part II of this Circular, which can be found on pages 17 to 18 and should ensure that their TTE

Instruction(s) (together with the relevant CREST Holder Form(s)) are submitted by 6.00 p.m. on 19 October 2016.

IF YOU DO NOT WISH TO TENDER ANY OF YOUR SHARES PURSUANT TO THE TENDER OFFER, DO NOT COMPLETE OR RETURN A TENDER FORM AND DO NOT SUBMIT A TTE INSTRUCTION OR CREST HOLDER FORM.

THE TENDER OFFER IS BEING MADE BY THE COMPANY AND ACCORDINGLY THIS CIRCULAR IS NOT TO BE REGARDED AS HAVING BEEN AUTHORISED OR ISSUED BY HCC OR ITS INVESTMENT MANAGER HIGHBRIDGE CAPITAL MANAGEMENT, LLC.

The opportunity to participate in the Tender Offer is not being made in or into, or to any Shareholder resident in, the United States, or any other jurisdiction in which the same would be unlawful.

Your attention is drawn to the section entitled "Action to be taken by Shareholders" on page 13 of this Circular which includes a recommendation from the Board that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. Your attention is also drawn to the Company's Risk Disclosure Document (which can be found on the Company's website at www.highbridgemsfltd.co.uk) which sets out information on certain risks and other aspects of the Company's investment in HCC. Capitalised terms used in this Circular shall have the meanings set out in the section entitled "Definitions" on page 28 of this Circular.

EXECUTIVE SUMMARY

Background

As approved by Shareholders in February 2016, the directors have the power to offer Shareholders a quarterly cash exit opportunity at NAV (less costs) with respect to up to 20 per cent. of the Shares in issue. The Board is pleased to announce that the first such opportunity will take place by way of a Tender Offer in October 2016 with tendering Shareholders receiving most of the cash consideration in February 2017.

Before going into further detail regarding the mechanics of the tender offer, the Board would like to reiterate and expand upon the views which were shared in the Chairman's Statement in the recently published Half Yearly Financial Report of the Company. The Board hold a strong view that Highbridge Capital Management have performed well since their appointment as investment manager, particularly over recent months, by delivering a steady and consistent return within the underlying fund. Since the appointment of Highbridge Capital Management, LLC as investment manager of the Company on 29 February 2016, the Company's NAV per Share (excluding the impact of the Residual Assets) has increased 4.91 per cent. during a time of considerable market volatility.¹ Conversations with a large range of Shareholders confirm that many of you believe that the Company is a useful and important investment holding and many would welcome the Company growing in size, with the attendant benefits of reduced costs and greater liquidity. It is, therefore, our aim to increase the size of the Company as soon as practicable.

The Board hopes that Shareholders share its view, can see the benefits of remaining invested in the Company for the longer term and value the potential for the multi-strategy approach to deliver positive returns even in volatile markets.

The Board believes it has demonstrated its credentials in regard to buying-back Shares to seek to address the discount since 2012. This has been continued over the summer of 2016 and the Board is very alert to the desire of Shareholders regarding the stability of the discount to NAV. Shareholders should note, however, that any future buy-backs, should they take place, may not be successful in addressing the discount.

As at 22 September 2016, the Shares were trading at approximately a 7 per cent. discount. As a result, the Board has decided to provide a tender for up to 20 per cent of the Shares in issue. This will provide Shareholders with an opportunity to realise a proportion of their investment in the Company (in whole or in part, subject to tenders from other Shareholders) whilst enabling the Company to hold Tendered Shares in treasury with the view to placing those Tendered Shares in the future.

Full details of the Tender Offer are set out in the remainder of this Circular which should be read carefully by Shareholders.

Board recommendation

The Board considers that the proposed terms of the off-market purchase agreement for the purchase of Shares tendered under the Tender Offer and the disapplication of pre-emption rights for the re-sale of Shares out of treasury by the Company are in the best interests of the Company and of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of all Resolutions to be proposed at the Extraordinary General Meeting as the Directors intend to do in respect of their entire beneficial shareholdings in the Company. No Director intends to participate in the Tender Offer in respect of their beneficial shareholdings in the Company.

The Board makes no recommendation as to whether or not a Shareholder should participate in the Tender Offer. The extent to which Shareholders participate in the Tender Offer is a matter for each Shareholder to decide and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders who are in any doubt as to the action they should take should consult an appropriate independent professional adviser.

Action to be taken by Shareholders in connection with the EGM and the Tender Offer

Extraordinary General Meeting

¹ Data presented from 1 March 2016 to 16 September 2016. Past performance is not indicative of future performance or returns and there can be no assurance that the Company's return objectives will be realised or that the Company will not experience losses.

You will find enclosed with this Circular a separate Form of Proxy for use at the Extraordinary General Meeting.

Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return the Form of Proxy to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX to arrive by the time and date specified on the Form of Proxy.

The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so.

Tender Offer – CREST Shareholders

If you are an Eligible Shareholder and hold your Shares in uncertificated form (that is, in CREST) and you wish to participate in the Tender Offer you do not need to complete or return a Tender Form. You should, however, take (or procure to be taken) the action set out below to transfer (by means of TTE Instruction(s)) the total number of Shares you wish to tender under the Tender Offer to an escrow balance, specifying Anson Registrars Limited in its capacity as escrow agent under its participant ID referred to below, as soon as possible, and in any event **so that the transfer to escrow settles not later than 6.00 p.m. on 19 October 2016.**

In addition, please note that there is no CREST payment method available and therefore if you wish to participate in the Tender Offer, any payment will be made in accordance with the bank details indicated in the CREST Holder Form (or in the absence of such indication by cheque despatched at the latest known address as indicated on the Register). Accordingly, you should read the CREST Holder Form carefully, complete it and return it (and, if the CREST Holder Form is executed by someone other than you, the authority of that other person to do so) either by post or by hand to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX **before 6.00 p.m. on 19 October 2016.**

Tender Offer – Certificated Shareholders

If you are an Eligible Shareholder and hold your Shares in Certificated Form and you wish to participate in the Tender Offer you should read the Tender Form carefully, complete it and return it with the share certificate(s) in respect of the total number of Shares you wish to tender under the Tender Offer and such other evidence as the Directors may reasonably require to prove your title and the due execution by you of the Tender Form or, if the Tender Form is executed by someone other than you, the authority of that other person to do so either by post or by hand to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX **before 6.00 p.m. on 19 October 2016.**

Shareholders are not obliged to tender any Shares and if they do not wish to participate in the Tender Offer, they should not complete or return their Tender Form or submit a TTE Instruction or CREST Holder Form.

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EXPECTED TIMETABLE
EXTRAORDINARY GENERAL MEETING

2016

| | |
|--|--------------------------|
| Latest time and date of receipt of Form of Proxy for the Extraordinary General Meeting | 10.30 a.m. on 19 October |
| Extraordinary General Meeting | 10.30 a.m. on 21 October |
| Announcement of results of the Extraordinary General Meeting | 21 October |

TENDER OFFER

| | |
|--|--|
| Latest time and date for receipt of Tender Forms and TTE Instructions (together with the relevant CREST Holder Forms) for the Tender Offer | 6.00 p.m. on 19 October |
| Record Date | 19 October |
| Announcement of results of the Tender Offer | 21 October |
| Repurchase of Shares pursuant to the Tender Offer | 21 October |
| Payment of the initial tranche of the Tender Price (if applicable)* | Within 5 Business Days following 21 October |
| Highbridge Capital Corporation (HCC) redemption date | 31 December |
| Payment of the second tranche of the Tender Price* | Within 5 Business Days following receipt by the Company of the proceeds of redeeming the relevant portion of the Company's holding in HCC (expected to be by 15 February 2017 subject to any applicable redemption gate, suspension or other delay by HCC) |
| Payments of subsequent tranches of the Tender Price* | Within 5 Business Days following receipt by the Company of cash proceeds of realising assets comprised in the Repurchase Portfolio |

**Shareholders should note that there is no CREST payment method available and therefore Shareholders holding their Shares through CREST (i.e., in uncertificated form) must complete and return (together with the submission of a TTE Instruction) a CREST Holder Form to the Registrars including bank details. Shareholders who have not indicated bank details (either in the Tender Form or the CREST Holder Form) will be paid by cheque despatched at the latest known address as indicated on the Register.*

**Shareholders should note that the Company may hold back any payment until a material amount is available for distribution to Tendering Shareholders to avoid the cost and administrative burden of distributing small amounts.*

Each of the times and dates in the above expected timetable may be extended or brought forward without further notice. If any of the above times and/or dates change, the revised time(s) and/or

date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service. All references are to London time unless otherwise stated.

PART I – LETTER FROM THE CHAIRMAN

HIGHBRIDGE MULTI-STRATEGY FUND LIMITED

(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 44704)

Directors:

Vic Holmes (Chairman)
Paul Meader
Steve Le Page
Sarita Keen

Registered office:

Ground Floor
Dorey Court
Admiral Park
St. Peter Port
Guernsey
GY1 2HT

26 September 2016

PROPOSAL FOR A TENDER OFFER FOR UP TO 20 PER CENT. OF THE SHARES IN ISSUE

NOTICE OF EXTRAORDINARY GENERAL MEETING

Dear Shareholder,

1. INTRODUCTION AND BACKGROUND

1.1 General

Further to the extraordinary general meeting of the Company held on 24 February 2016 (the "**February EGM**") which resulted in the adoption of the Company's current investment policy and investment management arrangements, on 1 March 2016 the Company invested the proceeds received by it from the realisation of its investment in the BlueCrest Funds (net of costs and expenses and all amounts paid to Shareholders who redeemed their Shares pursuant to the Cash Exit Offer) into Highbridge Capital Corporation ("**HCC**"). Consequently, the Company's assets currently comprise shares in HCC, cash retained for working capital purposes and its remaining unrealised holding in the BlueCrest Funds (the "**Residual Assets**"). As at 22 September 2016, the Residual Assets accounted for approximately 10 per cent. of the Company's NAV.

Alongside the changes to the Company's investment policy and investment management arrangements, Shareholders also approved amendments to the Company's Articles to introduce an ability for the Directors, at their absolute discretion, to operate a quarterly redemption facility for up to 20 per cent. of the Shares in issue at the relevant time (excluding Shares held in treasury). The purpose of the redemption facility was to provide a means by which the Directors could seek to manage the discount to NAV per Share at which the Shares may trade from time to time.

The Board believes it has demonstrated its credentials in regard to buying-back Shares to seek to address the discount since 2012. This has been continued over the summer of 2016 and the Board is very alert to the desire of Shareholders regarding the stability of the discount to NAV. Shareholders should note, however, that any future buy-backs, should they take place, may not be successful in addressing the discount.

As at 22 September 2016, the Shares were trading at approximately a 7 per cent. discount. As a result, the Board has decided to provide a tender for up to 20 per cent of the Shares in issue. This will provide Shareholders with an opportunity to realise a proportion of their investment in the Company (in whole or in part, subject to tenders from other Shareholders) whilst enabling the Company to hold Tendered Shares in treasury with the view to placing those Tendered Shares in the future.

Shareholders are not obliged to tender any Shares and if they do not wish to participate in the Tender Offer, they should not complete or return their Tender Form or submit a TTE Instruction or CREST Holder Form.

The primary purpose of this Circular is as follows:

- to inform Shareholders about how they can tender Shares for purchase, if they are eligible and wish to do so;
- to set out the terms and conditions of the Tender Offer; and
- to give notice of the EGM at which the Company will seek the necessary Shareholder authorities to conduct the Tender Offer.

1.2 Tender Offer

Under the terms of the Tender Offer, which is being made by the Company, Eligible Shareholders on the Register on the Record Date will be entitled to tender some or all of their Shares for purchase by the Company at the Tender Price (as described below), less the costs of implementing the Tender Offer. The number of Shares which will be repurchased by the Company pursuant to the Tender Offer (both generally and in respect of any individual Shareholder) will be subject to the limits described in paragraph 2.1 below.

All Tendered Shares will be purchased off-market by the Company pursuant to the terms of an Off-Market Purchase Agreement between the Company and the Tendering Shareholders which shall be constituted by this Circular and the Tender Form (or, in the case of Shares held in uncertificated form, the CREST Holder Form) (together, the "**Off-Market Purchase Agreement**") and held in treasury (to the extent permitted by any applicable legal or regulatory requirements) until sold or cancelled by the Company.

The Tender Offer is conditional upon the terms of the Off-Market Purchase Agreement and may be suspended or terminated in certain circumstances as set out in paragraph 6 in Part II of this Circular. The Tender Offer is also subject to certain conditions as set out in paragraph 2 in Part II of this Circular.

1.3 Shareholder Approval Required

In order to implement the above proposals (the "**Proposals**"), it will be necessary to seek Shareholder approval in respect of the terms of the Off-Market Purchase Agreement and for the disapplication of pre-emption rights for the re-sale of Shares out of treasury by the Company. This Circular sets out details of, and seeks your approval for, the Proposals and explains why the Board is recommending that you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting to be held on 21 October 2016 (the "**Resolutions**"). The EGM Notice in respect of the Extraordinary General Meeting is set out at the end of this Circular.

2. TENDER OFFER

2.1 General

The Company is proposing a Tender Offer to be made for up to 20 per cent. of the Shares in issue on the Record Date (excluding Shares held in treasury) at the Tender Price. The Tender Offer is being proposed to enable those Shareholders who wish to realise their investment in the Company to do so (in whole or in part, subject to tenders from other Shareholders), whilst enabling the Company to hold Tendered Shares in treasury with the view to placing those Tendered Shares in the future.

Accordingly, Eligible Shareholders on the Register on the Record Date are invited to tender for sale some or all of their Shares to the Company. All Tendered Shares will be purchased off-market by the Company pursuant to the terms of the Off-Market Purchase Agreement and held in treasury (to the extent permitted by any applicable legal or regulatory requirements) until sold or cancelled by the Company.

All tenders of Shares shall be made on the terms and subject to the conditions set out in Part II of this Circular and the accompanying Tender Form for Shares held in certificated form or CREST Holder Form for Shares held in uncertificated form. A summary of the principal terms of the Tender Offer is as follows:

- The maximum number of Shares that will be repurchased by the Company under the Tender Offer is equal to 20 per cent. of the Company's issued share capital as at the Record Date (excluding Shares held in treasury);
- All Eligible Shareholders on the Register as at the Record Date will be able to decide whether to tender some or all of their Shares to the Company. Each Eligible Shareholder will be entitled to tender and have repurchased up to 20 per cent. of the Shares registered in such Shareholder's name on the Record Date rounded down to the nearest whole number of Shares (the "**Basic Entitlement**"). Each Eligible Shareholder will also be entitled to tender additional Shares held by it on the Record Date in excess of its Basic Entitlement. To the extent that other Eligible Shareholders tender Shares in respect of less, in the aggregate, than the whole of their Basic Entitlement, any such excess tenders will, subject to the overall 20 per cent. limit on the number of Shares which may be purchased by the Company pursuant to the Tender Offer, be satisfied pro rata in proportion to the aggregate number of Shares tendered by Eligible Shareholders in excess of their Basic Entitlements (rounded down to the nearest whole number of Shares).
- The Tender Price which will be received by each Tendering Shareholder for their Tendered Shares will be paid in tranches and be equal to the relevant Tendering Shareholder's pro rata share (based on the total number of Tendered Shares) of (i) a proportion of the cash (if any) held in the Company's portfolio attributable to the Tendered Shares; (ii) the proceeds of redeeming the portion of the Company's holding in HCC attributable to the Tendered Shares; and (iii) the realisation proceeds of the Residual Assets attributable to the Tendered Shares; less the costs of implementing the Tender Offer.
- The Tender Offer is being made by the Company which will purchase the Shares tendered by way of an off-market acquisition, in accordance with the Companies Law.

Further details on the Tender Price are set out in paragraph 3 in Part II of this Circular. The Tender Offer is subject to the conditions set out in paragraph 2 in Part II of this Circular. The Tender Offer may also be suspended or terminated in certain circumstances as set out in paragraph 6 in Part II of this Circular.

2.2 Mechanics of the Tender Offer

The Tender Offer is an offer by the Company to Shareholders to request that all or part of their Shares held as at the Record Date (being 19 October 2016) be repurchased by the Company. A Shareholder who tenders part or all of its Shares pursuant to the Tender Offer will need to submit a Tender Form for Shares held in certificated form or TTE Instruction(s) (together with the relevant CREST Holder Form(s)) for Shares held in uncertificated form for the number of Shares that they wish to tender by 6.00 p.m. on 19 October 2016. Details on submitting Tender Forms and TTE Instructions (together with the relevant CREST Holder Form(s)) are set out in paragraph 4 in Part II of this Circular.

2.3 Proceeds of the Tender Offer

Following the receipt of the Tender Forms and/or CREST Holder Forms from Eligible Shareholders and the passing of Resolution 1, the Board will allocate to a separate account in the books of the Company (the "**Repurchase Portfolio**") (a) the proportion of the cash (if any) held in the Company's portfolio attributable to the Tendered Shares, (b) the proportion of the Company's holding in HCC which is attributable to the Tendered Shares, and (c) the proportion of the Residual Assets which is attributable to the Tendered Shares.

The Shares to be purchased pursuant to the Tender Offer will be purchased on the Repurchase Date. Each Shareholder selling its Shares on such date pursuant to the Tender Offer will be entitled to receive its pro rata share (based on the total number of Tendered Shares) of: (a) the cash comprised in the Repurchase Portfolio (if any) within 5 Business Days of the Repurchase Date; (b) the cash comprised in the Repurchase Portfolio within 5 Business Days following receipt by the Company of

the proceeds of redeeming the relevant portion of the Company's holding in HCC (such proceeds are expected to be received by 15 February 2017 subject to any applicable redemption gate, suspension or other delay by HCC); and (c) the actual amount received by the Company from the realisation of the Residual Assets comprised in the Repurchase Portfolio as soon as practicable following receipt of such realisation proceeds by the Company (subject in each case to the Company's ability to defer the distribution of non-material sums in order to avoid undue administrative cost and burden), less the costs and expenses of implementing the Tender Offer. Tendering Shareholders should be aware that they will therefore receive the sale proceeds as a number of cash payments and that there may be considerable delay before such sale proceeds are distributed in their entirety.

The Company will make an announcement to Shareholders shortly following implementation of the Tender Offer and again when any further cash payment is to be made, which will state what proportion of the Repurchase Portfolio has been distributed to Tendering Shareholders and, to the extent known to the Company, when Tendering Shareholders can expect to receive any outstanding amounts.

The Tender Price to be paid to Tendering Shareholders will only be finally determined following the complete realisation of the assets comprised in the Repurchase Portfolio. The Company will on a monthly basis publish an unaudited estimated NAV for the Repurchase Portfolio based on information received by the Company, which Tendering Shareholders may choose to take as indicative of the potential realisation proceeds of the Repurchase Portfolio and the Tender Price they may receive. Tendering Shareholders should be aware, however, that there is no guarantee that the assets comprised in the Repurchase Portfolio will in fact be realised for the values attributed to them for the purposes of calculating such estimated NAVs. Therefore, the Tender Price received may be materially different to that indicated by the estimated NAVs of the Repurchase Portfolio published from time to time.

The purchase of the Tendered Shares under the Tender Offer will constitute a distribution for the purposes of the Companies Law. Accordingly, the Board will follow the procedure for making a distribution set out at section 303 of the Companies Law and will consider the statutory solvency test set out therein.

Under current UK taxation law and practice, the repurchase of Shares pursuant to the Tender Offer should constitute a disposal for the purposes of Shareholders subject to UK capital gains tax. Further details of the tax consequences of the Tender Offer are set out in Part III of this Circular.

2.4 City Code

Under Rule 9 of the City Code, any person who acquires an interest (as defined in the City Code) in shares which, taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person.

Under Rule 37.1 of the City Code, when a company redeems its own voting shares, a resulting increase in the percentage of shares carrying voting rights in which a person or a group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9.

However, a person not acting, or presumed to be acting, in concert with any one or more of the directors will not normally incur an obligation to make a mandatory offer under Rule 9 if, as a result of the redemption of shares by a company, they come to exceed the percentage limits set out in Rule 9.

Consequently, Shareholders should be aware that following implementation of the Tender Offer it is possible that certain Shareholder(s) will be interested in Shares carrying 30 per cent. or more of the voting rights in the Company without their having to make a mandatory offer under Rule 9 of the City Code to acquire the Shares of all other Shareholders.

3. RISK FACTORS

Shareholders should, when considering how to exercise their votes at the EGM or whether to participate in the Tender Offer, have regard to the following risk factors.

- Once a Tender Form has been returned to the Company or a TTE Instruction(s) (together with the relevant CREST Holder Form(s)) has been submitted, such Tendering Shareholder will be unable to access or otherwise deal in the Shares to be tendered, pending completion of the Tender Offer. Shares will be held in escrow subject to the completion of the Tender Offer. A Tender Form or TTE Instruction(s) (together with the relevant CREST Holder Form(s)), once submitted, may only be withdrawn with the consent of the Company.
- With effect from the Repurchase Date, Tendering Shareholders will cease to be Shareholders in the Company with respect to such Tendered Shares and will instead become general creditors of the Company with respect to any unpaid portion of the Tender Price.
- The Tender Price received by Tendering Shareholders may be less than the price at which they bought their Shares or the price or value at which they might ultimately realise their Shares should they continue to hold them.
- There is no guarantee that the market price of the Shares will fully reflect their underlying Net Asset Value at any time. As with all listed investment company shares, the discount (or premium) to Net Asset Value at which shares trade may fluctuate from day to day, depending on factors such as supply and demand, market conditions and general sentiment.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Company's Shares which could, accordingly, adversely affect a continuing Shareholder's ability to sell its Shares in the market.
- Securities laws in certain jurisdictions may prevent certain Shareholders from participating in the Tender Offer. For more information, please refer to paragraph 5 in Part II of this Circular below.
- The issued share capital of the Company will be reduced as a result of the Tender Offer to the extent that Shares are tendered. Consequently, the fixed costs of the Company will be spread over fewer Shares.
- The repurchase of Tendered Shares by the Company will be conditional on the Company being satisfied that it will, immediately following such repurchase, satisfy the solvency test prescribed by the Companies Law. There can be no guarantee that the Company will satisfy the solvency test, in which case the Tender Offer and payment of the Tender Price may be postponed or terminated.
- Shareholders should also note that the Company's investment in HCC is subject to various restrictions on redemptions, including that HCC is not required to permit redemptions of more than 10 per cent. of the aggregate net asset value of the participating shares of HCC on a quarterly redemption date, which may delay any redemption request made by the Company. In addition, HCC may suspend or defer redemptions and/or delay the payment of redemption proceeds in certain circumstances. Accordingly, there may be considerable delay before such redemption proceeds are distributed in their entirety to Tendering Shareholders.
- The full amount of the Tender Price to be paid to Shareholders can only be determined following the complete realisation of the Repurchase Portfolio. The Company will on a monthly basis publish an estimated NAV per Tendered Share for the Repurchase Portfolio, which Tendering Shareholders may choose to take as indicative of the potential realisation proceeds of the Repurchase Portfolio and the Tender Price they may receive. Shareholders should however note that the Tender Price received by a Tendering Shareholder may be materially different to that indicated by any estimated NAV per Tendered Share for the Repurchase Portfolio published by the Company.

- The tax treatment of amounts received on the repurchase of Shares by the Company may vary, perhaps significantly, between different types of Shareholders and between Shareholders in different jurisdictions. It is the responsibility of each individual Shareholder to determine what tax treatment would be applicable to the receipt by that Shareholder of the proceeds of redemption.
- If a Shareholder becomes a substantial shareholder as a result of not participating in the Tender Offer, or is already a substantial shareholder and does not participate, there is a risk that control of the Company may become more concentrated as a result of the Tender Offer.

Shareholders' attention is also drawn to the Company's Risk Disclosure Document (which can be found on the Company's website at www.highbridgemsf ltd.co.uk) which sets out information on certain risks and other aspects of the Company's investment in HCC.

4. COSTS AND EXPENSES ASSOCIATED WITH THE PROPOSALS

If the Tender Offer does proceed, the costs and expenses incurred by the Company in connection with the Proposals will be borne by those Shareholders tendering Shares pursuant to the Tender Offer pro rata to the number of Tendered Shares. Such costs and expenses are currently expected to amount to approximately £150,000.

If the Tender Offer does not proceed, the costs of the Tender Offer will be borne by all Shareholders as the Company will be liable for the payment of such costs.

5. REGULATORY CONSIDERATIONS

The Company is a closed-ended investment company limited by shares. The Company is incorporated and domiciled in the Island of Guernsey. The Company operates under the Companies (Guernsey) Law 2008, as amended and regulations made under that law. The Company is authorised as an authorised closed-ended collective investment scheme by the Guernsey Financial Services Commission (the "GFSC") and is subject to the Authorised Closed-Ended Investment Schemes Rules 2008. The GFSC will be notified of the Tender Offer.

The Board shall be entitled to defer any effective date specified in this Circular and the implementation of the Tender Offer in their absolute discretion to accommodate any legal, regulatory or operational requirements that are not resolved prior to or on the relevant effective date.

6. EXTRAORDINARY GENERAL MEETING

The Proposals are subject to Shareholder approval. The EGM Notice convening the Extraordinary General Meeting, to be held at 10.30 a.m. on 21 October 2016 at the registered office of the Company, is set out at the end of this Circular. The EGM Notice includes the full text of the Resolutions.

In order to become effective the Special Resolutions tabled at the Extraordinary General Meeting must be approved by a majority of not less than seventy five per cent. of the votes cast by Shareholders present in person or by proxy at each of the Extraordinary General Meeting.

The quorum for the Extraordinary General Meeting shall be two or more Shareholders present in person or represented by proxy representing not less than one-twentieth of the Shares in issue and entitled to vote at the Meeting. If the Extraordinary General Meeting needs to be adjourned because it is not quorate, it will be adjourned to the same time and place one week later, whereupon those shareholders then present in person, by their representative or by proxy, shall form the quorum. In the event of any such adjournment the Company will announce the adjournment via a RIS but no notification will be sent directly to Shareholders.

7. ACTION TO BE TAKEN BY SHAREHOLDERS IN CONNECTION WITH THE EGM

You will find enclosed with this Circular a separate Form of Proxy for use at the Extraordinary General Meeting.

Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return the Form of Proxy to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX to arrive by the time and date specified on the Form of Proxy.

The completion and return of the Form of Proxy will not preclude you from attending the Extraordinary General Meeting and voting in person if you wish to do so.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of this Circular will be available for inspection at the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG and at the registered office of the Company during normal business hours on any Business Day (Saturdays and public holidays excepted) from the date of this Circular until the conclusion of the Extraordinary General Meeting and at the place of the Extraordinary General Meeting for at least 15 minutes prior to, and during, the relevant meeting. A copy of the Articles will also be available on the Company's website: <https://www.highbridgemsf ltd.co.uk/>.

A copy of this Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at www.morningstar.co.uk/uk/NSM. This Circular will also be available on the Company's website: <https://www.highbridgemsf ltd.co.uk/>.

9. RECOMMENDATION

The Board considers that the proposed terms of the Off-Market Purchase Agreement and the disapplication of pre-emption rights for the re-sale of Shares out of treasury by the Company are in the best interests of the Company and of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of all Resolutions to be proposed at the Extraordinary General Meeting as the Directors intend to do in respect of their entire beneficial shareholdings in the Company.

The Board makes no recommendation as to whether or not a Shareholder should participate in the Tender Offer. The extent to which Shareholders participate in the Tender Offer is a matter for each Shareholder to decide and will be influenced by their own individual financial and tax circumstances and investment objectives. Shareholders who are in any doubt as to the action they should take should consult an appropriate independent professional adviser.

No Director will be tendering any of his Shares under the Tender Offer.

Yours faithfully

Vic Holmes

Chairman

26 September 2016

PART II – TERMS AND CONDITIONS THE TENDER OFFER

1. GENERAL

- 1.1 All Eligible Shareholders on the Register on the Record Date may tender Shares for purchase by the Company on the terms and subject to the conditions set out in this Circular and in the Tender Form (for Eligible Shareholders holding their Shares in certificated form) or CREST Holder Form (for Eligible Shareholders holding their Shares in uncertificated form). Eligible Shareholders are not obliged to tender any Shares.
- 1.2 The maximum number of Shares that will be purchased by the Company under the Tender Offer will not exceed 20 per cent. of the Company's issued share capital (excluding Shares held in treasury) as at the Record Date.
- 1.3 The Tender Offer is made at the Tender Price calculated in accordance with paragraph 3 below. The calculations approved by the Directors will be conclusive and binding on all Eligible Shareholders.
- 1.4 The consideration for each Tendered Share acquired by the Company pursuant to the Tender Offer will be paid in accordance with the settlement procedures set out in paragraph 4 below.
- 1.5 Upon the Tender Offer becoming unconditional and unless the Tender Offer has lapsed or terminated in accordance with the provisions of paragraph 2 or paragraph 6 below, the Company will, subject to the limit described in paragraph 1.2 and to the terms and conditions of the Tender Offer as set out in this Part II, accept the offers of Eligible Shareholders validly made in accordance with this Part II.

2. CONDITIONS OF THE TENDER OFFER

- 2.1 It should be noted that the Tender Offer is conditional on the following (together the "**Conditions**"):
 - the passing of the first Special Resolution as set out in the EGM Notice, on 21 October 2016 or by such later date (being not later than 30 Business Days after 21 October 2016) as the Company may determine;
 - valid tenders being received in respect of at least three per cent. of the Company's Shares (excluding Shares held in treasury) by 6.00 p.m. on 19 October 2016;
 - no Shareholder being required by the Panel to make a mandatory offer pursuant to Rule 9 of the City Code as a result of the Tender Offer (if it were completed) immediately following completion of the Tender Offer; and
 - the Tender Offer not having been terminated in accordance with paragraph 6 below prior to the fulfilment of the conditions referred to above.
- 2.2 If the Conditions are not satisfied or waived the Tender Offer will lapse and the Company will not purchase any Shares pursuant to the Tender Offer.

3. CALCULATION AND ANNOUNCEMENT OF THE TENDER PRICE

- 3.1 Following the receipt of the Tender Forms and/or CREST Holder Forms from Eligible Shareholders and the passing of Resolution 1, the Board will allocate to the Repurchase Portfolio (a) the proportion of the cash (if any) held in the Company's portfolio attributable to those Tendered Shares, (b) the proportion of the Company's holding in HCC which is attributable to the Tendered Shares, and (c) the proportion of the Residual Assets which is attributable to the Tendered Shares.
- 3.2 The Shares to be purchased pursuant to the Tender Offer will be purchased on the Repurchase Date.

- 3.3 The Tender Price which will be received by each Tendering Shareholder for its Tendered Shares will be paid in tranches and be equal to the relevant Tendering Shareholder's pro rata share (based on the total number of Tendered Shares) of:
- the proportion of the cash (if any) held in the Company's portfolio attributable to the Tendered Shares;
 - the proceeds of redeeming the portion of the Company's holding in HCC attributable to the Tendered Shares; and
 - the realisation proceeds of the Residual Assets attributable to the Tendered Shares;
- less the costs and expenses of implementing the Tender Offer.
- 3.4 It is anticipated that the initial tranche of the Tender Price (if applicable) would be paid to Tendering Shareholders within 5 Business Days of the Repurchase Date and the second tranche of the Tender Price within 5 Business Days following receipt of the redemption proceeds from HCC (such proceeds are expected to be received on 15 February 2017 subject to any applicable redemption gate, suspension or other delay by HCC). The remaining portion of the Tender Price would be distributed to Tendering Shareholders in tranches upon receipt by the Company of the proceeds of realising the Residual Assets. Any such payments will, however, be subject in each case to the Company's ability to defer the distribution of non-material sums in order to avoid undue administrative cost and burden.
- 3.5 Shareholders should note that, as referred to above, the Company's investment in HCC is subject to various restrictions on redemptions, including that HCC is not required to permit redemptions of more than 10 per cent. of the aggregate net asset value of the participating shares of HCC on a quarterly redemption date, which may delay any redemption request made by the Company. In addition, HCC may suspend or defer redemptions and/or delay the payment of redemption proceeds in certain circumstances. Accordingly, there may be considerable delay before such redemption proceeds are distributed in their entirety to Tendering Shareholders.
- 3.6 Unless terminated in accordance with the provisions of Part II of this Circular, the Tender Offer will close for Shareholders at 6.00 p.m. on 19 October 2016. Subject to the Conditions being satisfied, it is expected that on 21 October 2016 the Company will make a public announcement of the total number of Shares tendered pursuant to the Tender Offer and, if applicable, either the extent to which tenders will be scaled back, or the number of Shares in excess of the Basic Entitlement which will be purchased by the Company from Shareholders who have tendered Shares in excess of their Basic Entitlement .
- 3.7 Delivery of cash to Tendering Shareholders for the Tendered Shares will be made by Anson Registrars Limited in its capacity as receiving agent. Anson Registrars Limited will act as agent for Tendering Shareholders for the purpose of receiving the cash and transmitting such cash to Tendering Shareholders. Under no circumstances will interest be paid on the cash to be paid by the Company or Anson Registrars Limited regardless of any delay in making such payment.
- 3.8 If any Shares are not purchased because of an invalid tender, the termination of the Tender Offer or otherwise, relevant certificates evidencing any such Shares and other documents of title, if any, will be returned or sent as promptly as practicable, without expense to, but at the risk of, the Tendering Shareholder, or in the case of Shares held in uncertificated form (that is, in CREST), Anson Registrars Limited will provide instructions to Euroclear to transfer all Shares held in escrow balances by TFE Instruction to the original available balances to which those Shares relate.

4. ACTION TO BE TAKEN IN CONNECTION WITH THE TENDER OFFER

Certificated Shareholders

- 4.1 Enclosed with this Circular is a Tender Form for use by Eligible Shareholders who hold their Shares in certificated form (that is, *not* in CREST) (each a "**Certificated Shareholder**") (please see paragraph 4.2 below for full details) and who wish to participate in the Tender Offer.
- 4.2 If you are an Eligible Shareholder and hold your Shares in Certificated Form and you wish to participate in the Tender Offer you should read the Tender Form carefully, complete it and return it with the share certificate(s) in respect of the total number of Shares you wish to tender under the Tender Offer and such other evidence as the Directors may reasonably require to prove your title and the due execution by you of the Tender Form or, if the Tender Form is executed by someone other than you, the authority of that other person to do so either by post or by hand to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX **before 6.00 p.m. on 19 October 2016.**
- 4.3 You may request to have all or part of your Shares to be tendered under the Tender Offer. A Tender Form may only be submitted in respect of a number of Shares, rather than in respect of a certain value of Shares.

CREST Shareholders

- 4.4 If you are an Eligible Shareholder and hold your Shares in uncertificated form (that is, in CREST) (a "**CREST Shareholder**") and you wish to participate in the Tender Offer you do not need to complete or return a Tender Form. You should, however, take (or procure to be taken) the action set out below to transfer (by means of TTE Instruction(s)) the total number of Shares you wish to tender under the Tender Offer to an escrow balance, specifying Anson Registrars Limited in its capacity as escrow agent under its participant ID referred to below, as soon as possible, and in any event **so that the transfer to escrow settles not later than 6.00 p.m. on 19 October 2016.**
- 4.5 In addition, please note that there is no CREST payment method available and therefore if you wish to participate in the Tender Offer, any payment will be made in accordance with the bank details indicated in the CREST Holder Form (or in the absence of such indication by cheque despatched at the latest known address as indicated on the Register). Accordingly, you should read the CREST Holder Form carefully, complete it and return it (and, if the CREST Holder Form is executed by someone other than you, the authority of that other person to do so) either by post or by hand to Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX **before 6.00 p.m. on 19 October 2016.**
- 4.6 You should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear UK & Ireland Limited for the Shares that you wish to tender under the Tender Offer which must be properly authenticated in accordance with its specifications. Each TTE Instruction must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:
- the number of Shares to be transferred to an escrow balance;
 - your CREST participant ID;
 - your CREST member account ID;
 - the participant ID 7RA80 of the escrow agent (Anson Registrars Limited) in its capacity as a CREST receiving agent;
 - the member account ID for the relevant Shares of the escrow agent (Anson Registrars Limited), which will be TENDER in respect of the Shares;
 - the corporate action ISIN which is GB00B13YVW48;

- the corporate action number for the Tender Offer, which is allocated by Euroclear UK & Ireland Limited and can be found by viewing the relevant corporate actions details in CREST;
- contact name and number to be inserted in the shared note field;
- the intended settlement date for the transfer to escrow which should be as soon as practicable in any event no later than 6.00 p.m. on 19 October 2016; and
- input with the standard delivery instruction priority of 80.

4.7 You may request to have all or part of your Shares to be tendered under the Tender Offer. A Tender Form may only be submitted in respect of a number of Shares, rather than in respect of a certain value of Shares.

General

4.8 The Company, in its absolute discretion, reserves the right to accept Tender Forms or TTE Instructions (together with the relevant CREST Holder Form(s)) received after 6.00 p.m. on 19 October 2016.

4.9 Shareholders should note that once a Tender Form has been served on the Company or a TTE Instruction(s) (together with the relevant CREST Holder Form(s)) has been submitted, they will be unable to access or otherwise deal in those Shares pending completion of the Tender Offer.

4.10 **Shareholders who wish to remain invested in the Company in respect of their entire holding of Shares should *not* complete or return a Tender Form or arrange for a TTE Instruction or CREST Holder Form to be submitted.**

Scale back

4.11 Subject to obtaining Shareholder approval at the Extraordinary General Meeting and satisfaction of the Conditions, each Eligible Shareholder will be entitled to tender and have repurchased up to 20 per cent. of the Shares registered in such Shareholder's name on the Record Date rounded down to the nearest whole number (the "**Basic Entitlement**").

4.12 Each Shareholder will also be entitled to tender additional Shares held by them on the Record Date in excess of their Basic Entitlement. To the extent that other Eligible Shareholders tender Shares in respect of less, in the aggregate, than the whole of their Basic Entitlement, any such excess tenders will (subject to the overall 20 per cent. limit on the number of Shares which may be purchased by the Company pursuant to the Tender Offer) be satisfied pro rata in proportion to the aggregate number of Shares tendered by Eligible Shareholders in excess of their Basic Entitlements (rounded down to the nearest whole number of Shares).

4.13 The Basic Entitlement will apply to each registered Shareholder. Registered Shareholders who hold for multiple beneficial owners may decide the allocation between such beneficial owners in their own discretion.

4.14 The Company will notify Tendering Shareholders of the number of Shares in respect of which their Tender Form or CREST Holder Form has been successful and, if applicable, either the extent to which tenders will be scaled back, or the number of tendered Shares in excess of the Basic Entitlement which will be purchased by the Company from Tendering Shareholders who have tendered Shares in excess of their Basic Entitlements. The results of the Tender Offer will be announced by the Company on 21 October 2016 via a RIS announcement.

5. TENDER OFFER RESTRICTED FOR OVERSEAS SHAREHOLDERS

5.1 Overseas laws and regulations may restrict the making of the Tender Offer to Shareholders in certain jurisdictions outside the United Kingdom and the Channel Islands without

compliance by the Company with any unfulfilled filing, reporting or other requirements. It is the responsibility of each Overseas Shareholder to satisfy himself that the Tender Offer may be made to him and that, if relevant, he may accept such Tender Offer, and that in accepting the Tender Offer, he has complied with all relevant overseas filing, exchange control and other requirements and paid all taxes and fees which may be payable.

- 5.2 The Tender Offer is not being made in or into, or to any Shareholder with registered addresses in the United States or in any other jurisdiction where to do so would be unlawful.

6. TERMINATION OF THE TENDER OFFER

- 6.1 The Company shall be entitled at its complete discretion to withdraw or postpone the Tender Offer (in which case the Tender Offer shall cease and determine absolutely), if the Company (acting through the Directors) shall, at any time prior to the Tender Offer becoming unconditional determine that:

- the Board in its reasonable discretion concludes that the Tender Offer would no longer be in the best interests of the Company and/or the Shareholders as a whole;
- as a result of any change in national or international financial, economic, political or market conditions, the cost of realisation of assets to fund the Tender Offer has become significantly more expensive since the date of this Circular;
- in its reasonable opinion, there shall occur any material adverse change in the national or international, financial, economic, political or market conditions and/or in the financial position or prospects and/or circumstances of the Company which renders the Tender Offer temporarily or permanently impractical or inadvisable;
- in its reasonable opinion, the Company will not satisfy the solvency test prescribed under the Companies Law immediately following completion of the Tender Offer;
- in its reasonable opinion, the Company will not satisfy the "shares in public hands" requirement of the Listing Rules following completion of the Tender Offer; or
- in its reasonable opinion, the completion of the purchase of Shares pursuant to the Tender Offer could have unexpected adverse fiscal or other consequences (whether by reason of a change in legislation or practice or otherwise) for the Company or its Shareholders if the Tender Offer were to proceed.

- 6.2 If the Directors decide to withdraw or postpone the Tender Offer, the Company will as soon as practicable thereafter, announce such termination through a RIS and notify Shareholders in writing.

7. TENDER FORM

Each Shareholder by whom, or on whose behalf, a Tender Form or a CREST Holder Form is executed, irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind it, its personal representatives, heirs, successors and assigns) that:

- 7.1. the execution of the Tender Form or the CREST Holder Form shall constitute an offer to sell to the Company the number of Shares inserted in Box 1A, Box 1B or Box 1C of the Tender Form or the CREST Holder Form, in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form or the CREST Holder Form and that, once lodged, such offer shall be irrevocable;
- 7.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which such offer is accepted (together with all rights attaching thereto) and, when the same are purchased by the Company, the Company will acquire such Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights

attaching thereto on or after the Record Date, including the right to receive all dividends and other distributions declared, paid or made after that date and such representation and warranty shall be deemed repeated at the time that the Company purchases such Shares and shall not be extinguished by such purchase;

- 7.3 the execution of the Tender Form or the CREST Holder Form will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any Director or officer of the Company as such Shareholder's attorney and/or agent, and an irrevocable instruction to the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Shares referred to in sub-paragraph 7.1 above in favour of the Company or such other person or persons as the Company may direct and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the share certificate(s) and/or other document(s) relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in the Company or its nominee(s) (or such other person(s) as the Company may direct) such Shares;
- 7.4 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by the Company or any of its directors or any person nominated by the Company in the proper exercise of its or his or her powers and/or authorities hereunder;
- 7.5 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given hereunder;
- 7.6 such Shareholder holding Shares in certificated form will deliver to Anson Registrars Limited the share certificate(s) and/or other document(s) of title in respect of the Shares referred to in sub-paragraph (a) above, or an indemnity acceptable to the Company in lieu thereof, or will procure the delivery of such document(s) to such person as soon as possible thereafter and, in any event, not later than 6.00 p.m. on 19 October 2016;
- 7.7 if such Shareholder holds Shares in uncertificated form, it will take (or procure to be taken) the action set out in paragraph 4.6 above to transfer such Shares to an escrow balance as soon as possible and, in any event, not later than 6.00 p.m. on 19 October 2016 and that if, for any reason, any Shares in respect of which a transfer to an escrow balance has been effected are converted to certificated form, the holder will immediately deliver or procure the delivery of the share certificate(s) or other documents of title in respect of all Shares so converted to Anson Registrars Limited;
- 7.8 the provisions of the Tender Form or the CREST Holder Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- 7.9 such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that the invitation under the Tender Offer may be made to and accepted by them under the laws of the relevant jurisdiction;
- 7.10 such Shareholder has not received or sent copies or originals of this document, the Tender Form or the CREST Holder Form or any related documents in, into or from any state of the United States or, in, into or from any other jurisdiction where to do so would be unlawful and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any state of the United States or of any other jurisdiction where to do so would be unlawful, that the Tender Form or the CREST Holder Form has not been mailed or otherwise sent in, into or from any state of the United States or in any other jurisdiction where to do so would be unlawful and that such Shareholder is accepting the Tender Offer from outside any state of the United States or from any other jurisdiction where it is lawful to do so;

- 7.11 the execution of the Tender Form or the CREST Holder Form constitutes such Shareholder's submission to the jurisdiction of the courts of the Island of Guernsey in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form or the CREST Holder Form;
- 7.12 the execution of the Tender Form or the CREST Holder Form shall constitute a warranty by such Shareholder that the information given by or on behalf of the Shareholder in the Tender Form or the CREST Holder Form will be true in all respects at the time the Company purchases the Shares referred to in paragraph 7.1 above as if it had been given afresh at such time and shall not be extinguished by such purchase;
- 7.13 that the execution of the TTE Instruction constitutes the irrevocable appointment of Anson Registrars Limited as escrow agent and an irrevocable instruction and authority to the escrow agent to transfer to itself by means of CREST, and then to transfer to the Company (or such person or persons as the Company may direct) by means of CREST, all Relevant Shares (as defined below) in respect of which the Tender Offer is accepted or deemed to be accepted (but not exceeding the number of Shares which have been tendered pursuant to the Tender Offer) and in the event that any Shares tendered are not accepted as a result of scaling back to give instructions to Euroclear to transfer such Relevant Shares not accepted to the original balances to which they relate. "**Relevant Shares**" means Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in paragraph 4.6 above and where the transfer(s) to escrow was or were made in respect of Shares held under the same member account ID as the member account ID and participant ID relating to the Tender Form or the CREST Holder Form concerned;
- 7.14 that the execution of the Tender Form or the CREST Holder Form constitutes irrevocable authorities for and requests to the Company or its agents to procure the despatch by post of a cheque drawn at a branch of a UK clearing bank for the cash consideration to which a Tendering Shareholder is entitled (and, if part only of a holding comprised in the share certificate(s) is purchased pursuant to the Tender Offer, a new share certificate for the balance) to the person or agent whose name and address outside the United States or in any other jurisdiction where the Tender Offer would be unlawful is set out in the Tender Form or the CREST Holder Form, or if no name and address is set out to the first-named holder at its registered address outside the United States or any such other jurisdiction;
- 7.15 that the execution of the Tender Form or a TTE Instruction (together with the relevant CREST Holder Form) constitutes irrevocable authorities and requests the Company or its agents to procure the creation of a payment obligation in favour of the payment bank of the Tendering Shareholder in accordance with the payment arrangements set out in the Tender Form or CREST Holder Form in respect of the cash consideration to which such Shareholder is entitled
- 7.16 in the case of Shares held in certificated form, the despatch of cheques or other appropriate form of payment in respect of the Tender Price to a Shareholder at their registered address or such other address as is specified in the Tender Form or the CREST Holder Form will constitute a complete discharge by the Company of its obligation to pay such Shareholder the cash consideration to which they are entitled under the Tender Offer; and
- 7.17 if the appointment of attorney provision under paragraph 7.3, 7.13 or 7.14 above shall be unenforceable or invalid or shall not operate so as to afford any Director or officer of the Company or Anson Registrars Limited the benefit or authority expressed to be given therein, the Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable the Company or Anson Registrars Limited to secure the full benefits of paragraph 7.3 or 7.14 above.

A reference in this paragraph 7 to a Shareholder includes a reference to the person or persons executing the Tender Form or the CREST Holder Form and in the event of more than one person executing a Tender Form or the CREST Holder Form, the provisions of this paragraph will apply to them jointly and to each of them.

8. ADDITIONAL PROVISIONS

- 8.1 Shares acquired by the Company under the Tender Offer will be purchased by the Company by way of off-market acquisitions in accordance with the Companies Law. Following completion of the Tender Offer, the Shares acquired by the Company will be held in treasury until resold or cancelled.
- 8.2 Unless suspended or terminated in accordance with the provisions of Part II of this Circular, the Tender Offer will close at 6.00 p.m. on 19 October 2016 and no Tender Forms or CREST Holder Forms, share certificates and/or documents of title or indemnities or TTE Instructions received after that time will be accepted, save pursuant to the exercise of any discretions conferred on Anson Registrars Limited and/or the Company under these conditions.
- 8.3 Each Shareholder who tenders or procures the tender of Shares will thereby be deemed to have agreed that, in consideration of the Company agreeing to process its tender, such Shareholder will not revoke its tender or withdraw its Shares. Shareholders should note that once tendered Shares may not be sold, transferred, charged or otherwise disposed of, pending completion of the Tender Offer.
- 8.4 Any omission to despatch this document or the Tender Form or the CREST Holder Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive the same by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person.
- 8.5 No acknowledgement of receipt of any Tender Form or CREST Holder Form will be given. All documents and remittances sent by or to Shareholders will be sent at their own risk. If the Tender Offer does not become unconditional or is terminated, all documents lodged pursuant to the Tender Offer will be returned promptly by post, within 14 Business Days of the Tender Offer terminating or lapsing, to the person or agent whose name and address is set out in Box 2 of the Tender Form or the CREST Holder Form or, if none is set out, to the Tendering Shareholder or, in the case of joint holders, the first named at his/her registered address. No such documents will be sent to an address in the United States or in any other jurisdiction where their circulation would be unlawful. In the case of Shares held in uncertificated form, Anson Registrars Limited, in its capacity as escrow agent will, within 14 Business Days of the Tender Offer lapsing, give instructions to Euroclear UK to transfer all Shares held in escrow balances and in relation to which it is the escrow agent for the purposes of the Tender Offer by TFE Instruction to the original available balances from which those Shares came. In any of these circumstances, Tender Forms and CREST Holder Forms will cease to have any effect.
- 8.6 All powers of attorney and authorities on the terms conferred by or referred to in Part II of this Circular or in the Tender Form or the CREST Holder Form are given by way of security for the performance of the obligations of the Shareholders concerned and are irrevocable.
- 8.7 All tenders must be made on the relevant prescribed Tender Form or CREST Holder Form, duly completed in accordance with the instructions set out thereon which constitute part of the terms of the Tender Offer. A Tender Form or a CREST Holder Form will only be valid when the procedures contained in these terms and conditions and in the Tender Form or CREST Holder Form are complied with. The Tender Offer and all tenders will be governed by and construed in accordance with the law of the Island of Guernsey. Delivery or posting of a Tender Form or CREST Holder Form will constitute submission to the jurisdiction of the courts of the Island of Guernsey.
- 8.8 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Tender Form or CREST Holder Form shall constitute part of the terms of the Tender Offer. The definitions set out in this document apply to the terms and conditions set out in Part II of this Circular.
- 8.9 Subject to paragraph 5 above and paragraph 9 below, the Tender Offer is open to Shareholders on the Register on the Record Date, and will close at 6.00 p.m. on 19

October 2016. Subject to paragraph 4.8 above, no Tender Form or TTE Instruction (together with the relevant CREST Holder Form) received after that time will be accepted.

- 8.10 The decision of the Company as to which Shares have been successfully tendered shall be conclusive and binding on the Company and all Shareholders.
- 8.11 Further copies of this document and the Tender Form or the CREST Holder Form may be obtained on request from Anson Registrars Limited at the addresses set out on page 1 of the Tender Form or the CREST Holder Form.

9. MISCELLANEOUS

- 9.1 Any changes to the terms, or any suspension, extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof no later than 6.00 p.m. on the Business Day following the date of such changes. Such an announcement will be released via a RIS. References to the making of an announcement by the Company includes the release of an announcement by the Company to the press and delivery of or telephone or facsimile or other electronic transmission of such announcement via a RIS.
- 9.2 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer, and, if given or made, such other information or representations should not be relied on as having been authorised by the Company. Under no circumstances should the delivery of this document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this document.
- 9.3 The Company reserves the absolute right to inspect (either itself or through its agents) all Tender Forms or CREST Holder Forms and may consider void and reject any tender that does not, in the Company's sole judgement, meet the requirements of the Tender Offer. The Company also reserves the absolute right to waive any defect or irregularity in the tender of any Shares, including any Tender Form or CREST Holder Form (in whole or in part) which is not entirely in order or which is not accompanied (in the case of Shares held in certificated form) by the related share certificate(s) and/or other document(s) of title or an indemnity acceptable to the Company in lieu thereof. In that event, for Shares held in certificated form, however, the consideration under the Tender Offer will only be dispatched when the Tender Form or CREST Holder Form is entirely in order and the share certificate(s) or other document(s) of title or indemnities satisfactory to the Company has/have been received. None of the Company, Anson Registrars Limited or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.
- 9.4 Without prejudice to the generality of paragraph 9.3 above, in relation to any discretion or determination exercised by the Company or Anson Registrars for the purposes of the Tender Offer, none of the Directors, the Company nor Anson Registrars shall have any liability.

PART III – TAXATION

United Kingdom Taxation

The following comments are intended only as a general guide to certain aspects of current United Kingdom tax law and HM Revenue & Customs' published practice, both of which are subject to change, possibly with retrospective effect. The comments are not exhaustive, are of a general nature and do not constitute tax advice and apply only to Shareholders who (except where indicated) are resident for tax purposes in the United Kingdom, who hold their Shares beneficially as an investment and who, if they are individuals, are domiciled for tax purposes in the United Kingdom. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies, collective investment schemes, or persons who have, or who are deemed to have, acquired their shares by reason of or in connection with an office or employment. Shareholders who are in any doubt as to their tax position are encouraged to seek independent professional advice.

The Company

The Directors have been advised that, following certain changes to the United Kingdom tax rules regarding "alternative investment funds" implemented by the Finance Act 2014 and contained in section 363A of the Taxation (International and other Provisions) Act 2010, the Company should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated there), the Company will not be subject to United Kingdom income tax or corporation tax other than on any United Kingdom sourced income.

Offshore Fund Rules

The treatment described in the following paragraphs is based on the Company not being an "offshore fund" for United Kingdom tax purposes, and any gain arising on a disposal of a Shareholder's Shares not being taxed as income under the rules applicable to "offshore funds".

Repurchase of Shares under Tender Offer

UK resident individuals

An individual Shareholder may, depending on that Shareholder's personal circumstances, be subject to United Kingdom capital gains tax in respect of any gain arising on the repurchase of his/her Shares under the Tender Offer. For such individuals, capital gains are taxed at a rate of 10 per cent. (for basic rate taxpayers) or 20 per cent. (for higher or additional rate taxpayers). Individuals may, depending on their personal circumstances, benefit from certain reliefs and allowances (including an annual exemption from capital gains which is £11,100 for the tax year 2016/2017). Shareholders who are not resident in the United Kingdom for taxation purposes will not normally be liable to United Kingdom taxation on chargeable gains arising from the disposal of their Shares unless those Shares are held for the purposes of a trade, profession or vocation through a UK branch, agency or permanent establishment, although they may be subject to foreign taxation depending on their own particular circumstances. Individual Shareholders who are temporarily not resident in the United Kingdom for tax purposes may be liable to United Kingdom capital gains tax under anti-avoidance legislation.

UK resident companies

For Shareholders within the charge to United Kingdom corporation tax, the repurchase of their Shares under the Tender Offer may be treated as giving rise to both an income distribution and a capital disposal. The extent to which the proceeds are treated as a distribution will depend amongst other things on the amount initially subscribed for the Tendered Shares by the original subscriber and may be affected by subsequent transactions such as conversions of the Shares (including conversions of shares occurring prior to a Shareholder's period of ownership of those Shares).

Shareholders within the charge to United Kingdom corporation tax which are "small companies" (for the purposes of United Kingdom taxation of distributions) should expect to be subject to tax on any distribution deemed to arise on the repurchase of their Shares. Any corporate Shareholder

which is not small for these purposes will not be subject to tax on any such distribution so long as the distribution falls within an exempt category and certain conditions are met. In general, a distribution to a UK corporate shareholder which holds less than 10 per cent. of the Company's issued share capital should fall within an exempt category.

However, the exemptions are not comprehensive and are subject to anti-avoidance rules. If the conditions for exemption are not or cease to be satisfied, or such a Shareholder elects for an otherwise exempt distribution to be taxable, the Shareholder will be subject to UK corporation tax on any distribution deemed to arise on repurchase of the shares.

Shareholders within the charge to United Kingdom corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on a repurchase of Shares. The amount of any chargeable gain may be reduced by indexation allowance (but such allowance may not create or increase an allowable loss). Broadly, where an amount treated as a distribution is taxable, this amount should be excluded from the computation of the chargeable gain and where it is exempt, the distribution should be included in the disposal proceeds for the purposes of the computation of the chargeable gain.

Tender Offer – Deferred Consideration

As noted in Part I, Section 3.1 of this Circular, Shareholders whose Shares are purchased under the Tender Offer will receive the Tender Price as a number of cash payments over time. In order to calculate the amount of any gain for the purposes of United Kingdom taxation of chargeable gains on a disposal of Shares (including by way of repurchase under the Tender Offer) it will be necessary to bring into account the amount of any deferred consideration that is ascertainable at the time of the disposal, and also the value of the right to any deferred consideration which is unascertainable at the time of the disposal (the "**Right**"). When payments of consideration regarded as unascertainable at the time of the disposal are subsequently received, there is then a further disposal of the Right, which may give rise to a further chargeable gain (or give rise to an allowable loss). Shareholders who are uncertain of their tax treatment should consult an independent professional adviser, and Shareholders who hold their Shares in an ISA may also wish to consult their relevant ISA manager.

Transactions in Securities

The attention of Shareholders is drawn to section 684 of the Income Tax Act 2007 (for individuals) and section 731 of the Corporation Tax Act 2010 (for companies), and associated provisions, pursuant to which in certain circumstances HM Revenue & Customs may seek to cancel tax advantages from certain transactions in securities. In the event that such rules were successfully applied, Shareholders may be assessed to tax on a basis different from that set out above, including being taxed on an income basis as opposed to a chargeable gains basis in respect of their disposal of Shares.

Guernsey Taxation - General

The following comments are intended only as a general guide to certain aspects of current Guernsey tax law and published practice, both of which are subject to change, possibly with retrospective effect. The comments are not exhaustive, are of a general nature and do not constitute tax advice and apply only to Shareholders who (except where indicated) are resident for tax purposes in the Guernsey (which for these purposes includes Alderney and Herm), who hold their Shares beneficially as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies, collective investment schemes, or persons who have, or who are deemed to have, acquired their shares by reason of or in connection with an office or employment. Shareholders who are in any doubt as to their tax position are encouraged to seek independent professional advice.

A payment to a Shareholder by the Company pursuant to the repurchase of Shares under the Tender Offer may be treated as giving rise to a distribution within the Income Tax (Guernsey) Law, 1975, as amended, save to the extent that it includes the repayment of capital to the Shareholder or the amount of value of any new consideration given by the Shareholder for that distribution. For companies that have been granted exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended, it is the practice of the Director of

Income Tax in Guernsey not to treat as a "distribution" for tax purposes a payment of capital made by a company which arises from the disposal of assets or similar.

To the extent that the payment by the Company of the Tender Offer is paid out of undistributed income of the Company, Shareholders resident for tax purposes in Guernsey will incur Guernsey income tax at the applicable rate on a distribution paid to them by the Company. So long as the Company has been granted exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989, as amended, the Company will only be required to provide the Director of Income Tax in Guernsey such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of Income Tax may require, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment.

In relation to Shareholders who are not resident in Guernsey for tax purposes, payments by the Company, whether pursuant to the Shareholder accepting Tender Offer would currently be made without giving rise to a liability to Guernsey income tax for such Shareholders, nor would the Company be required to withhold Guernsey tax on such payments.

No stamp duty is chargeable in Guernsey on the repurchase of shares in a company.

FATCA

Guernsey has implemented FATCA following the entering into of the US -Guernsey IGA. Under FATCA and legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company, including resulting from any repurchase of Shares.

Under the US-Guernsey IGA, securities that are "regularly traded" on an established securities market, such as the Main Market of the London Stock Exchange, are not considered financial accounts and are not subject to reporting. For these purposes, Shares will be considered "regularly traded" if there is a meaningful volume of trading with respect to the Shares on an ongoing basis. Notwithstanding the foregoing, a Share will not be considered "regularly traded" and will be considered a financial account if the Shareholder is not a financial institution acting as an intermediary. However, it is expected that whilst Shares are held in uncertificated form within CREST, the holder of the Shares will likely be a financial institution acting as an intermediary. Shareholders that own the Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under FATCA.

Common Reporting Standard

Under the CRS and legislation enacted in Guernsey to implement the CRS with effect from 1 January 2016, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that would need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company, including resulting from any repurchase of Shares. The CRS is implemented through Guernsey's domestic legislation in accordance with guidance that is published in draft form and which is supplemented by guidance issued by the OECD.

Under the CRS, there is currently no reporting exemption for securities that are "regularly traded" on an established securities market, although it is expected that whilst the Shares are held in uncertificated form within CREST, the holder of the Shares will likely be a financial institution acting as an intermediary. Shareholders that own the Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under the CRS.

Jersey Taxation

The following is a general summary of certain Jersey tax issues only. Consequently, it is not a description of all the tax considerations that may be relevant to a Shareholder who is resident for tax purposes in Jersey in relation to the Tender Offer. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice. The summary of certain Jersey tax issues is based on Jersey tax law and practice as it is understood to apply as at the date of this Circular and may be subject to any changes in Jersey tax law and practice occurring after that date. Jersey tax resident shareholders should consult their professional advisers on the implications of participating in the Tender Offer.

For Jersey taxation purposes, the Jersey Comptroller of Taxes will likely treat a payment by the Company to a Shareholder pursuant to the repurchase of shares under the Tender Offer in the same way that such payment is treated for Guernsey and UK tax purposes.

Accordingly, on the basis that, as a matter of Guernsey and UK taxation law, such payment would be regarded as the receipt of capital in the hands of the Shareholder, any Shareholder (whether individual or a company) resident for tax purposes in Jersey will not incur any capital gains tax as no capital taxes are payable in Jersey.

To the extent that such payment is treated under Guernsey and UK taxation law as a payment of income rather than capital, then:

- an individual Shareholder resident for tax purposes in Jersey will incur Jersey income tax at the applicable rate (typically 20 per cent.) on such payments under the Income Tax (Jersey) Law 1961, as amended (the "**Jersey Tax Law**"); and
- a Shareholder which is a company resident for tax purposes in Jersey will be charged income tax at a rate of 0 per cent., on the basis that the Company is neither a financial services company nor a utility company for the purposes of the Jersey Tax Law.

There is no stamp duty in Jersey on the repurchase or cancellation of shares in a company.

If you are in any doubt as to your tax position, you should consult your professional tax adviser.

26 September 2016

DEFINITIONS

The following definitions apply throughout this Circular and in the accompanying Form of Proxy, Tender Form and CREST Holder Form, unless the context otherwise requires:

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| "AllBlue" | AllBlue Limited, one of the master funds (along with AllBlue Leveraged) in which substantially all of the assets of the Company were invested prior to 29 February 2016 |
| "AllBlue Funds" | AllBlue and AllBlue Leveraged |
| "AllBlue Leveraged" | AllBlue Leveraged Feeder Limited, one of the master fund (along with AllBlue) in which substantially all of the assets of the Company were invested prior to 29 February 2016 |
| "Articles" | the articles of incorporation of the Company in force from time to time |
| "Basic Entitlement" | means the entitlement of each Eligible Shareholder to tender up to 20 per cent. of the Shares registered in such Shareholder's name on the Record Date rounded down to the nearest whole number |
| "BlueCrest Funds" | the underlying funds in which the Company invested, through its direct investment in AllBlue and AllBlue Leveraged, as part of its multi-strategy approach |
| "Board" or "Directors" | the board of directors of the Company whose names are set out on page 8 of this Circular |
| "Business Day" | a day on which the London Stock Exchange and banks in Guernsey are normally open for business |
| "Cash Exit Offer" | the offer by the Company to Shareholders to redeem part or all of their Shares as set out in the shareholder circular dated 8 February 2016 |
| "certificated" or "in certificated form" | not in uncertificated form |
| "Certificated Shareholder" | has the meaning ascribed to it in paragraph 4 in Part II of this Circular |
| "Circular" | this document |
| "City Code" | the City Code on Takeovers and Mergers |
| "Companies Law" | the Companies (Guernsey) Law, 2008, as amended from time to time |
| "Company" | Highbridge Multi-Strategy Fund Limited |
| "Conditions" | has the meaning ascribed to it in paragraph 2 in Part II of this Circular |
| "CREST Holder Form" | the CREST Holder Form accompanying this Circular for use by Shareholders holding Shares in uncertificated form who wish to |

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| | participate in the Tender Offer |
| "CREST Shareholder" | has the meaning ascribed to it in paragraph 4 in Part II of this Circular |
| "CREST" | the facilities and procedures, for the time being, of the relevant system of which Euroclear has been approved as operator |
| "CRS" | the OECD's "Common Reporting Standard" |
| "EGM Notice" | the notice convening the Extraordinary General Meeting, as set out at the end of this Circular |
| "Eligible Shareholders" | Shareholders to whom it is lawful to make the Tender Offer |
| "Euroclear" | means Euroclear UK and Ireland Limited |
| "Extraordinary General Meeting" or "EGM" | extraordinary general meeting of the Shareholders convened for 21 October 2016 at 10.30 a.m. (or any adjournment thereof) |
| "FATCA" | the US Foreign Account Tax and Compliance Act |
| "February EGM" | the extraordinary general meeting of Shareholders held on 24 February 2016 |
| "Form of Proxy" | the form of proxy for use by Shareholders at the Extraordinary General Meeting |
| "GFSC" | the Guernsey Financial Services Commission |
| "HCC" | Highbridge Capital Corporation, a limited liability company incorporated in the Cayman Islands in which the Company invests substantially all of its investable assets |
| "HMRC" | HM Revenue & Customs |
| "ISA" | an individual savings account approved in the UK by HMRC |
| "Jersey Tax Law" | has the meaning ascribed to it in Part III of this Circular |
| "Listing Rules" | the listing rules made by the UKLA under section 74 of the Financial Services and Markets Act 2000 |
| "NAV" or "Net Asset Value" | the total assets of the Company less its total liabilities (including accrued but unpaid fees) or, where relevant, the total assets attributable to a class of Shares less the total liabilities attributable to that class of Shares (including the relevant proportion of accrued but unpaid fees) in each case valued in accordance with the Company's accounting policies adopted by the Company from time to time |
| "OECD" | the Organisation for Economic Co-operation and Development |
| "Off-Market Purchase Agreement" | the agreement between the Company and the Tendering Shareholders for the purchase of Shares tendered under the Tender Offer the terms of which are constituted by: (a) this Circular; and (b) the Tender Form issued by the Company for |

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| | use by Shareholders in connection with the Tender Offer (in the case of Shares held in certificated form) or the CREST Holder Form (as defined in the Circular) (in the case of Shares held in uncertificated form) |
| "Overseas Shareholders" | those holders of Shares with registered addresses outside the United Kingdom and the Channel Islands |
| "Panel" | The Panel on Takeovers and Mergers |
| "Proposals" | the proposals described in paragraph 1 in Part I of this Circular |
| "Record Date" | 19 October 2016 |
| "Register" | the register of Shareholders |
| "Registrar" | Anson Registrars Limited |
| "Regulatory Information Service" or "RIS" | means a primary information provider service approved to disseminate regulatory information to the market by the United Kingdom Financial Services Authority |
| "Repurchase Date" | 21 October 2016 or such other date as may be determined by the Directors |
| "Repurchase Portfolio" | has the meaning ascribed to it in paragraph 2.3 in Part I of this Circular |
| "Resolutions" or "Resolution" | any or all of the resolutions to be put forward at the Extraordinary General Meeting |
| "Right" | has the meaning ascribed to it in Part III of this Circular |
| "Residual Assets" | the remaining holding of the Company in the AllBlue Funds |
| "Shareholders" | holders of Shares |
| "Shares" | shares in the ordinary share capital of the Company |
| "Special Resolution" | a resolution of the Company as the case may be passed at a duly convened meeting by a show of hands or on a poll by a majority of not less than 75 per cent. of the votes cast. |
| "Sterling" or "£" | United Kingdom pounds sterling |
| "Tender Form" | the Tender Form accompanying this Circular for use by Shareholders holding Shares in certificated form who wish to participate in the Tender Offer |
| "Tender Offer" | the invitation by the Company to Eligible Shareholders to tender Shares for purchase on the terms and subject to the conditions set out in this Circular and the Tender Form and/or CREST Holder Form |
| "Tender Price" | the actual aggregate amount of cash paid to a Shareholder following the purchase of their Shares pursuant to the Tender |

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| | Offer as described in paragraph 2.1 of Part II of this Circular |
| "Tendered Shares" | Shares successfully tendered pursuant to the Tender Offer |
| "Tendering Shareholders" | a Shareholder who has tendered Shares pursuant to the Tender Offer |
| "TFE Instruction" | a transfer from escrow instruction (as described in the CREST manual issued by Euroclear) |
| "TTE Instruction" | a transfer to escrow instruction (as described in the CREST manual issued by Euroclear) containing the details set out on pages 17 and 18 of this Circular |
| "UKLA" | the UK Listing Authority |
| "uncertificated" or in "uncertificated form" | a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of The Uncertificated Securities (Guernsey) Regulations 2009, may be transferred by means of CREST |
| "United Kingdom" or "UK" | the United Kingdom of Great Britain and Northern Ireland |
| "United States" or "US" | the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia |
| "US-Guernsey IGA" | an intergovernmental agreement between Guernsey and the US regarding the implementation of FATCA |

HIGHBRIDGE MULTI-STRATEGY FUND LIMITED

(a closed-ended investment company incorporated with limited liability under the laws of the Island of Guernsey with registration number 44704)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the "**Extraordinary General Meeting**") of the shareholders of Highbridge Multi-Strategy Fund Limited (the "**Company**") will be held at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT, Channel Islands on 21 October 2016 at 10.30 a.m. to consider and, if thought fit, pass the following special resolutions.

SPECIAL RESOLUTIONS

IT IS HEREBY RESOLVED THAT:

1. the proposed terms of the off-market purchase agreement constituted by: (a) the circular dated 26 September 2016 (the "**Circular**") sent to all Shareholders in relation to the tender offer by the Company to purchase up to 20% of the issued Shares on the Record Date (excluding Shares held in treasury) at the Tender Price (the "**Tender Offer**") on the terms specified in the Circular; (b) the Tender Form issued by the Company for use by Shareholders in connection with the Tender Offer (in the case of Shares held in certificated form) or the CREST Holder Form (as defined in the Circular) (in the case of Shares held in uncertificated form), (together, the "**Off-Market Purchase Agreement**") and to be entered into between the Company and each of the Shareholders which validly tender Shares pursuant to the Tender Offer, be and are hereby approved. The authority conferred by this resolution shall expire on 31 December 2016, unless such authority is, before such date, varied, revoked or renewed by special resolution of the Company.
2. Without prejudice to any authorities granted to the Directors at the annual general meeting on 20 July 2016, the Directors of the Company be and are hereby empowered to resell a number of Shares held by the Company as treasury shares equal to the lower of (a) 25,892,746 Shares and (b) 20 per cent. of the Shares in issue (excluding treasury shares) as at the Record Date, wholly for cash as if article 12(2)(a) of the Articles did not apply to any such sale provided that this power shall (unless previously revoked) expire at the conclusion of the Company's Annual General Meeting to be held in 2017, but the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require Shares to be resold after such expiry and the Directors may resell such Shares pursuant to any such offer or agreement as if the power conferred hereby had not expired.

Terms defined in the Circular shall have the same meanings in these resolutions and this notice, save where the context otherwise requires.

By order of the Board

For and on behalf of

JTC (Guernsey) Limited

Company Secretary

Registered Office:

Ground Floor, Dorey Court

Admiral Park, Peter Port

Guernsey, GY1 2HT

Dated: 26 September 2016

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to speak and vote instead of them. A proxy need not be a member of the Company. Completion and return of the Form of Proxy will not preclude members from attending or voting at the Extraordinary General Meeting if they so wish.
2. More than one proxy may be appointed provided each proxy is appointed to exercise the rights attached to different shares.
3. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against each resolution.
4. A Form of Proxy is enclosed for use at the Extraordinary General Meeting. The Form of Proxy should be completed in accordance with the instructions set out therein and sent, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, so as to reach the Company's agent, for this purpose being Anson Registrars Limited, PO Box 426, Anson House, Havilland Street, St Peter Port, Guernsey GY1 3WX not less than 48 hours (excluding weekends and any bank holiday) before the time for holding the Extraordinary General Meeting.
5. All persons recorded on the register of shareholders as holding shares in the Company as at 10.30 a.m. on 19 October 2016 or, if the Extraordinary General Meeting is adjourned, as at 48 hours (excluding weekends and any bank holiday) before the time of any adjourned Extraordinary General Meeting, shall be entitled to attend and vote (either in person or by proxy) at the Extraordinary General Meeting and, on a poll, shall be entitled to one vote per share held.
6. The quorum of the Extraordinary General Meeting shall be two or more shareholders present in person or represented by proxy representing not less than one-twentieth of the shares in issue.
7. If the Extraordinary General Meeting falls to be adjourned because it is not quorate, it will be adjourned to the same time and place one Business Day later or to such other day and/or time and/or place as the Directors may determine, whereupon those shareholders then present in person, by their representative or by proxy, shall form the quorum. In the event of any such adjournment the Company will announce the adjournment via a RIS but no notification will be sent directly to shareholders.
8. Where there are joint registered holders of any shares such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of shareholders shall alone be entitled to vote.
9. On a poll votes may be given either personally or by proxy and a shareholder entitled to more than one vote need not use all its votes or cast all the votes he uses in the same way.
10. Any corporation which is a shareholder may by resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at the Extraordinary General Meeting. Any person so authorised shall be entitled to exercise on behalf of the corporation which he represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual shareholder.
11. The special resolution requires a majority of 75 per cent. of the votes cast to be in favour of it to be passed.