

NEXPOINT HEALTHCARE OPPORTUNITIES FUND

Fund Overview

NexPoint Healthcare Opportunities Fund is a closed-end interval fund designed to take a differentiated strategy, pursuing its investment object by investing, under normal circumstances, at least 80% of its assets in the healthcare industry.

The Fund seeks total return consisting of current income and longer-term capital appreciation by primarily investing in equity and debt healthcare securities.*

Fund Attributes*



Seeks Current Income**



Seeks Long-Term Total Return



Seeks to Provide Lower Correlation to Equity Markets

Investment Sub-Sector Focus

- Pharmaceuticals
- Medical Devices
- Life Sciences
- Facilities
- Biotechnology
- Managed Care
- Healthcare REITs



Chart is for illustrative purposes only.

*There can be no assurance that the Fund will achieve its investment objectives.

**Distributions are not guaranteed and may be suspended, modified or terminated at the discretion of the board of trustees. Distributions may be paid from offering proceeds and may include a return of capital or borrowed funds, which may lower overall returns to the investor and may not be sustainable.

SALES CHARGES

The maximum sales load on purchases for Class A shares is 5.75%, and the maximum sales load on purchases for Class L shares is 4.25%. There is no sales load for Class C and Class Z shares. Class A Shares bought without an initial sales charge in accounts aggregating \$500,000 or more at the time of purchase are subject to a 1.00% contingent deferred sales charge ("CDSC") if the shares are sold within 18 months of purchase. Class C Shares are subject to a 1% CDSC for redemptions of shares within 18 months of purchase.

Fund Highlights

Symbols:

Class A: NXHAX Class L: NXHLX
Class C: NXHCX Class Z: NXHZX

CUSIPs:

Class A: 65343K104 Class L: 65343K302
Class C: 65343K203 Class Z: 65343K401

Inception Date:

May 10, 2018

Structure:

Continuously Offered Closed-End Interval Fund

Minimum Initial Investment:

Regular Accounts:
Class A & C shares \$500
Class L shares \$2,500

Retirement Accounts:
Class A & C shares \$50
Class L shares \$1,000

Repurchase Offers:¹

Quarterly repurchases of no less than 5% of the shares outstanding

Fees and Expenses (%):²

Share Class	Gross Expense Ratio	Net Expense Ratio
Class A	2.53	2.00
Class C	3.28	2.75
Class L	2.78	2.25
Class Z	2.28	1.75

Advisor:

NexPoint Advisors, L.P.

Distributor:

Highland Capital Funds Distributor, Inc.

Administrator & Custodian:

State Street Bank & Trust Company

Transfer Agent:

DST Systems, Inc.

¹ Please read the prospectus for complete information regarding repurchase offers.

² An investment in the fund is subject to fees & expenses. Please refer to the prospectus for a complete list of fees & expenses.

Who We Are

NexPoint Healthcare Opportunities Fund is a continuously offered, non-diversified, closed-end management investment company. The Fund operates as an interval fund,¹ which is a type of closed-end fund, and is sponsored by NexPoint Advisors, L.P., an affiliate of Highland Capital Management, L.P. (“Highland”). Highland is an institutional investment firm and one of the largest and most experienced global alternative credit and equity managers.

About Highland Capital Management²

- Founded 25 years ago
- \$12.9 billion of assets under mgmt
- \$6.3 billion in loans
- \$1.23 billion in healthcare equity & credit

Why Healthcare?

Healthcare is the largest component of the American economy, accounting for more than 17.2% of the nation’s gross domestic product.³ It is also the fastest growing segment, forecast to increase above 20% of GDP in the next few years.³ We believe demographic trends and governmental changes are contributing factors to unprecedented transformation in the industry.

Highland’s Healthcare Experience

Highland has a long history as a leading alternative asset manager with a historical focus on the healthcare sector, including over \$12 billion of investments over the last five years.⁴ Highland currently manages \$1.23 billion in healthcare assets in the form of institutional funds, mutual funds and interval funds.² Highland’s experienced team of 7 healthcare industry investment specialists includes experts in biotechnology, pharmaceuticals and other healthcare sub-sectors with an average of >15 years of professional experience.⁵ We believe our specialized expertise affords us the ability to identify the “winners” and provide investors with a unique opportunity from the ongoing strength and historic change in the quickly evolving healthcare sector.

1. An interval fund is a type of investment company that periodically offers to repurchase its shares from shareholders. That is, the Fund periodically offers to buy back a stated portion of its shares from shareholders. Shareholders are not required to accept these offers and sell their shares back to the Fund. Legally, interval funds are classified as closed-end funds, but they are different from traditional closed-end funds in that:
 - Their shares typically do not trade on the secondary market. Instead, their shares are subject to periodic repurchase offers by the fund at a price based on net asset value.
 - They are permitted to continuously offer their shares at a price based on the Fund’s net asset value.

An interval fund will make periodic repurchase offers to its shareholders, generally every three, six or twelve months, as disclosed in the fund’s prospectus and annual report. The interval fund also will periodically notify its shareholders of the upcoming repurchase dates. When the fund makes a repurchase offer to its shareholders, it will specify a date by which shareholders must accept the repurchase offer. The actual repurchase will occur at a later, specified date.

2. Source: As of June 30, 2018, inclusive of Highland Capital Management, L.P. and affiliates, based on fee calculation AUM. Includes affiliate institutional products.
3. “National Healthcare Expenditures Projections 2013-2023 Table 1: National Health Expenditures and Selected Economic Indicators, Levels and Annual Percent Change: Calendar Years 2007-2023,” U.S. Dept. of Health and Human Services-Centers for Medicare and Medicaid Services, Office of the Actuary, January 2014.
4. As of year-end 2017, inclusive of Highland Capital Management, L.P. and affiliates based on fee calculation AUM.
5. Includes employees of Highland Capital Management, L.P. and affiliates.

RISK FACTORS

Investing in our shares may be considered speculative and involves a high degree of risk, including the risk of a substantial loss of investment. See the “Risk Factors” section of our prospectus to read about the risks you should consider before buying our shares including the risk of leverage. Some of the risks relating to your investment in our shares include the following:

Investors should understand that:

- the Fund does not currently intend to list its shares on a securities exchange;
- there is no secondary market for the Fund’s shares, and the Fund does not expect that such a market will develop at this time; and
- your investment in the Fund will be illiquid.

Before investing, you should therefore consider the following factors:

- You may not have access to the money you invest for an extended period of time;
- You may not be able to sell your shares at the time of your choosing regardless of how the Fund performs.
- Because you may not be able to sell your shares at the time of your choosing, you may not be able to reduce your exposure in a market downturn.
- An investment in the Fund may not be suitable for investors who may need the money they invested in a specified timeframe.
- The amount of distributions that the Fund may pay, if any, is uncertain.
- The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund’s performance, such as from offering proceeds, borrowings, and amounts from the Fund’s affiliates that are subject to repayment by investors. All or a portion of a distribution may consist of a return of capital. Because a return of capital may reduce a shareholder’s tax basis, it will increase the amount of gain or decrease the amount of loss on a subsequent disposition of the shareholder’s shares.
- The Fund has implemented a share repurchase program, but it is only required to repurchase up to 5% of its outstanding shares per quarter. In the event a repurchase offer is oversubscribed, the Fund may not repurchase all of the shares tendered but will repurchase shares tendered on a pro rata basis, and no assurance can be given that the Fund will repurchase all of a shareholder’s tendered shares over any period. In addition, the Fund may in the future determine to list its shares on a public securities exchange, but even if an active secondary market in the Fund’s shares were to develop as a result, closed-end fund shares frequently trade at a discount from their NAV. Investing in the Fund involves a considerable degree of risk.
- The Fund is a closed-end investment company structured as an “interval fund” and designed for long-term investors. Unlike many closed-end investment companies, the Fund’s shares are not listed on any securities exchange and are not publicly traded. There is currently no secondary market for the shares and the Fund expects that no secondary market will develop. Limited liquidity is provided to shareholders only through the Fund’s quarterly repurchase offers for no less than 5% of the shares outstanding at NAV. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. The Fund’s investments are also subject to liquidity risk.

Before investing in the Fund, you should carefully consider the Fund’s investment objectives, risks, charges and expenses. For a copy of a prospectus which contains this and other information, please visit our website at www.nexpointfunds.com or call 1-877-665-1287. Please read the fund prospectus carefully before investing.