



OAK HILL NEXPOINT GLOBAL MERGER ARBITRAGE FUND

Management Report of Fund Performance

The annual Management Report of Fund Performance contains Financial Highlights but does not contain the complete annual financial statements of the Investment Fund.

For the year ended December 31, 2024

(Expressed in Canadian dollars)

Oak Hill Asset Management Inc.
Investment Manager
Ontario, Canada

Forward-Looking Statements (“FLS”)

The annual Management Report of Fund Performance may contain forward-looking statements. FLS means disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes any future-oriented financial information (“FOFI”) with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection. FOFI is FLS about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action.

FLS can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe”, or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of one of the Fund may differ materially from those reflected or contemplated in such forward-looking information and statements. Material risk factors that could affect actual results are identified under the heading “What are the Risks of Investing in the Fund?” in the Fund’s Simplified Prospectus. Investors are also cautioned that FLS is based on a number of factors and assumptions, including a Fund’s current plans, estimates, opinions and analysis made in light of its experience, current conditions and expectations of future developments, as well as other relevant factors. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

OAK HILL NEXPOINT GLOBAL MERGER ARBITRAGE FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2024

This Management Report of Fund Performance represents the portfolio management team's view of the significant factors and developments affecting the investment fund's performance and outlook for the year ended December 31, 2024, the investment fund's annual period end. Every effort has been made to ensure the information contained in this Annual Management Report of Fund Performance is accurate and complete, however, the investment fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Oak Hill Nexpoint Global Merger Arbitrage Fund's Simplified Prospectus ("Prospectus"). In this report, "Manager", refers to Oak Hill Asset Management Inc. The "Fund" refers to the Oak Hill Nexpoint Global Merger Arbitrage Fund. In addition, "net asset value" or "NAV" refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based. All dollar figures are reported in Canadian dollars and are expressed in millions, unless otherwise indicated.

Investment Objective and Strategies

The investment objective of the Fund is to generate consistent, positive absolute returns, with low volatility and low correlation to equity markets by investing in securities in Canada, the United States and in other foreign jurisdictions. To achieve its investment objectives, the Fund will primarily focus on merger arbitrage by investing in securities of companies that are involved in publicly announced mergers (including mergers through takeovers and tender offers).

Merger arbitrage is a highly specialized investment approach generally designed to profit from the successful completion of merger transactions.

Exemptions from National Instrument 81-102

No exemptions from National Instrument 81-102 were required for the fund.

Leverage

Leverage occurs when the Fund's aggregate gross exposure to underlying assets is greater than the amount invested. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times. In accordance with the Alternative Fund Investment Relief obtained by the Fund, as aforementioned, the aggregate exposure of the Fund, to be calculated as the sum of the following, must not exceed 300% of the Fund's NAV: (a) the aggregate value of the Fund's outstanding indebtedness under any borrowing agreements; (b) the aggregate market value of all securities sold short by the Fund; and, (c) the aggregate notional amount of the Fund's specified derivative positions minus the aggregate notional amount of the specified derivative positions that are hedging transactions.

For the year ended December 31, 2024, the Fund's lowest and highest aggregate gross exposure was 108.72% (December 31, 2023 – 90.6%) and 170.48% (December 31, 2023 – 144.6%) of the Fund's NAV respectively. The Fund's primary source of leverage was cash borrowed for investment purposes. The Fund's strategy is outlined in the Fund's Simplified Prospectus.

Risk

The risks associated with investing in the Fund remain as discussed in the Prospectus. The Fund is suitable for someone who is looking for low risk, via a diversified portfolio of securities of companies that are involved in publicly announced mergers.

For the year ended December 31, 2024 and period from April 19, 2023 (commencement of operations) to December 31, 2023, there were no changes affecting the overall level of risk associated with an investment in the Fund. Therefore, the overall level of Fund risk and investor risk tolerance remains as stated in the Prospectus.

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Results of Operations

The Fund was launched on April 19, 2023, and the Fund's NAV was \$77.9 million as of December 31, 2024 (December 31, 2023 - \$61.4 million). For the year ended December 31, 2024, the Fund Series A units returned 3.68%, the Fund Series F units returned 4.57%, the Fund Series X units returned 4.77%.

In general, the Fund seeks to generate consistent, positive absolute returns, with low volatility and low correlation to equity markets by investing in securities in Canada, the United States and in other foreign jurisdictions. The Fund takes a low amount of risk and focuses on merger arbitrage by investing in securities of companies that are involved in publicly announced mergers.

The net asset value of the Fund increased by 27.9% from January 1, 2024, to \$77.9 million on December 31, 2024. The Fund did not pay any cash distributions during the year.

Manager's Discussion

The U.S. equity markets demonstrated remarkable resilience in 2024. The S&P 500 posted an impressive annual gain of 25.00%, marking its best two-year streak since 1998. This robust performance was largely fueled by significant advancements in artificial intelligence (AI) technologies and consistent economic expansion. The technology sector, spearheaded by companies like Nvidia and Tesla, was a standout performer, driving a substantial portion of the market's gains in 2024. The FTSE TMX Canada Universe Bond Index, S&P/TSX Composite Total Return Index, and MSCI World Index posted returns in CAD of 4.23%, 21.65%, and 19.22%, respectively, with fixed income returns challenged and equity markets experiencing strong growth.

Overall, the market's gains were not uniformly distributed. As of year-end, the ten largest stocks in the S&P 500 represented 38% of the index and 34% of the Russell 1000, reflecting an unprecedented level of concentration. This poses challenges for active portfolio managers attempting to replicate the index within the bounds of diversification regulations. There are signs that market breadth may be improving, though disparities remain. While the S&P 500 market-cap-weighted index was up 25.00%, the equal-weighted index rose just 12.78% for the year. This uneven performance underscores systemic risks associated with high concentration in a few dominant companies, complicating risk mitigation strategies for passive and active investors alike. A broader market would support both business confidence and consumer sentiment, providing a solid foundation for economic growth.

Investment-grade bonds faced a challenging landscape in 2024, with the Bloomberg U.S. Aggregate Bond Index delivering a modest 1.25% return for the year. After peaking at over 5.0% mid-year, performance waned due to a significant rise in the 10-year Treasury yield, which ended the year at 4.57%. This marked an unprecedented rise in government bond yields following a 100-basis point cut in the federal funds rate since September 2024.

Looking ahead, market analysts expect the U.S. economy and corporate earnings to continue growing, supporting positive equity performance. However, potential risks include rate volatility and inflationary pressures, exacerbated by uncertainty surrounding fiscal policies under the Trump administration. Fed expectations have shifted significantly over the past several months. The market now anticipates a more modest path of rate cuts, with the federal funds rate projected at 3.75% by December 2025, compared to earlier expectations of 3.00%.

While we maintain a structurally positive view of the U.S. economy and equity markets heading into 2025, extended valuations warrant caution. The S&P 500's lack of a significant drawdown in 2024 underscores the potential for increased volatility in 2025. Surprisingly, the elevated forward price-to-earnings (P/E) ratios are not limited to the "Magnificent 7" but are observed across the broader market. This highlights the need for earnings growth to sustain further stock price appreciation. While we remain optimistic about U.S. stocks in 2025, bolstered by anticipated solid GDP growth, accommodative financial conditions, and resilient consumer spending, investors should remain vigilant about potential risks such as inflationary pressures, policy uncertainties related to Trump, and economic imbalances in China.

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2024 M&A Update

North America recorded over \$2 trillion in announced M&A volume in 2024, making its second-highest level in the last five years. Announced M&A volume was steady across both halves of 2024 with the first half tilted more towards mega-deals (\$10B+) and the second half leaning more towards mid-cap deals (\$1B-\$10B). Globally, M&A activity increased 12% year-over-year, surpassing \$3.5 trillion, with consistent growth across all regions. North America remained the largest contributor, accounting for 58% of global deal volume.

Stock consideration gained prominence in 2024 as many acquirers' shares traded near 52-week highs. All-stock transactions represented one-third of all deals valued at over \$200 million, with a significant uptick in the latter half of the year. Rising interest rates, coupled with strong equity markets driving elevated acquirer share prices, made stock an attractive currency for dealmaking. This trend is expected to continue in 2025, supported by market strategists' forecasts of positive absolute returns in equities, further reinforcing stock-based deal activity. North American transactions valued between \$1 billion and \$5 billion saw notable growth in the second half of 2024, increasing 22% over 2023 levels. This resurgence spanned diverse sectors, with six out of nine industries reporting year-over-year increases in M&A volume. Among the top ten announced deals in North America in 2024, the technology, media, and energy sectors were particularly prominent, with significant growth in \$1 billion+ deal announcements. Notably, \$1 billion+ announcements in the technology and healthcare sectors reached near-record levels, trailing only the peak observed in 2021.

Financial Sponsors activity increased significantly with announced deals worth nearly \$700 billion in 2024. The second half ended noticeably stronger, with a greater volume compared to the preceding 4 half-year periods. Financial sponsors were highly active in the public markets which led to 34 targets larger than \$1 billion being taken private in 2024, a 17-year high in North America. With the potential for additional interest rate cuts and improving market sentiment in 2025, Financial Sponsors are well-positioned to push transaction volumes higher.

The M&A market is experiencing both cyclical and structural recovery, with expectations of a multiyear rebound supported by record-high stock market levels, a solid economic backdrop, lower interest rates, open capital markets, increased corporate confidence, and growing pressure on private equity to deploy capital and monetize investments. For the first time in decades, central banks are cutting rates due to declining inflation rather than economic slowdowns, creating a favorable environment for M&A. Lower debt financing costs in a soft-landing scenario should encourage sponsors to deploy dry powder and corporates to utilize excess capital. The conclusion of the U.S. elections is an additional positive catalyst.

A Trump presidency, coupled with a Republican-controlled Senate, has resulted in regulatory personnel changes that increase the likelihood of transactions being approved without undergoing a second request, potentially boosting corporate appetite for larger deals. Additionally, the extension of the Tax Cuts and Jobs Act would provide clarity on corporate tax rates—an essential factor in deal valuation. Morgan Stanley's base case projects a 50% increase in M&A announcements for 2025, with its bull case suggesting a more substantial 78% rise.

The Fund's performance was bolstered by several successful merger arbitrage deals, notably the acquisition of Endeavor Group by Silver Lake Management LLC, Everbridge, Inc. by Thoma Bravo, and Nuvei Corporation by Advent International. All these transactions were completed in during the year. Conversely, the Fund faced challenges from key detractors, including the acquisition of Amedisys by UnitedHealth Group, and the acquisition of Arcadium Lithium by Rio Tinto.

Recent Developments

We consistently apply our investment process to the Fund over market cycles without a pre-determined view or prediction on how such cycles will evolve. Rather, as risk managers, we respond to changing market conditions and position the Fund accordingly. The investment risk level of the Fund is determined when the fund is first created and is reviewed annually.

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Related Party Transactions

For the year ended December 31, 2024, Oak Hill Asset Management Inc. was responsible for the day-to-day business operations and affairs of the Fund and, on this basis, was entitled to fees as described under “Management Fees” and Performance Fees” below.

Management fees:

In consideration for the services provided by the Manager, the Fund pay the Manager management fees. The management fees for the Fund are calculated daily, on each business day, as a percentage of the NAV of each series of units that comprise the Fund. The management fees may vary from series to series and will be deducted as an expense of the Fund in the calculation of the net profits of the Fund. The management fees for each of the existing series of units is set out below.

The Manager will receive a fees equal to: (i) 1/365 of 2% per annum of the aggregate NAV of the Series A units and Series A – USD units on the preceding business day, and (ii) 1/365 of 1% per annum of the aggregate NAV of the Series F units and Series F – USD units on the preceding business day, and (iii) 1/365 of 0.75% per annum of the aggregate NAV of the Series X units on the preceding business day.

The total management fees for the Fund for the year ended December 31, 2024 was \$623,345 (period from April 19, 2023 (commencement of operations) to December 31, 2023, was \$265,099). The Manager may, in its discretion, agree to charge a reduced management fee as compared to the fee that the Manager otherwise would be entitled to receive from the Fund with respect to investments in the Fund by unitholders who hold a minimum amount of units during any period or meet other criteria as determined by the Manager from time to time. In such cases, an amount equal to the difference between the management fee otherwise chargeable and the reduced fee payable by the Fund will be distributed regularly by the Fund to those unitholders as management fee distributions (“Management Fee Distributions”). The Manager reserves the right, in its discretion, to discontinue or change Management Fee Distributions at any time. There has been no Management Fee Distribution for the year ended December 31, 2024 and for the period from April 19, 2023 (commencement of operations) to December 31, 2023.

Performance fees:

The Manager is entitled to a performance fee from the Fund. The performance fees for the Fund will be calculated and accrued daily and paid quarterly. For all series of the units, the amount of performance fees will be equal to 15% of the amount by which the total return of the series of units exceeds the previous high water mark for each applicable series of units. On any day a performance fee is paid for the Fund, a high water mark is set, which is equal to the NAV of the Funds on such date, after deducting all fees and expenses. No further performance fee will be paid until the NAV, adjusted for any distributions since the high water mark was last set, exceeds this high water mark value. This high water mark is perpetual and cannot be reset. Deficiencies to the high water mark accrue for each day a Fund does not exceed the high water mark and performance fees will not be accrued until the series of units of the Fund has exceeded the high water mark.

The total performance fees for the Fund for the year ended December 31, 2024 was \$625,828 (period from April 19, 2023 (commencement of operations) to December 31, 2023, was \$354,250).

Related party unit holdings:

As at December 31, 2024, the directors and key management personnel of the Manager and Portfolio Manager held 10,119 units (December 31, 2023 – 10,088 units) of Series X, and 1,000 units (December 31, 2023 – 1,000 units) of Series F, of the Fund.

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Independent Review Committee:

The Fund did not rely on any approval, positive recommendation or standing instruction from its IRC with respect to any related party transactions.

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Financial Highlights – December 31, 2024

The following tables show selected key financial information about the Class A, A – USD, F, F- USD and X units of the Fund, respectively, and are intended to help you understand the Fund's financial performance for the past year since the inception date.

	December 31, 2024	December 31, 2023
Series A		
Net assets attributable to holders of redeemable units, beginning of year ⁽¹⁾⁽²⁾	\$ 10.17	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Total revenue	0.33	0.25
Total expenses	(0.47)	(0.28)
Realized gain (loss) for the period	0.58	0.06
Unrealized gain (loss) for the period	(0.01)	0.28
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽³⁾	0.43	0.31
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	-
From capital gains	(0.21)	(0.08)
Return of capital	-	-
Total Annual Distributions ^{(3) (4)}	(0.21)	(0.08)
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 10.27	\$ 10.17
Ratios and Supplemental Data		
Total Net Asset Value ⁽⁵⁾	18,663	33,266
Number of units outstanding ⁽⁵⁾	1,817	3,271
Management expense ratio ⁽⁶⁾	3.81%	3.77%
Trading expense ratio ⁽⁷⁾	0.75%	0.50%
Portfolio turnover rate ⁽⁸⁾	174.42%	134.34%
Net Asset Value per Unit	10.27	10.17

(1) This information is derived from the Fund's financial statements for covering the year ended December 31, 2024, and the period from January 5, 2023 (date of incorporation) to December 31, 2023 and is not a reconciliation of beginning and ending net assets per unit.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of units outstanding over the financial year.

(3) Distributions were paid in cash or automatically reinvested in additional units of the Fund, or both.

(4) This information is provided as at December 31, 2024 and 2023.

(5) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average NAV during the year.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the year. Included in the trading expense ratio are the forward fees.

(7) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the year. The higher a funds' portfolio turnover rate in the year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

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Financial Highlights – December 31, 2024

	December 31, 2024	December 31, 2023
Series A - USD		
Net assets attributable to holders of redeemable units, beginning of year ⁽¹⁾⁽²⁾	\$ 13.64	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Total revenue	0.43	0.05
Total expenses	(0.65)	(0.21)
Realized gain (loss) for the period	0.24	(0.15)
Unrealized gain (loss) for the period	0.44	0.23
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽³⁾	0.46	(0.08)
Distributions:		
From income (excluding dividends)	-	-
From dividends	-	-
From capital gains	(0.01)	-
Return of capital	-	-
Total Annual Distributions ^{(3) (4)}	(0.01)	-
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 14.15	\$ 13.64
Ratios and Supplemental Data		
Total Net Asset Value ⁽⁵⁾	444,390	171,208
Number of units outstanding ⁽⁵⁾	31,406	12,556
Management expense ratio ⁽⁶⁾	3.93%	8.85%
Trading expense ratio ⁽⁷⁾	0.75%	0.50%
Portfolio turnover rate ⁽⁸⁾	174.42%	134.34%
Net Asset Value per Unit	14.15	13.64

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(3) Distributions were paid in cash or automatically reinvested in additional units of the Fund, or both.

(4) This information is provided as at December 31, 2024 and 2023.

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(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the year. Included in the trading expense ratio are the forward fees.

(7) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the year. The higher a funds' portfolio turnover rate in the year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

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Financial Highlights – December 31, 2024

	December 31, 2024	December 31, 2023
Series F		
Net assets attributable to holders of redeemable units, beginning of year ⁽¹⁾⁽²⁾	\$ 10.35	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Total revenue	0.33	(0.21)
Total expenses	(0.40)	(0.21)
Realized gain (loss) for the period	0.10	0.20
Unrealized gain (loss) for the period	0.42	0.43
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽³⁾	0.45	0.21
Distributions:		
From income (excluding dividends)	(0.15)	-
From dividends	(0.01)	-
From capital gains	-	-
Return of capital	-	-
Total Annual Distributions ^{(3) (4)}	(0.16)	-
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 10.72	\$ 10.35
Ratios and Supplemental Data		
Total Net Asset Value ⁽⁵⁾	25,010,869	7,388,534
Number of units outstanding ⁽⁵⁾	2,332,549	713,889
Management expense ratio ⁽⁶⁾	3.06%	2.20%
Trading expense ratio ⁽⁷⁾	0.75%	0.50%
Portfolio turnover rate ⁽⁸⁾	174.42%	134.34%
Net Asset Value per Unit	10.72	10.35

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(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of units outstanding over the financial year.

(3) Distributions were paid in cash or automatically reinvested in additional units of the Fund, or both.

(4) This information is provided as at December 31, 2024 and 2023.

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(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the period. Included in the trading expense ratio are the forward fees.

(7) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the year. The higher a funds' portfolio turnover rate in the year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

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Financial Highlights – December 31, 2024

	December 31, 2024	December 31, 2023
Series F - USD		
Net assets attributable to holders of redeemable units, beginning of year ⁽¹⁾⁽²⁾	\$ 13.79	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Total revenue	0.45	(0.09)
Total expenses	(0.48)	(0.51)
Realized gain (loss) for the period	0.37	(0.02)
Unrealized gain (loss) for the period	0.29	0.67
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽³⁾	0.63	0.05
Distributions:		
From income (excluding dividends)	(0.08)	-
From dividends	(0.02)	-
From capital gains	(0.12)	-
Return of capital	-	-
Total Annual Distributions ^{(3) (4)}	(0.22)	-
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 14.27	\$ 13.79
Ratios and Supplemental Data		
Total Net Asset Value ⁽⁵⁾	343,775	191,120
Number of units outstanding ⁽⁵⁾	24,095	13,857
Management expense ratio ⁽⁶⁾	2.69%	5.31%
Trading expense ratio ⁽⁷⁾	0.75%	0.50%
Portfolio turnover rate ⁽⁸⁾	174.42%	134.34%
Net Asset Value per Unit	14.27	13.79

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	December 31, 2024	December 31, 2023
Series X		
Net assets attributable to holders of redeemable units, beginning of year ⁽¹⁾⁽²⁾	\$ 10.22	\$ 10.00
Increase (decrease) in net assets attributable to holders of redeemable units:		
Total revenue	0.34	0.27
Total expenses	(0.37)	(0.23)
Realized gain (loss) for the period	0.43	0.02
Unrealized gain (loss) for the period	0.09	0.32
Total increase (decrease) in net assets attributable to holders of redeemable units ⁽³⁾	0.49	0.38
Distributions:		
From income (excluding dividends)	(0.11)	(0.02)
From dividends	(0.01)	-
From capital gains	(0.15)	(0.12)
Return of capital	-	-
Total Annual Distributions ^{(3) (4)}	(0.27)	(0.14)
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 10.43	\$ 10.22
Ratios and Supplemental Data		
Total Net Asset Value ⁽⁵⁾	52,093,815	53,093,391
Number of units outstanding ⁽⁵⁾	4,996,806	5,197,213
Management expense ratio ⁽⁶⁾	2.79%	2.69%
Trading expense ratio ⁽⁷⁾	0.75%	0.50%
Portfolio turnover rate ⁽⁸⁾	174.42%	134.34%
Net Asset Value per Unit	10.43	10.22

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(5) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average NAV during the year.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the year. Included in the trading expense ratio are the forward fees.

(7) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the year. The higher a funds' portfolio turnover rate in the year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

OAK HILL NEXPOINT GLOBAL MERGER ARBITRAGE FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Financial Highlights – December 31, 2024

Annual Compound Returns

This section describes the Fund’s performance over the past year and for the partial year 2023 (inception May 1, 2023). The information shown assumes that any distributions made by the Fund were reinvested in additional units of the Fund. All rates of returns are calculated based on the NAV of the particular series of the Fund. Past returns of the Fund do not necessarily indicate how it will perform in the future.

Year to Date	Series		
	A	F	X
2024	3.68%	4.57%	4.77%
2023	3.19%	3.53%	3.37%

OAK HILL NEXPOINT GLOBAL MERGER ARBITRAGE FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Summary of Investment Portfolio as at December 31, 2024

The following table shows selected key financial information about the Fund and is intended to assist in the understanding of the Fund's financial performance for the year ended December 31, 2024.

<i>As of December 31, 2024</i>	<i>% of Net Assets</i>	<i>As of December 31, 2024</i>	<i>% of Net Assets</i>
TOP 25 HOLDINGS		ASSET ALLOCATIONS (By Asset Type)	
LONG POSITIONS		LONG POSITIONS	
Retail Opportunity Investments Corp.	8.25%	Canadian Equities	7.62%
Barnes Group Inc.	6.95%	U.S. Equities	68.53%
Enstar Group Ltd.	6.94%	U.S. Fixed Income	8.36%
Smartsheet Inc.	6.19%	U.S. Options	0.36%
Manitex International Inc.	5.48%	U.S. REIT	8.25%
Avid Bioservices Inc.	5.38%	U.S. Rights	0.01%
DS Smith PLC	5.22%	British Equities	10.08%
Heroux-Devtek Inc.	4.87%	European Equities	3.67%
HashiCorp Inc.	4.27%		
SecureWorks Corp.	4.15%	SHORT POSITIONS	
ChampionX Corp.	4.09%	U.S. Equities	(14.44%)
Hargreaves Lansdown PLC	4.02%	U.S. Options	(0.65%)
Kellanova	3.86%		
Covestro AG	3.67%	TOTAL NET ASSETS VALUE (000's)	
Summit Materials Inc.	3.08%		77,912
PlayAGS Inc.	2.84%	<i>As of December 31, 2024</i>	
CI Financial Corp.	2.75%	% of Net Assets	
Air Transport Services Group Inc.	2.57%	SECTOR ALLOCATIONS	
Atlantica Sustainable Infrastructure PLC 4.125% 15JUN28	2.53%	LONG ALLOCATIONS	
Hess Corp.	2.51%	Basic Materials	5.33%
Revelyst Inc.	2.36%	Consumer, Cyclical	12.67%
Cargo Aircraft Management Inc. 4.75% 01FEB28	2.20%	Consumer, Non-cyclical	11.14%
Bally's Corp.	1.96%	Energy	10.75%
Everi Holdings Inc. 5% 15JUL29	1.85%	Financial	21.96%
Zuora Inc.	1.74%	Healthcare	0.01%
		Industrial	25.53%
SHORT POSITIONS		Technology	19.49%
International Paper Co.	(5.32%)	SHORT ALLOCATIONS	
Schlumberger Ltd.	(4.24%)	Basic Materials	(6.43%)
Chevron Corp.	(2.80%)	Industrials	0.00%
CONSOL Energy Inc.	(1.62%)	Energy	(8.66%)
United States Steel Corp. Put \$47 17JAN25	(0.53%)	Technology	0.00%
First Majestic Silver Corp.	(0.47%)		
United States Steel Corp. Put \$31 17JAN25	(0.06%)		
United States Steel Corp. Call \$47 17JAN25	(0.03%)		
United States Steel Corp. Put \$28 17JAN25	(0.02%)		
Air Transport Services Group Inc. Call \$22.50 21MAR25	0.00%		
Smartsheet Inc. Call \$60 16JAN26	0.00%		
	84.64%	TOTAL NET ASSETS VALUE (000's)	
TOTAL NET ASSETS VALUE (000's)	77,912		77,912

The "Top 25 Holdings" of the Fund, as a percentage of Net Asset Value of the Fund, have been presented in accordance with National Instrument 81-106.

The Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates of the Investment Portfolio are available within 60 days of each quarter end.

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