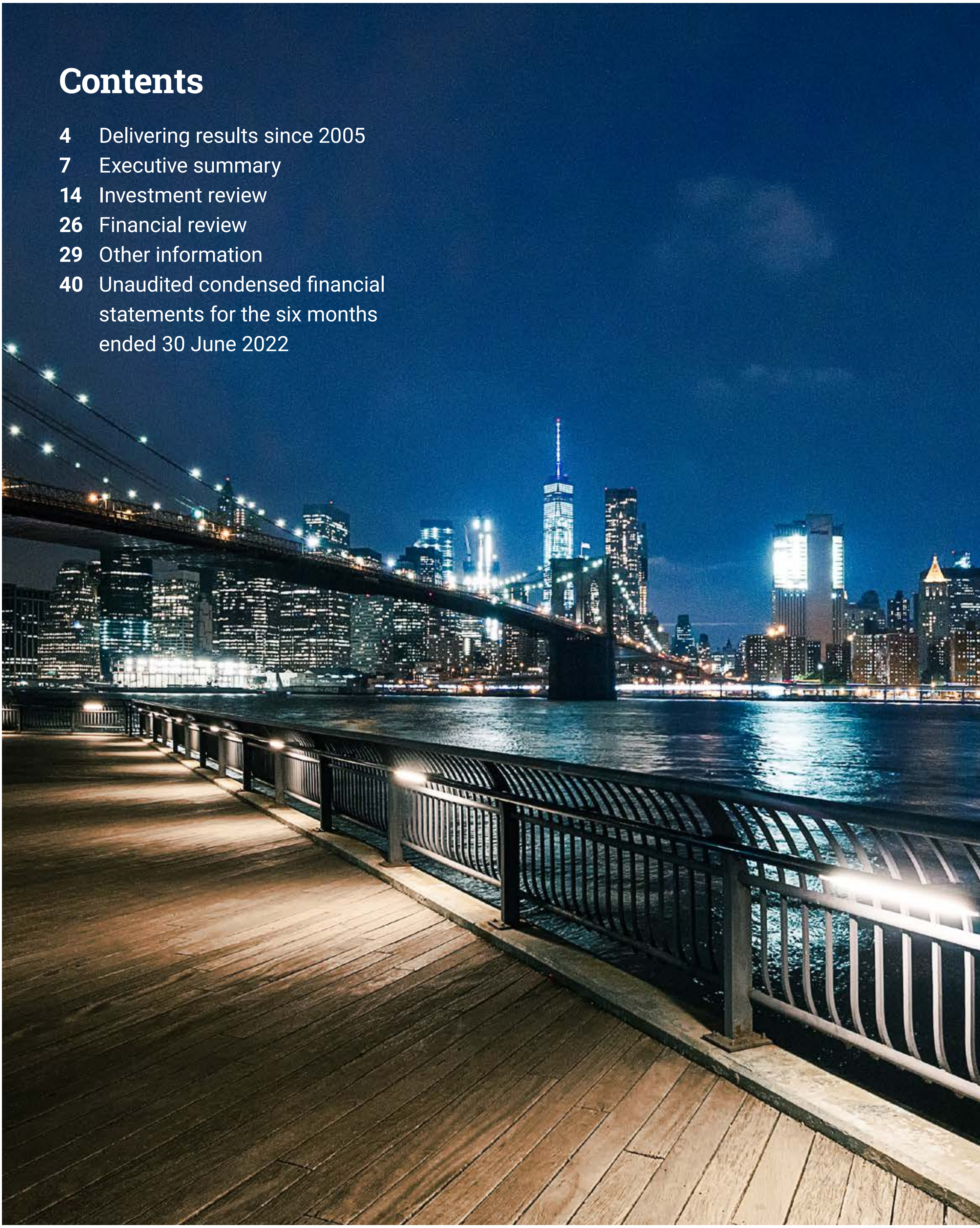
2022 Half-Yearly Report

Tetragon Financial Group

TETRAGON

Contents



About us

Tetragon* is a closed-ended investment company that invests in a broad range of assets, including public and private equities and credit (including distressed securities and structured credit), convertible bonds, real estate, venture capital, infrastructure, bank loans and TFG Asset Management, a diversified alternative asset management business.

Where appropriate, through TFG Asset Management, Tetragon seeks to own all, or a portion, of asset management companies with which it invests in order to enhance the returns achieved on its capital. Tetragon's investment objective is to generate distributable income and capital appreciation. It aims to provide stable returns to investors across various credit, equity, interest rate, inflation and real estate cycles. The company is traded on Euronext in Amsterdam N.V.(1) and on the Specialist Fund Segment(2) of the main market of the London Stock Exchange.

To view company updates visit:
www.tetragoninv.com

Tetragon's shares are subject to restrictions on ownership by U.S. persons and are not intended for European retail investors. These are described on our website. Tetragon anticipates that its typical investors will be institutional and professional investors who wish to invest for the long term in a capital appreciation and income-producing investment. These investors should have experience in investing in financial markets and collective investment undertakings and be capable themselves of evaluating the merits and risks of Tetragon shares and they should have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment.

*Tetragon Financial Group Limited is referred to in this report as Tetragon. References to "we" are to Tetragon Financial Management LP, Tetragon's investment manager.

(1) (2) Please see important notes on page 6.

Delivering results since 2005[3]

Building Value

$2.7bn

30 June 2022

Ownership[4]

36.3%

Principal & Employee Ownership at 30 June 2022

NAV per share total return[5]

10.0%
One Year to 30 June 2022

9.9%
Five Years Annualised

10.9%
Ten Years Annualised

10.8%
Since IPO Annualised

376%
Since IPO

Investment returns / return on equity[6]

(5.0)%
2022 YTD ROE

10-15%
ROE Target

11.7%
Annual Average since IPO

Dividends

$0.11
Q2 2022 Dividend

$0.22
2022 Dividends

4.1%
Dividend Yield[7]

(9.0)%
Dividend Five-Year CAGR[8]

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) Please see important notes on page 6.

H1 2022 Snapshot

Tetragon aims to provide stable returns to investors across various credit, equity, interest rate, inflation and real estate cycles.

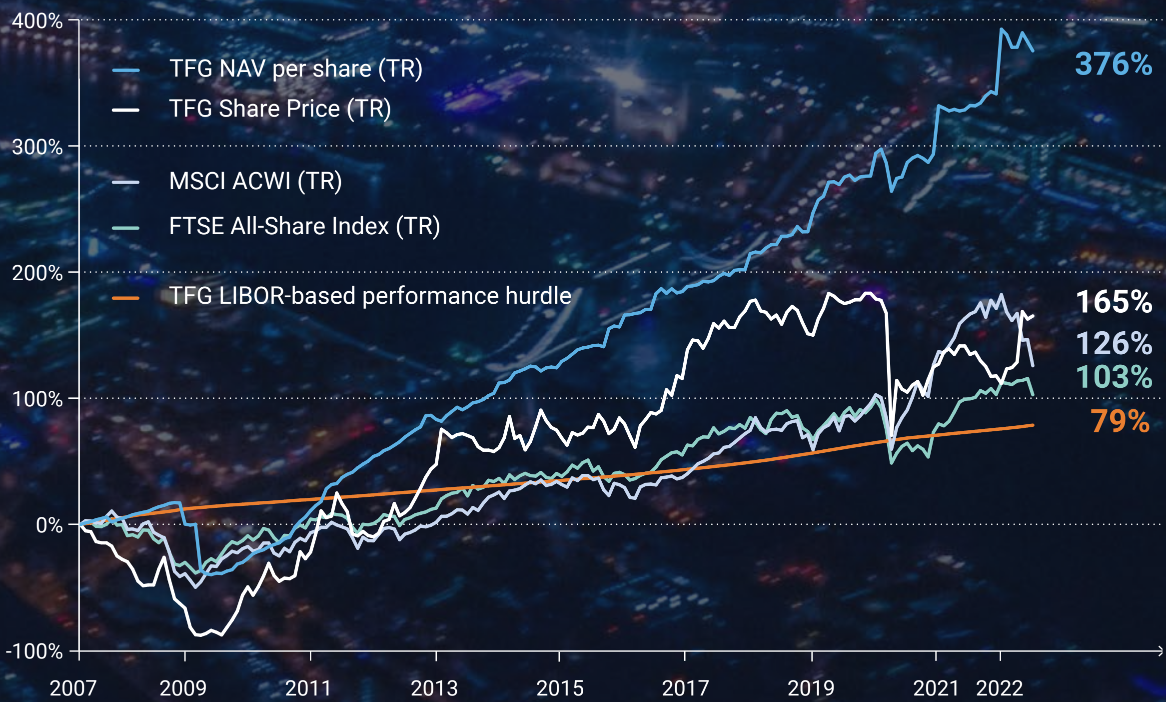
Figure 1

Tetragon Financial Group – performance summary

	30 June 2022	31 December 2021	Change
Net Assets	$2,674.1m	$2,876.8m	$(202.7)m
Fully Diluted NAV Per Share	$28.59	$29.86	$(1.26)
Share Price[9]	$10.40	$8.50	$1.90
Dividend (last twelve months)	**$0.43**	**$0.41**	**$0.02**
Dividend Yield	4.1%	4.8%	
Ongoing Charges[10]	1.70%	1.70%	
Principal & Employee Ownership	36.3%	34.7%	
	H1 2022	H1 2021	
Investment Returns/Return on Equity[6]	**(5.0%)**	**1.5%**	
NAV Per Share Total Return[5]	**(3.5%)**	**0.0%**	
Share Price Total Return[11]	25.2%	3.3%	
Tetragon Hurdle: LIBOR +2.65%[12]	1.6%	1.4%	
MSCI ACWI Index Total Return[13]	(20.0%)	16.8%	
FTSE All-Share Index Total Return[13]	(4.6%)	(9.7%)	

Figure 2

Tetragon's NAV per share total return and share price since IPO to 30 June 2022



Notes

1. Euronext in Amsterdam is a regulated market of Euronext Amsterdam N.V. (Euronext Amsterdam).
2. Tetragon's 'Home Member State' for the purposes of the EU Transparency Directive (Directive 2004/109/EC) is the Netherlands.
3. Tetragon commenced investing as an open-ended investment company in 2005, before its initial public offering in April 2007.
4. Shareholdings at 30 June 2022 of the principals of Tetragon's investment manager and employees of TFG Asset Management, including all deferred compensation arrangements (other than with respect to shares that are subject to performance criteria). Please refer to the Tetragon Financial Group Limited 2021 Audited Financial Statements for more details of these arrangements.
5. NAV per share total return (NAV Total Return) to 30 June 2022, for the last year, the last five years, the last ten years, and since Tetragon's initial public offering in April 2007. NAV Total Return is determined in accordance with the "NAV total return performance" calculation as set forth on the Association of Investment Companies (AIC) website. Tetragon's NAV Total Return is determined for any period by calculating, as a percentage return on the Fully Diluted NAV per Share (NAV per share) at the start of such period, (i) the change in NAV per share over such period, plus (ii) the aggregate amount of any dividends per share paid during such period, with any dividend deemed reinvested at the NAV per share at the month end date closest to the applicable ex-dividend date (i.e. so that the amount of any dividend is increased or decreased by the same percentage increase or decrease in NAV per share from such ex-dividend date through to the end of the applicable period). NAV per share is calculated as Net Assets divided by Fully Diluted Shares Outstanding. Please refer to Figure 12 for further details.
6. Tetragon seeks to deliver 10-15% Return on Equity (RoE) per annum to shareholders. Please refer to page 27 for the calculation of RoE. Tetragon's returns will most likely fluctuate with LIBOR or an equivalent risk-free short-term rate which directly flows through some of Tetragon's investments; therefore, in high-LIBOR environments, Tetragon should achieve higher sustainable returns; in low-LIBOR environments, Tetragon should achieve lower sustainable returns. Please note that from 31 December 2021, LIBOR has been replaced by an appropriate alternate rate as advised by ISDA in the IBOR Fallbacks Protocol, although certain LIBOR settings will continue to be calculated and published using panel bank submissions until mid- 2023.
7. The dividend yield represents the last four quarterly dividends divided by the TFG NA share price at 30 June 2022. The latest declared dividend is included in the calculation.
8. The five-year Compound Annual Growth Rate (CAGR) figure is at 30 June 2022. The latest declared dividend is included in the calculation.
9. Based on TFG.NA.
10. Annual calculation as at 31 December 2021. The ongoing charges figure is calculated as defined by the AIC, and comprises all direct recurring expenses to Tetragon expressed as a percentage of average Net Assets, and includes the annual management fee of 1.5%.
11. H1 2022 total shareholder return, defined as share price appreciation including dividends reinvested, as sourced from Bloomberg.
12. Cumulative return determined on a quarterly compounding basis using the actual Tetragon quarterly incentive fee LIBOR-based hurdle rate.
13. Any indices and other financial benchmarks are provided for illustrative purposes only. Comparisons to indices have limitations because, for example, indices have volatility and other material characteristics that may differ from the fund. Any index information contained herein is included to show general trends in the markets in the periods indicated, is not meant to imply that these indices are the only relevant indices, and is not intended to imply that the portfolio or investment was similar to any particular index either in composition or element of risk. The indices shown here have not been selected to represent an appropriate benchmark to compare an investor's performance, but rather is disclosed to allow for comparison of the investor's performance to that of certain well-known and widely recognised indices. The volatility of the indices may be materially different from the individual performance attained by a specific investor. In addition, the fund's holdings may differ significantly from the securities that comprise the indices. The MSCI ACWI captures large and mid-cap representation across 23 developed markets and 25 emerging markets countries. With 2,895 constituents, the index covers approximately 85% of the free float-adjusted market capitalisation in each market. Further information relating to the index constituents and calculation methodology can be found at www.msci.com/acwi. The FTSE All-Share Index represents 98-99% of U.K. market capitalisation and is the aggregate of the FTSE 100, FTSE 250 and FTSE Small Cap indices. Further information relating to the index constituents and calculation methodology can be found at www.ftserussell.com/products/indices/uk.

Executive Summary

In 2021, risk assets enjoyed strong returns due to a continued economic rebound aided by accommodating monetary policy. By the first quarter of 2022 however, many of these positive trends began to reverse as headline year-on-year CPI inflation rose over 8%, highlighting concerns that an overly dovish U.S. Federal Reserve had lost control over price stability. Russia's invasion of Ukraine exacerbated these trends by driving energy and food prices higher, as well as highlighting global supply chain issues.

As the Fed targeted inflation through accelerating interest rate hikes – first 25 basis points, then 50, then 75 – the stock market was further affected by a first quarter negative 1.6% real GDP print in the United States, rising discount rates driving equity valuations down, and the increasing probability that the rate hikes required to curb inflation would result in an economic "hard landing". Against this backdrop, by mid-year the MSCI All Country World Gross Total Return Local Index(1) had fallen 17.5%, the S&P 500 had lost 20.0%, and the energy-heavy FTSE All Share Index had fallen a more modest 4.6%. The technology and growth-heavy Nasdaq 100 drew down 29.2%, with a basket of "cash-burning" unprofitable technology stocks crashing 52.6%.

In this stressed market environment, Tetragon's portfolio experienced a more tempered drawdown, with a net investment return on equity (RoE) of -5.0% and a NAV per share total return of -3.5%. Within Tetragon's portfolio, losses led by "other equities and credit" and private equity in asset management companies outweighed positive returns from bank loans, private equity, real estate and legal assets.

(continued)

The company's allocations to bank loans generated over $40 million of gains in the first half. The floating rate nature of the underlying loans benefitted CLO equity as the U.S. Fed rate hikes drove three-month LIBOR from 21 basis points to 229 basis points by the end of June.

Allocations to private equity, venture capital, and private equity co-investments (including Banyan Square Partners[(2)]) added additional gains of over $20 million, having largely avoided the more speculative "cash-burning" sectors punished most heavily in the first half. Losses of $17.3 million in Hawke's Point[(3)] investments offset most of these gains, driven by project-specific delays against the backdrop of flat gold prices.

Real estate investments produced a small gain of $3.4 million overall. Investments in Europe and Asia real estate funds and co-investments added over $5 million in profits, which were partially offset by small losses in the Paraguayan farmland investment and continued weakness in the U.S. real estate fund portfolio.

Contingency Capital[(4)] continued to draw and deploy capital over the first half, with Tetragon's investment generating gains of $1.3 million, driven by accrued floating rate PIK interest in loans to legal firms.

Although hedge funds lost $6.5 million in the first half, results within the portfolio were more mixed: Polygon's[(5)] European Equity strategies generated positive returns and alpha, which were offset by losses from Polygon's Global Equity Fund and the convertible bond and energy strategies managed by Acasta Partners[(6)]. Allocations to third-party equity-focused hedge funds also produced smaller losses driven by weakness in the technology and equity capital markets sectors.

Tetragon's private equity investments in asset managers (TFG Asset Management) were down $31.4 million over the first half, led by a $82.5 million downward revaluation of Equitix[(7)], driven both by weakness in the British Pound (currency of denomination) as well as a decrease in valuation multiples for public comparables. This was partially offset by $37.4 million of gains in LCM[(8)], due to higher growth forecasts, as well as an $18.3 million gain in BentallGreenOak's valuation, stemming from manager outperformance increasing projected EBITDA and carry.

Finally, Tetragon's investments in other equities and credit generated losses of $126.9 million during the first half of 2022, with approximately $90 million of this driven by biotechnology exposures. Four technology positions contributed an additional $32 million in losses, as growth and technology equities broadly sold off. Exposure to financial equity and credit also generated smaller losses of approximately $4 million.

The second quarter 2022 dividend was declared at 11.00 cents per share, bringing the half-year 2022 dividend to 22.00 cents per share. Furthermore, in April, the company completed a $42.0 million share repurchase. Additionally, the company increased the size of its credit facility from $250 million to $400 million, allowing for further flexibility in this opportunistic environment.

With regards

The Board of Directors

27 July 2022

Notes

(1) Please see Note 13 on page 6.

(2) Banyan Square Partners, a private equity firm focused on non-control structured and common equity investment opportunities, referred to in this report as "Banyan Square". Tetragon owns 100% of the business.

(3) Hawke's Point Manager LP, an asset management company focused on mining finance, referred to in this report as "Hawke's Point". Tetragon owns 100% of the business.

(4) Contingency Capital, an asset management business that sponsors and manages investment funds focused on legal assets. Tetragon owns a non-controlling interest in the business.

(5) Polygon Global Partners LP and Polygon Global Partners LLP, managers of open-ended hedge fund and private equity vehicles across a number of strategies that are part of TFG Asset Management, referred to in this report as "Polygon". Tetragon owns 100% of the business.

(6) Acasta Partners US and Acasta Partners UK, managers of open-ended hedge fund vehicles, referred to in this report as "Acasta". Tetragon owns a non-controlling interest in the business.

(7) Equitix Holdings Limited, an integrated core infrastructure asset management and primary project platform referred to in this report as "Equitix". Tetragon owns 75% of the business.

(8) LCM Asset Management LLC, a specialist in below-investment grade U.S. broadly-syndicated leveraged loans, is referred to in this report as "LCM". TFG Asset Management owns 100% of the business.

1

Manager's review

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Investment objective & strategy

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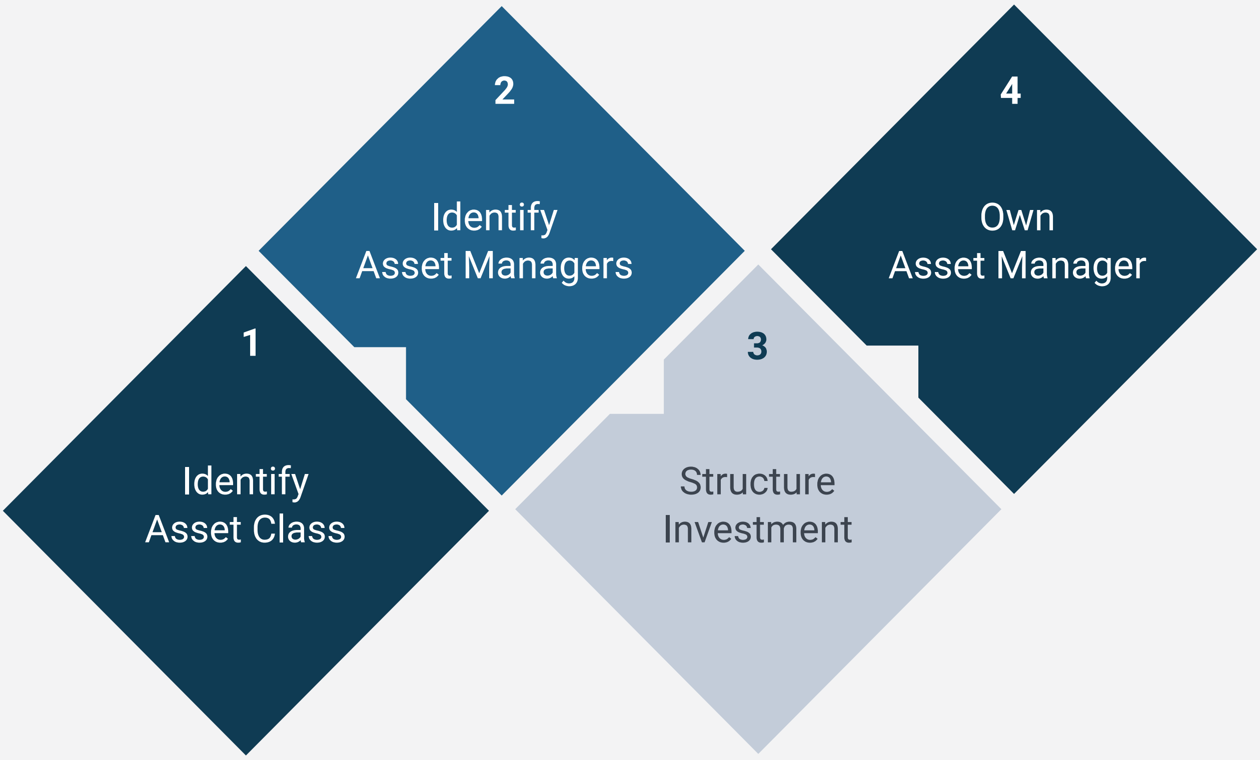
Key performance metrics

This section includes commentary from Tetragon's investment manager and includes market context, our investment objective and strategy, and key performance metrics.

Investment objective & strategy

To achieve Tetragon's investment objective of generating distributable income and capital appreciation, the company's current investment strategy is:



1

To identify attractive asset classes and investment strategies.

2

To identify asset managers it believes to be superior.

3

To use the market experience of Tetragon's investment manager to negotiate favourable terms for its investments.

4

To own, where appropriate, all, or a portion of, asset management companies with which it invests in order to enhance the returns achieved on its capital.

To achieve Tetragon's investment objective of generating distributable income and capital appreciation, the company's current investment strategy is:

1. To identify attractive asset classes and investment strategies.

2. To identify asset managers it believes to be superior.

3. To use the market experience of Tetragon's investment manager to negotiate favourable terms for its investments.

4. To own, where appropriate, all, or a portion of, asset management companies with which it invests in order to enhance the returns achieved on its capital.

In addition, the current investment strategy is to continue to grow and diversify TFG Asset Management – as Tetragon's diversified alternative asset management business – as well as to enhance the value of its asset management companies with a view to realising value from the enterprise.

As part of its investment strategy, Tetragon's investment manager may employ hedging strategies and leverage in seeking to provide attractive returns while managing risk.

The investment manager seeks to identify asset classes that offer excess returns relative to their investment risk, or "intrinsic alpha". It analyses the risk/reward, correlation, duration and liquidity characteristics of each potential capital use to gauge its attractiveness and incremental impact on the company.

The investment manager then seeks to find high-quality managers who invest in these asset classes; selects or structures suitable investment vehicles that optimise risk-adjusted returns for Tetragon's capital; and/or seeks for Tetragon (via TFG Asset Management) to own a share of the asset management company. Tetragon aims to not only produce asset level returns, but also aims to enhance these returns with capital appreciation and investment income from its investments in asset management businesses that derive income from external investors.

Certain considerations when evaluating the viability of a potential asset manager typically include performance track records, reputation, regulatory requirements, infrastructure needs and asset gathering capacity. Potential profitability and scalability of the asset management business are also important considerations. Additionally, the core capabilities, investment focus and strategy of any new business should offer a complementary operating income stream to TFG Asset Management's existing businesses. Tetragon looks to mitigate potential correlated risks across TFG Asset Management's investment managers by diversifying its exposure across asset classes, investment vehicles, durations and investor types, among other factors.

TFG Asset Management manages, oversees and supervises Tetragon's private equity investments in asset management companies. TFG Asset Management, as a unified business, could enhance the value of each individual investment and the entity as a whole through a shared strategic direction and operating infrastructure – encompassing critical business management functions such as risk management, investor relations, financial control, technology, and compliance/legal matters – while at the same time giving entrepreneurial independence to the managers of the underlying businesses. In light of the goal to continue to grow and diversify TFG Asset Management, the combination of a number of relatively uncorrelated businesses across different asset classes and at different stages of development under TFG Asset Management is also intended to create a collectively more robust and diversified business and income stream. At the same time, TFG Asset Management may seek to realise the enhanced value of its individual asset management companies.

About us

Tetragon is a closed-ended investment company that invests in a broad range of assets, including public and private equities and credit (including distressed securities and structured credit), convertible bonds, real estate, venture capital, infrastructure, bank loans and TFG Asset Management, a diversified alternative asset management business. Where appropriate, through TFG Asset Management, Tetragon seeks to own all, or a portion, of asset management companies with which it invests in order to enhance the returns achieved on its capital. Tetragon's investment objective is to generate distributable income and capital appreciation. It aims to provide stable returns to investors across various credit, equity, interest rate, inflation and real estate cycles. The company is traded on Euronext in Amsterdam N.V.[1] and on the Specialist Fund Segment[2] of the main market of the London Stock Exchange. For more information please visit the company's website at www.tetragoninv.com.

1 Euronext in Amsterdam is a regulated market of Euronext Amsterdam N.V. (Euronext Amsterdam).

2 Tetragon's 'Home Member State' for the purposes of the EU Transparency Directive (Directive 2004/109/EC) is the Netherlands.

Key Performance Metrics

Tetragon focuses on the following key metrics when assessing how value is being created for, and delivered to, Tetragon shareholders:

- NAV per share
- Investment Returns / Return on Equity
- Dividends

Figure 3

Fully diluted NAV per share

NAV Per Share Total Return 2018-2022 YTD

Fully Diluted NAV per share (NAV per share) was $28.59 at 30 June 2022. NAV per share total return was -3.5% for H1 2022.

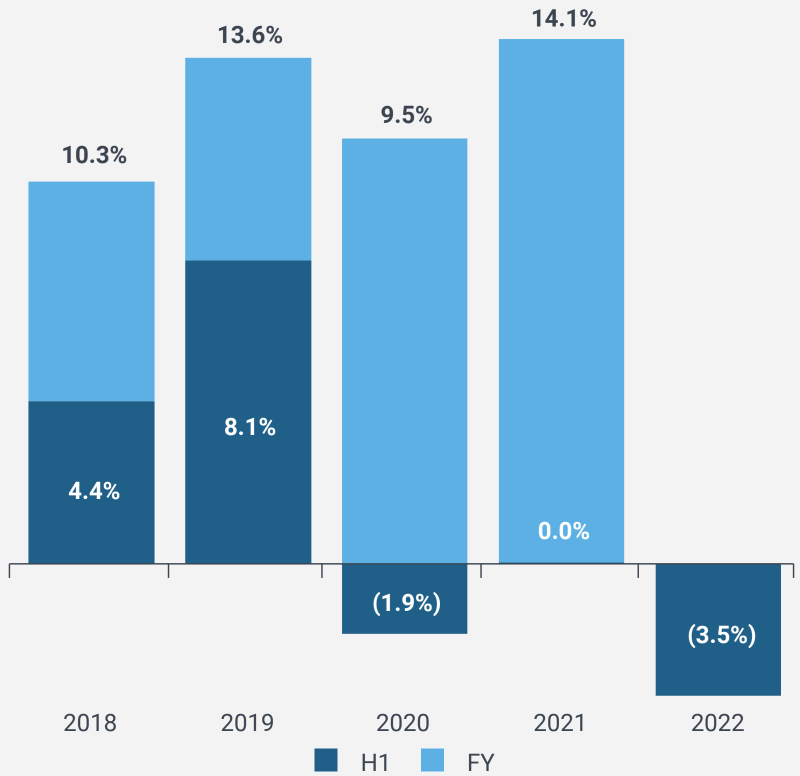


Figure 4

Investment returns / return on equity[1]

Return on Equity 2018-2022 YTD

RoE for H1 2022 was -5.0%. Adjusted Earnings Per Share (EPS) for the period was -$1.62.

1 Average RoE is calculated from Tetragon's IPO in 2007. Tetragon seeks to deliver 10-15% RoE per annum to shareholders. Tetragon's returns will most likely fluctuate with LIBOR or an equivalent risk-free short-term rate which directly flows through some of Tetragon's investments and therefore in high-LIBOR environments, Tetragon should achieve higher sustainable returns; in low-LIBOR environments,Tetragon should achieve lower sustainable returns. Please note that from 31 December 2021, LIBOR has been replaced by an appropriate alternate rate as advised by ISDA in the IBOR Fallbacks Protocol, although certain LIBOR settings will continue to be calculated and published using panel bank submissions until mid-2023.

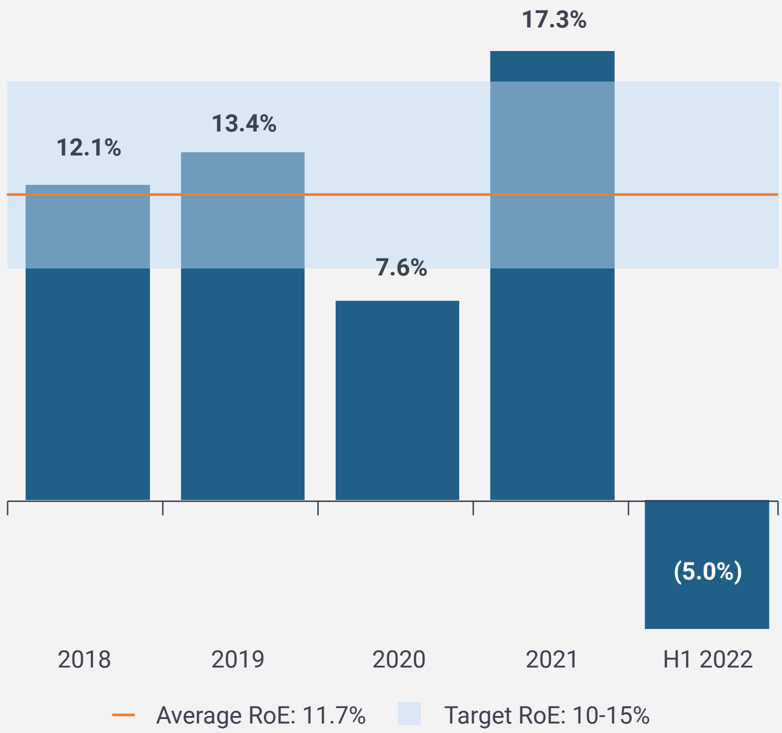
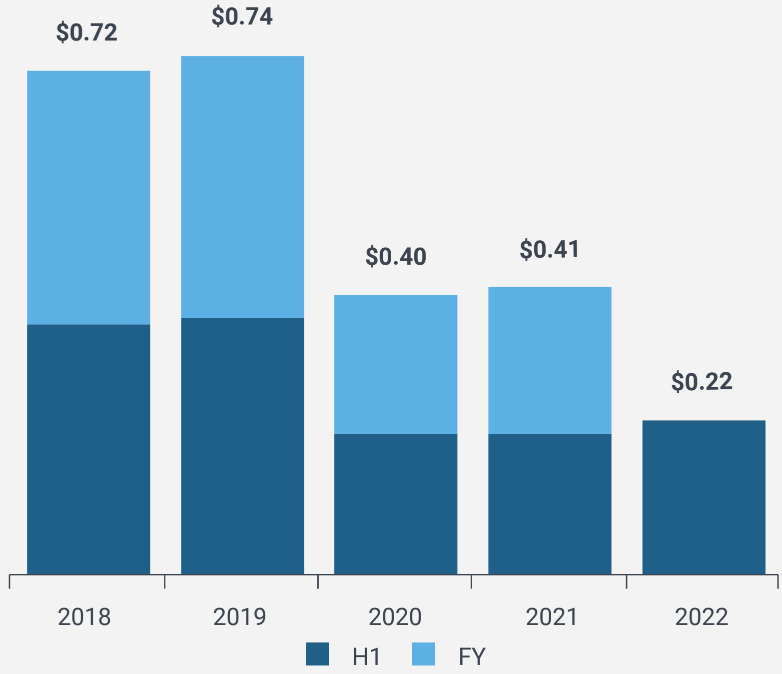


Figure 5

Dividends per share (DPS)

Dividend per Share Comparison 2018-2022 YTD

Tetragon declared a Q2 2022 dividend of $0.11 per share, for a half-year dividend payout of $0.22 per share. The cumulative DPS declared since Tetragon's IPO is $7.9475.



2 Investment review

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Investment review overview

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Net asset breakdown summary

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Detailed investment review

This section covers details on Tetragon's investment performance during the first half of 2022.

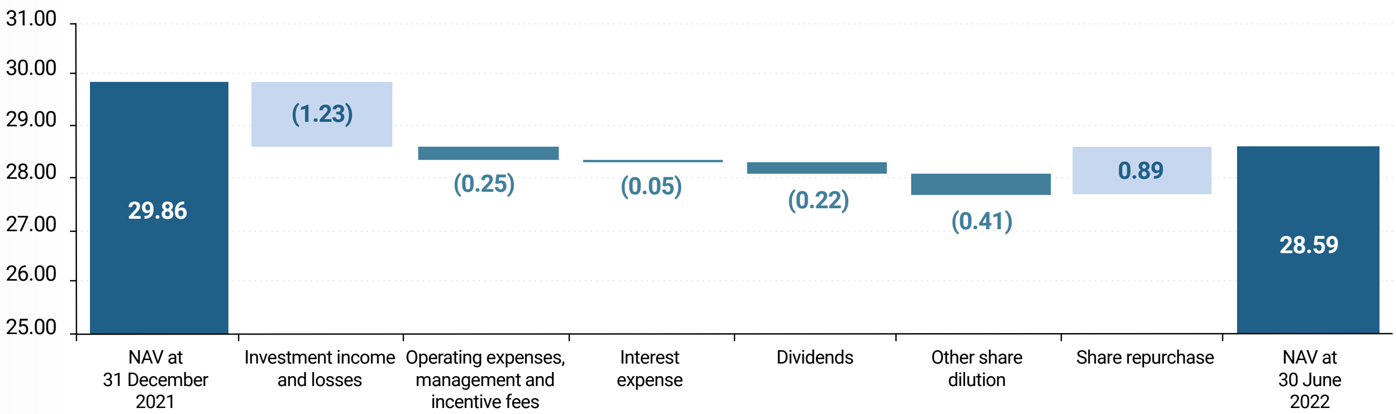
Overview

Tetragon's Fully Diluted NAV Per Share decreased from $29.86 per share to $28.59 per share during the first half of 2022. Losses led by "other equities and credit" and private equity in asset management companies outweighed positive returns from bank loans, private equity, real estate and legal assets. A detailed performance review of each asset class follows beginning on page 20.

Figure 6

Year-on-Year NAV Per Share Progression (USD)(i)

Tetragon's Fully Diluted NAV Per Share decreased from $29.86 per share as at 31 December 2021 to $28.59 per share as at 30 June 2022.



Progression from 31 December 2021 to 30 June 2022 is an aggregate of each of the six months' NAV progressions. With the exception of share repurchases, all of the aggregate monthly Fully Diluted NAV Per Share movements in the table are determined by reference to the fully diluted share count at the start of each month.

Figure 7

Net Asset Breakdown Summary

The table shows a breakdown of the composition of Tetragon's NAV at 31 December 2021 and 30 June 2022, and the factors contributing to the changes in NAV over the period.

All figures below are in millions of U.S. dollars.

Asset Classes	NAV at 31 Dec 2021	Additions[i]	Disposals/ Receipts[i]	Gains/ Losses	NAV at 30 June 2022
Private equity in asset management companies	1,256.3	23.1	(38.9)	(31.4)	1,209.1
Event-driven equities, convertible bonds and other hedge funds	586.0	14.2	(13.6)	(6.5)	580.1
Bank loans	285.6	22.0	(54.2)	40.9	294.3
Real estate	158.2	6.5	(9.5)	3.4	158.6
Private equity and venture capital	317.2	31.5	(40.8)	3.3	311.2
Legal assets	30.3	8.9	(14.4)	1.3	26.1
Other equities and credit[ii]	235.6	145.5	(59.6)	(126.9)	194.6
Net cash[iii]	7.6	-	(107.5)	-	(99.9)
Total	**2,876.8**	**251.7**	**(338.5)**	**(115.9)**	**2,674.1**

i Any gains or losses on foreign exchange hedging instruments attributable to a particular strategy or sub-asset class have been included in "additions" or "disposals/receipts" respectively. For example, where a hedging gain or loss is made, this will result in either cash being received or paid, or cash being receivable or payable, which is equivalent to a receipt or disposal.

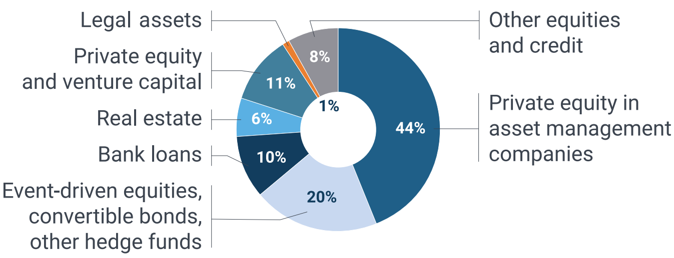
ii Assets characterised as "other equities & credit" consist of investment assets held directly on the balance sheet. For certain contracts for difference (CFD), gross value or required margin is used. Under IFRS, these CFDs are held at fair value which is the unrealised gain or loss at the reporting date. Payments and receipts on the same investments have been netted off against each other.

iii Net cash consists of: (1) cash held directly by Tetragon, (2) excess margin held by brokers associated with assets held directly by Tetragon, and (3) cash held in certain designated accounts related to Tetragon's investments, some of which may only be used for designated purposes without incurring significant tax and transfer costs, and (4) adjusted for all other assets and liabilities at the reporting date including any drawn amounts on the revolving credit facility.

Figure 8

Net Asset Composition Summary

Net asset breakdown at 31 Dec 2021



Net asset breakdown at 30 June 2022

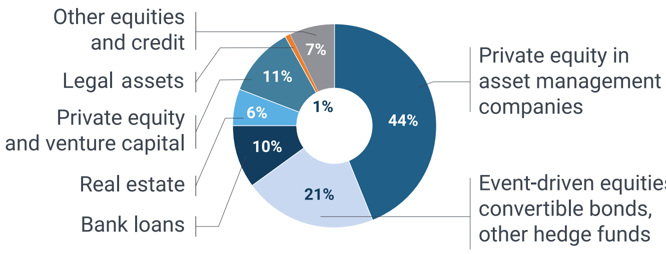


Figure 9

Top 10 Holdings by Value as of 30 June 2022

Rank	Holding	Asset Class	Value ($ millions)	% of Investments
1	Equitix	Private equity in asset management company	624.7	22.5%
2	Polygon European Equity Opportunity Fund Absolute Return	Event-driven equities	287.5	10.4%
3	LCM	Private equity in asset management company	278.5	10.0%
4	BentallGreenOak	Private equity in asset management company	224.6	8.1%
5	Polygon European Equity Opportunity Fund Long Bias	Event-driven equities	128.1	4.6%
6	Acasta Global Fund	Convertible bonds	118.7	4.3%
7	Banyan Square Fund 1	Private equity and venture capital	114.0	4.1%
8	TCI III	Bank loans	76.3	2.8%
9	TCI II	Bank loans	45.8	1.7%
10	Polygon	Private equity in asset management company	32.8	1.2%
	Total			**69.7%**

Figure 10

Detailed Investment Review

The table breaks out more detail showing the effect of capital flows and performance gains and losses on the NAV of each asset class during H1 2022. All figures below are in millions of U.S. dollars.

Asset Classes	NAV at 31 Dec 2021	Additions[i]	Disposals/ Receipts[i]	Gains/ (Losses)	NAV at 30 June 2022	% of Investments
Private equity in asset management companies						
Equitix	725.6	10.4	(28.8)	(82.5)	624.7	22.5%
BentallGreenOak	213.5	2.9	(10.1)	18.3	224.6	8.1%
LCM	237.8	3.3	-	37.4	278.5	10.0%
Other asset managers	79.4	6.5	-	(4.6)	81.3	2.9%
Event-driven equities, convertible bonds and other hedge funds						
Polygon European Equity Opportunity Fund Absolute Return	277.0	-	-	10.5	287.5	10.4%
Polygon European Equity Opportunity Fund Long Bias	133.9	-	(8.6)	2.8	128.1	4.6%
Polygon Global Equities Fund	28.8	10.0	-	(9.1)	29.7	1.1%
Acasta funds	131.6	4.2	(5.0)	(8.7)	122.1	4.4%
Other hedge funds	14.7	-	-	(2.0)	12.7	0.5%
Bank loans						
U.S. CLOs (LCM)	154.2	21.4	(37.1)	19.2	157.7	5.7%
Tetragon Credit Partners funds	117.8	0.6	(15.1)	19.5	122.8	4.4%
U.S. CLOs (non-LCM)	13.6	-	(2.0)	2.2	13.8	0.5%
Real estate						
BentallGreenOak Europe funds & co-investments	38.5	3.7	(4.3)	2.3	40.2	1.4%
BentallGreenOak U.S. funds & co-investments	48.0	1.3	-	(0.7)	48.6	1.8%
BentallGreenOak Asia funds & co-investments	23.5	0.6	(3.7)	2.9	23.3	0.8%
BentallGreenOak debt funds	5.5	0.7	(1.5)	0.1	4.8	0.2%
Other real estate	42.7	0.2	-	(1.2)	41.7	1.5%
Private equity and venture capital						
Hawke's Point funds & co-investments	57.9	5.2	(15.5)	(17.3)	30.3	1.1%
Banyan Square funds	95.5	10.5	-	8.0	114.0	4.1%
Other funds & co-investments	113.5	9.5	(7.8)	12.5	127.7	4.6%
Direct	50.3	6.3	(17.5)	0.1	39.2	1.4%
Legal assets						
Contingency Capital funds	30.3	8.9	(14.4)	1.3	26.1	0.9%
Other equities & credit[ii]						
Other equities	215.5	145.5	(57.9)	(125.7)	177.4	6.4%
Other credit	20.1	-	(1.7)	(1.2)	17.2	0.6%
Cash						
Net cash[iii]	7.6	-	(107.5)	-	(99.9)	
Total	**2,876.8**	**251.7**	**(338.5)**	**(115.9)**	**2,674.1**	**100.0%**

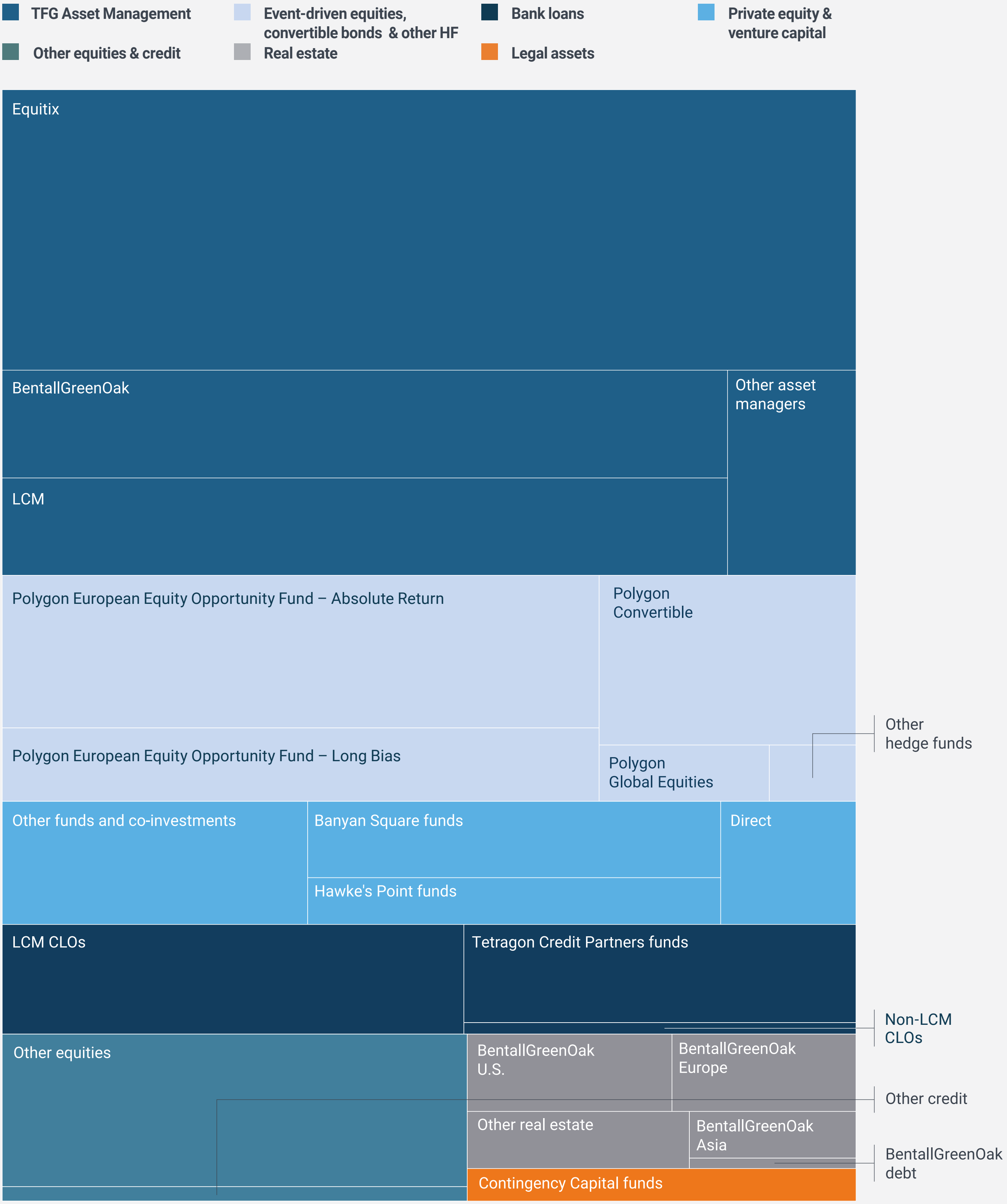
i Any gains or losses on foreign exchange hedging instruments attributable to a particular strategy or sub-asset class have been included in "additions" or "disposals/receipts" respectively. For example, where a hedging gain or loss is made, this will result in either cash being received or paid, or cash being receivable or payable, which is equivalent to a receipt or disposal.

ii Assets characterised as "other equities & credit" consist of investment assets held directly on the balance sheet. For certain contracts for difference (CFD), gross value or required margin is used. Under IFRS, these CFDs are held at fair value which is the unrealised gain or loss at the reporting date. Payments and receipts on the same investment have been netted off against each other.

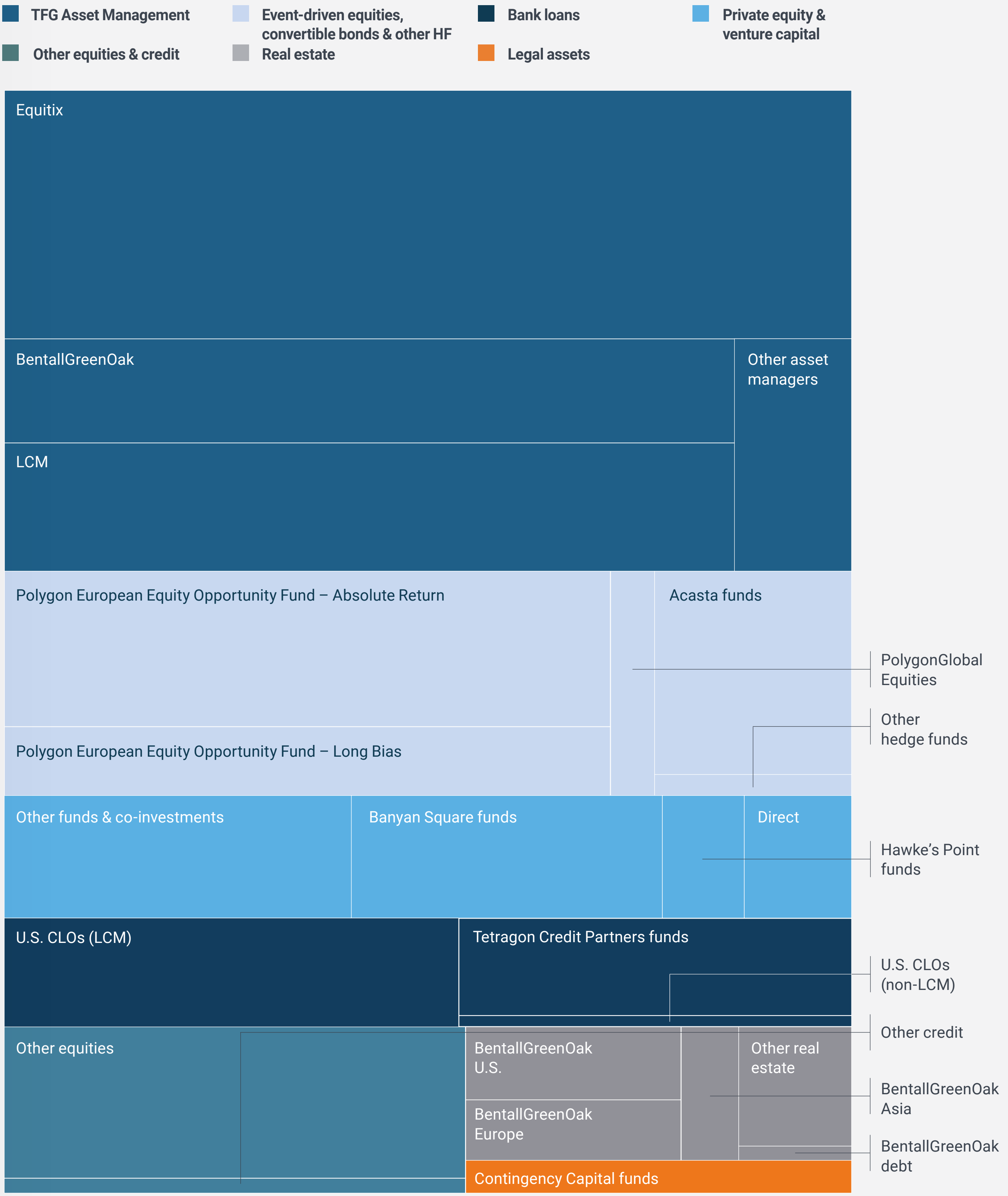
iii Net cash consists of: (1) cash held directly by Tetragon, (2) excess margin held by brokers associated with assets held directly by Tetragon, and (3) cash held in certain designated accounts related to Tetragon's investments, some of which may only be used for designated purposes without incurring significant tax and transfer costs, and (4) adjusted for all other assets and liabilities at the reporting date including any drawn amounts on the revolving credit facility.

Detailed net asset breakdown

31 December 2021



30 June 2022



TFG Asset Management
Other equities & credit
Event-driven equities, convertible bonds & other HF
Real estate
Bank loans
Legal assets
Private equity & venture capital
Equitix
BentallGreenOak
Other asset managers
LCM
Polygon European Equity Opportunity Fund – Absolute Return
Acasta funds
PolygonGlobal Equities
Other hedge funds
Polygon European Equity Opportunity Fund – Long Bias
Other funds & co-investments
Banyan Square funds
Direct
Hawke's Point funds
U.S. CLOs (LCM)
Tetragon Credit Partners funds
U.S. CLOs (non-LCM)
Other credit
Other equities
BentallGreenOak U.S.
Other real estate
BentallGreenOak Asia
BentallGreenOak Europe
BentallGreenOak debt
Contingency Capital funds

Detailed investment review

1

Private equity investments in asset management companies

One of Tetragon's significant investments is TFG Asset Management, a diversified alternative asset manager that owns majority and minority private equity stakes in asset management companies. TFG Asset Management, as a unified business, is intended to enhance the value of each individual investment and the entity as a whole through a shared strategic direction and operating infrastructure – encompassing critical business management functions such as risk management, investor relations, financial control, technology, and compliance/legal matters – while at the same time giving entrepreneurial independence to the managers of the underlying businesses. In light of the strategy to continue to grow and diversify TFG Asset Management – as well as to enhance the value of its asset management companies with a view to realising value from the enterprise – the combination of relatively uncorrelated businesses across different asset classes and at different stages of development is also intended to create a collectively more robust and diversified business and income stream. As at 30 June 2022, TFG Asset Management comprised LCM, BentallGreenOak(1), Polygon, Acasta Partners, Equitix, Hawke's Point, Tetragon Credit Partners(2), Banyan Square Partners and Contingency Capital. TFG Asset Management recorded an investment loss of $31.4 million during the first half of 2022, mainly driven by the investment in Equitix.

Equitix

Equitix is an integrated core infrastructure asset management and primary project platform. Tetragon's investment generated a loss of $82.5 million during the first half of 2022, driven both by weakness in the British Pound as well as a decrease in market multiples for comparable asset managers. The downward valuation from Market Multiples approach was partially offset by the DCF valuation as Equitix's AUM increased from £8.0 billion to £8.5 billion in H1 2022.

BentallGreenOak

BentallGreenOak is a manager of real estate investment strategies. During H1 2022, this investment generated an investment gain of $18.3 million, stemming from manager outperformance increasing projected EBITDA and carry. Distributions to Tetragon during H1 2022 totalled $10.1 million, reflecting a combination of fixed quarterly contractual payments, variable payments and carried interest. This investment is valued using the present value of the various cash flow elements of the GreenOak/Bentall Kennedy merger deal, which comprises those three elements plus a put/call option in 2026/27, as well as Tetragon's share of co-investments made. Each of those elements contributed to the gain posted so far this year.

LCM

LCM is a specialist in below-investment grade U.S. broadly-syndicated leveraged loans; currently, it manages loan assets exclusively through CLOs. TFG Asset Management's investment in LCM gained $37.4 million during H1 2022.

LCM's AUM has been growing at a five-year CAGR of approximately 11%. In the DCF valuation methodology, AUM growth leads to a higher growth rate applied to future capital raising assumptions. Similar to Equitix, the market multiples for comparable asset managers reduced in H1 2022, partially offsetting the gains.

Other asset managers

TFG Asset Management's other asset managers consist of Polygon and Acasta Partners, managers of open-ended hedge fund and private equity vehicles across a number of strategies; Tetragon Credit Partners, TFG Asset Management's structured credit investing business; Hawke's Point, an asset management company focused on mining finance that provides capital to companies in the mining and resource sectors; Banyan Square Partners, an investment management business focused on providing non-control structured and common equity solutions to financial sponsors; and Contingency Capital, a global asset management business that sponsors and manages legal assets-related investment funds. The collective investment loss on Tetragon's investment in these managers was $4.6 million during H1 2022.(3)

Please see important notes on page 24.

2

Event-driven equities, convertible bonds and other hedge funds

Tetragon invests in event-driven equities and convertible bonds primarily through hedge funds managed by Polygon and Acasta Partners. Investments in these funds generated a loss of $6.5 million during H1 2022.

- **Polygon European Equity Opportunity Fund:** This fund focuses on event-driven European equity strategies with catalysts, particularly in mergers and acquisitions, deep-value dislocation trades, and capital markets special situations. Tetragon's investments in these funds recorded a gain of $13.3 million through 30 June 2022, with both share classes in which Tetragon is invested generating positive returns and alpha.
- **Polygon Global Equities Fund:** Tetragon's investment had losses of $9.1 million during H1 2022. Tetragon increased its holding in this fund by $10.0 million during the period.
- **Acasta Partners Funds:** Acasta Partners currently manages two hedge funds. Acasta Global Fund (formerly known as Polygon Convertible Opportunity Fund): This multi-disciplinary fund invests in a diverse range of strategies including those focused on convertible securities; opportunistic investments in credit and distressed situations; potential mis-pricings within the capital structures of mining and metals companies and underlying commodities; as well as volatility-driven opportunities. In March, Acasta Partners launched the Acasta Energy Evolution Fund, a portfolio targeted at opportunities driven by the transition of energy to renewable resources, and the resulting impact on metals and mining companies and associated commodities. Tetragon invested $4.2 million into this vehicle. Tetragon's investment in both Acasta funds generated a loss of $8.7 million during H1 2022.

Other hedge funds

- Investments in hedge funds managed by third-party managers lost $2.0 million during the first half.

3

Bank loans

Tetragon continues to invest in bank loans through CLOs primarily by taking majority positions in the equity tranches. Tetragon's CLO portfolio recorded a gain of $40.9 million during H1 2022, making it the best-performing asset class in the portfolio for the period. The floating rate nature of the underlying loans benefitted CLO equity as the U.S. Fed rate hikes drove three-month LIBOR from 21 basis points to 229 basis points by the end of June. We continue to view CLOs as attractive vehicles for obtaining long-term exposure to the leveraged loan asset class.

- **U.S. CLOs (LCM):** Directly-owned LCM CLOs gained $19.2 million during H1 2022. This performance was driven by higher spread reinvestment opportunities within the underlying loan portfolios, rising interest rate expectations (which may benefit floating-rate instruments), and a containment of defaults in the underlying loan portfolios. During the first half of the year, investments in this segment generated $37.1 million in cash distributions, which includes the realised proceeds from the sale of a majority stake in the equity tranche of LCM 31 Ltd. Total fair value ending H1 2022 was $157.7 million. As of the end of H1 2022, all LCM CLO transactions were compliant with their junior-most overcollateralisation (O/C) tests.[4]

  In May 2022, Tetragon purchased a majority stake in the equity tranche of LCM 37 Ltd, a $400 million CLO managed by LCM.

  Tetragon currently expects to make most of its new issue LCM CLO majority equity investments via the Tetragon Credit Partners platform, but may choose to make opportunistic investments directly when appropriate.

- **Tetragon Credit Partners Funds[5]:** TCI II, TCI III, and TCI IV are CLO investment vehicles established by Tetragon Credit Partners, a 100% owned subsidiary of TFG Asset Management. As of the end of H1 2022, Tetragon's commitment to TCI II was $70.0 million (which was fully funded), its commitment to TCI III was $85.9 million (which was fully funded), and its commitment to TCI IV was $10.6 million (of which $0.6 million was drawn). TCI II and TCI III are fully invested, while TCI IV has not yet had its final capital close.

  During H1 2022, Tetragon's investments in funds managed by Tetragon Credit Partners generated $15.1 million in cash distributions and a gain of $19.5 million, reflecting higher spread reinvestment opportunities within the underlying loan portfolios, rising interest rate expectations (which may benefit floating-rate instruments), and a containment of defaults in the underlying loan portfolios. During the first half of the year, TCI II closed debt refinancings for two transactions and TCI III closed debt refinancings for one transaction. Given the sell-off across asset classes and widening of credit spreads, the manager does not expect to pursue additional debt refinancings in the near term, and instead will prioritise opportunistic CLO investments where possible. As of the end of H1 2022, TCI IV had total accepted committed capital of $105.2 million (including Tetragon's investment) and had made three majority CLO equity tranche investments and continue to work on a pipeline of near-term opportunities. All CLOs held by TCI II, TCI III, and TCI IV were compliant with their junior-most O/C tests as of the end of June 2022.[6]

- **U.S. CLOs (non-LCM):** The non-LCM-managed CLO segment posted a gain of $2.2 million during H1 2022, reflecting higher spread reinvestment opportunities within the underlying loan portfolios, rising interest rate expectations (which may benefit floating-rate instruments), and a containment of defaults in the underlying loan portfolios.

Investments in this segment generated $2.0 million in cash distributions during H1 2022. Tetragon did not add any direct non-LCM-managed CLO investments during the period. As of the end of H1 2022, the fair value of this segment stood at $13.8 million, and all CLOs were compliant with their junior-most O/C tests.(7)

Tetragon currently expects to make most of its new issue non-LCM equity investments indirectly via the Tetragon Credit Partners platform.

4

Real estate

Tetragon holds most of its investments in real estate through BentallGreenOak-managed funds and co-investment vehicles. The majority of these vehicles are private equity-style funds concentrating on opportunistic investments targeting middle-market opportunities in the United States, Europe and Asia, where BentallGreenOak believes it can increase value and produce positive unlevered returns by sourcing off-market opportunities where it sees pricing discounts and market inefficiencies. This segment gained $3.4 million during H1 2022.

- **BentallGreenOak Europe funds and co-investments:** BentallGreenOak's Europe-focused products are diversified with investments across multiple countries in Western Europe. Tetragon is invested in three funds and seven co-investments in this segment, which generated a gain of $2.3 million during H1 2022.
- **BentallGreenOak U.S. funds and co-investments:** In the United States, Tetragon is invested in three funds and three co-investments. During H1 2022, these investments generated a small loss of $0.7 million for Tetragon.
- **BentallGreenOak Asia funds and co-investments:** The Asia-focused investments target investment opportunities in Japan, predominantly in Tokyo, with selective Asia Pacific opportunities, primarily in South Korea. These focus on balance sheet restructurings and other distress-related factors that motivate sellers. Tetragon is invested in three funds in Asia. During H1 2022, these investments contributed a gain of $2.9 million.
- **BentallGreenOak debt funds:** BentallGreenOak provides loans secured by commercial real estate throughout the United Kingdom and Europe. Tetragon's investments in this segment are currently small relative to its other real estate investments.
- **Other real estate:** In addition to the commercial real estate investments through BentallGreenOak-managed real estate funds, Tetragon also has investments in commercial farmland in Paraguay managed by a specialist third-party manager in South American farmland. This investment generated a loss of $1.2 million following a revaluation in Q2 2022.

5

Private equity and venture capital

Tetragon's private equity and venture capital investments comprise several types of investments: (1) Tetragon's investments in Hawke's Point funds and co-investments; (2) investments in Banyan Square Partners funds and co-investments; (3) private equity investments with third-party managers; and (4) direct private equity investments, including venture capital investments. This segment generated gains of $3.3 million during H1 2022.

- **Hawke's Point:** Tetragon's mining finance investments managed by Hawke's Point generated a loss of $17.3 million during H1 2022, driven by project-specific delays against the backdrop of flat gold prices. Tetragon invested $5.2 million into the fund and received a $15.5 million distribution as Hawke's Point fund partially divested one of its two investments.
- **Banyan Square Partners:** In H1 2022, Banyan Square's portfolio companies achieved strong operating results, particularly within the travel sector. However, this strong performance was partially offset by contraction of multiples and foreign exchange headwinds, resulting in a net gain of $8.0 million.
- **Other funds and co-investments:** Investments in externally-managed private equity funds and co-investment vehicles in Europe and North America made gains of $12.5 million in H1 2022, spread across 25 different positions.
- **Direct:** This category produced small gains of $0.1 million during the period. This category contains a private equity investment and two other pre-IPO positions.

6

Legal assets

Tetragon makes investments in legal assets through vehicles managed by Contingency Capital. Tetragon made its first commitment of $50 million into the asset class in late 2021, $24.9 million of which has been called to date. A gain of $1.3 million was generated from this investment during H1 2022.

7

Other equities and credit

Tetragon also makes investments directly on its balance sheet reflecting single strategy ideas: either co-investing with some of its underlying managers or simply idiosyncratic investments which it believes are attractive but may be unsuitable for an investment via TFG Asset Management vehicles. These investments tend to be opportunistic and with a catalyst. We believe that the sourcing of these investments has been facilitated by the managers on the TFG Asset Management platform as well as third-party managers with whom Tetragon invests. We also believe this ability to invest flexibly is a benefit of Tetragon's structure.

- **Other equities:** This segment generated a loss of $125.7 million during the first half; these investments comprised European and U.S. listed public equities in technology, biotechnology, and financial services sectors, with approximately $90 million of this driven by biotechnology exposures. Four technology positions contributed an additional $32 million in losses, as growth and technology equities broadly sold off. Exposure to financial equity and credit also generated smaller losses of approximately $4 million.
- **Other credit:** This segment generated a loss of $1.2 million during H1 2022, driven by corporate bonds.

8

Cash

Tetragon's net cash balance, which is cash adjusted for known accruals and liabilities (short and long-dated), was -$99.9 million as at 30 June 2022. In July 2022, Tetragon extended the credit facility to $400 million and its maturity to July 2032. As at 30 June 2022, $250 million of this facility was drawn and this liability has been incorporated into the net cash balance calculation.

The company actively manages its cash levels to cover future commitments and to enable it to capitalise on opportunistic investments and new business opportunities. During H1 2022, Tetragon used $251.7 million of cash to make investments, $46.4 million(8) to repurchase its shares and $11.6 million to pay dividends. $231.0 million of cash was received as distributions and proceeds from the sale of investments. Future cash commitments are approximately $96.5 million, comprising investment commitments to BentallGreenOak funds ($36.0 million), private equity funds ($19.5 million), Tetragon Credit Partners funds ($10.0 million), Contingency Capital funds ($25.1 million), Contingency Capital loan ($4.8 million) and Banyan Square Partners funds ($0.9 million).

Notes

1 BentallGreenOak, a manager of global real estate funds, was formed in July 2019 upon the merger of the GreenOak Real Estate joint venture with Bentall Kennedy, an affiliate of SLC Management, a global institutional asset management arm of Sun Life Financial Inc. Tetragon owns approximately 13% of the combined entity.

2 Tetragon Credit Partners is the holding company of the general partner entities for a series of CLO investment vehicles. Tetragon owns 100% of the business.

3 Please see Note 4 in the H1 2022 Unaudited Condensed Financial Statements for further details on the basis for determining the fair value of TFG Asset Management. Additionally, for further colour on the underlying performance of the asset managers, please see Figure 18 for TFG Asset Management's *pro forma* operating results and associated commentary.

4 Based on the most recent trustee reports available as of 30 June 2022. Throughout this report, we refer to overcollateralisation or "O/C" tests, which are CLO-specific tests that measure the par amount of underlying CLO collateral (adjusted in certain cases for defaults or other "stressed" asset types) against the par value of the rated CLO debt tranches. The failure of an overcollateralisation test generally results in the temporary cessation of cash flows to the CLO's equity tranche.

5 TCI II refers to Tetragon Credit Income II L.P., TCI III refers to Tetragon Credit Income III L.P., and TCI IV refers to Tetragon Credit Income IV L.P.

6 Based on the most recent trustee reports available as of 30 June 2022.

7 Based on the most recent trustee reports available as of 30 June 2022.

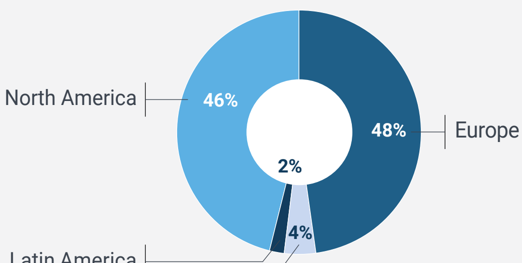
8 $46.4 million includes $42.0 million of shares purchased through the tender offer and $4.4 million of shares purchased from subsidiaries or affiliates to facilitate the payment of withholding taxes on equity-based share payments.

Further Portfolio Metrics

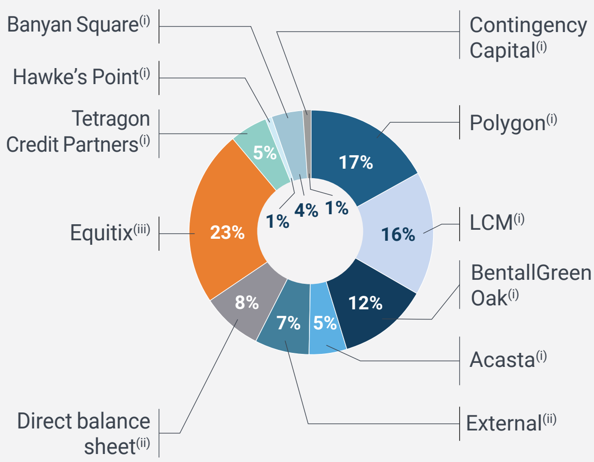
Figure 11

Exposures at 30 June 2022

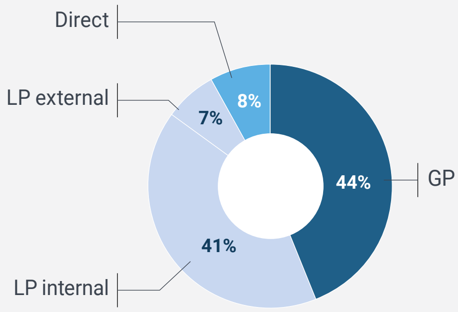
By geography[1]



By exposure[2]



By investment



Tetragon's investments comprise:

- GP – private equity in asset management companies
- LP internal – investments in funds/accounts on the TFG Asset Management platform
- LP external – investments in external funds/accounts
- Direct

Currency exposure:

Tetragon is a U.S. dollar-based fund and reports all of its metrics in U.S. dollars. During H1 2022, all investments denominated in other currencies were hedged to U.S. dollars except for some of the GBP-denominated exposure in Equitix.

Notes

(1) Assumptions for "By Geography":

- Event-driven equities, convertible bonds, other hedge funds, 'private equity and venture capital', 'legal assets' and 'other equities and credit' investments are based on the geographies of the underlying portfolio assets.
- U.S. CLOs and Tetragon Credit Partners funds (bank loans) are treated as 100% North America.
- LCM, Tetragon Credit Partners, Banyan Square Partners, and Contingency Capital (TFG Asset Management) are treated as 100% North America.
- BentallGreenOak (TFG Asset Management) is treated as 20% Europe, 67% North America, 13% Asia Pacific.
- Polygon and Equitix (TFG Asset Management) are treated as 100% Europe.
- Acasta Partners (TFG Asset Management) is treated as 80% Europe, 20% North America.
- Hawke's Point (TFG Asset Management) is treated as 100% Asia Pacific.

(2) Assumptions for "By Exposure"

(i) Exposure represents the net asset value of the private equity position in the relevant asset management company and investments in funds/accounts managed by that asset management company. (ii) Exposure represents the net asset value of investments. (iii) Exposure represents the net asset value of the private equity position in the asset management company.

Source: Tetragon

3

Financial review

/27

Financial highlights

A summary of Tetragon's 2022 year-to-date financial highlights, and *pro forma* statements of comprehensive income and financial position.

Financial highlights

Figure 12

Financial Highlights Through H1 2020 - H1 2022

	H1 2022	H1 2021	H1 2020
Reported GAAP Net income ($MM)	($149.5)	$31.9	($74.6)
Fair Value Net income ($MM)	($144.7)	$37.6	($68.9)
Reported GAAP EPS	($1.68)	$0.36	($0.80)
Adjusted EPS	($1.62)	$0.42	($0.74)
Return on equity	(5.0%)	1.5%	(2.9%)
Net Assets ($MM)	$2,674.1	$2,499.7	$2,261.4
GAAP number of shares outstanding (MM)	87.3	89.4	90.6
NAV per share	$30.65	$27.97	$24.97
Fully diluted shares outstanding (MM)	93.5	94.8	94.2
Fully diluted NAV per share	$28.59	$26.38	$24.00
NAV per share total return	(3.5%)	0.0%	(1.9%)
DPS	$0.22	$0.20	$0.20

Tetragon uses the following metrics, among others, to understand the progress and performance of the business:

- **Adjusted Net income (-$149.5 million):** Please see Figure 13 for more details and a breakdown of the Adjusted Net Income.
- **Return on Equity (-5.0%):** Adjusted Net Income (-$149.5 million divided by Net Assets at the start of the year ($2,876.8 million).
- **Fully Diluted Shares Outstanding (93.5 million):** Adjusts the IFRS shares outstanding (87.3 million) for various dilutive factors (6.2 million shares). Please see Figure 21 for more details.
- **Adjusted EPS (-$1.62):** Calculated as Adjusted Net Income (-$149.5 million) divided by the time-weighted average IFRS shares during the period (89.2 million).
- **Fully Diluted NAV Per Share ($28.59):** Calculated as Net Assets ($2,674.1 million) divided by Fully Diluted Shares Outstanding (93.5 million).

Figure 13

Pro Forma Statement of Comprehensive Income H1 2021 - H1 2022

	H1 2022 ($m)	H1 2021 ($m)
Net (loss)/gain on financial assets at fair value through profit or loss	(160.5)	82.9
Net gain/(loss) on derivative financial assets and liabilities	42.6	(9.1)
Net foreign exchange gain	2.0	-
Interest income	-	0.2
Investment income	**(115.9)**	**74.0**
Management and incentive fees	(20.9)	(24.5)
Other operating and administrative expenses	(3.5)	(9.4)
Interest expense	(4.4)	(2.5)
Total operating expenses	**(28.8)**	**(36.4)**
Fair Value Net income	**(144.7)**	**37.6**

For H1 2022, the difference between Adjusted Net income as shown here and IFRS profit and total comprehensive income is an adjustment to remove share-based compensation expense of $4.8 million (H1 2021: $5.7 million). This adjustment is consistent with how Adjusted Net income has been determined in prior periods.

No incentive fee was expensed or remain outstanding for H1 2022.

Figure 14

Pro Forma Statement of Financial Position

as at 31 December 2021 and 30 June 2022

	30 June 2022 ($m)	31 Dec 2021 ($m)
Assets		
Investments	2,763.5	2,851.6
Derivative financial assets	45.9	4.2
Other receivables	7.1	2.6
Amounts due from brokers	5.0	5.9
Cash and cash equivalents	125.4	199.6
Total assets	**2,946.9**	**3,063.9**
Liabilities		
Loans and borrowings	(250.0)	(75.0)
Derivative financial liabilities	(2.0)	(1.5)
Amounts due to brokers	(15.4)	-
Other payables and accrued expenses	(5.4)	(110.6)
Total liabilities	**(272.8)**	**(187.1)**
Net assets	**2,674.1**	**2,876.8**

Although the consolidated net assets are identical to the IFRS net assets reported by Tetragon, the split between investments and cash is different. Under IFRS, certain investments and cash contained within non-investment fund-controlled subsidiaries are aggregated as an investment and reported at fair value.

Instead, this table looks through to the underlying investments and cash, and accounts for each separately, at fair value. This approach has the impact of increasing cash by $0.1 million (2021: $0.8 million) and decreasing investments by $0.1 million (2021: $0.8 million). This treatment is consistent with how Tetragon has reported these investments in prior periods.

4

Other information

This section provides further detail about the business, including TFG Asset Management and details on historical share repurchases and distributions.

TFG Asset Management

One of Tetragon's significant investments is TFG Asset Management, a diversified alternative asset manager that owns majority and minority private equity stakes in asset management companies.

TFG Asset Management, as a unified business, is intended to enhance the value of each individual investment and the entity as a whole through a shared strategic direction and operating infrastructure – encompassing critical business management functions such as risk management, investor relations, financial control, technology, and compliance/legal matters – while at the same time giving entrepreneurial independence to the managers of the underlying businesses. In light of the strategy to continue to grow and diversify TFG Asset Management, as well as to enhance the value of its asset management companies with a view to realising value from the enterprise, the combination of a number of relatively uncorrelated businesses across different asset classes and at different stages of development under TFG Asset Management is also intended to create a collectively more robust and diversified business and income stream. As at 30 June 2022, TFG Asset Management comprised LCM, BentallGreenOak, Polygon, Acasta Partners, Equitix, Hawke's Point, Tetragon Credit Partners, Banyan Square Partners and Contingency Capital.

TFG Asset Management has approximately $37.5 billion of AUM[1] and approximately 500 employees globally (excluding BentallGreenOak). Each of the asset managers on the platform is privately held.

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Figure 15

	LCM	BentallGreenOak Strategic Capital Partners	POLYGON
Established	2001	2010	2002
Joined Tetragon	2009	2010	2012
Asset class	A bank loan asset management company.	A real-estate focused principal investing, lending and advisory firm.	A manager of open-ended hedge fund and private equity vehicles across a number of strategies.
AUM at 30 Jun 2022 ($Bn)	$11.5	$10.0[3]	$0.9
Percentage Tetragon ownership	100%	13%	100%
Products	U.S. CLOs	Real estate investment strategies	Hedge funds and managed accounts
Average fund duration	10-12 years[2]	7-10 years	Quarterly liquidity

1 Includes the AUM of LCM, BentallGreenOak, Polygon, Acasta Partners, Equitix, Hawke's Point, Tetragon Credit Partners, Banyan Square Partners and TCICM, as calculated by the applicable fund administrators at 30 June 2022 (AUM of Tetragon Credit Partners represents committed capital). TCICM (which comprises TCI Capital Management II LLC and TCI Capital Management LLC) acts as a CLO collateral manager for certain CLO investments. It had AUM of $2.5 billion at 30 June 2022. Includes, where relevant, investments by Tetragon Financial Group Limited. The AUM for BentallGreenOak represents Tetragon's pro rata share (12.86%) of BentallGreenOak AUM at 31 March 2022 ($78 billion).

2 Currently, LCM manages loan assets exclusively through CLOs, which are long-term, multi-year investment vehicles. The typical duration of a CLO, and thus LCM's management fee stream, depends on, among other things, the term of its reinvestment period (currently typically four to five years for a new issue CLO), the prepayment rate of the underlying loan assets, as well as post-reinvestment period reinvestment flexibility and weighted average life constraints.

Primary offices

London | New York

500 headcount

Excluding BentallGreenOak

Global

Operating platform

$38bn

Assets under management(1)
30 June 2022

$1.21bn

Total valuation
30 June 2022

	ACASTA	equitix	HAWKE'S POINT	TETRAGON CREDIT PARTNERS	BANYAN SQUARE	Contingency Capital
Established	2009	2007	2014	2015	2019	2020
Joined Tetragon	2012	2015	2014	2015	2019	2020
Asset class	A manager of open-ended hedge fund and private equity vehicles across a number of strategies.	An integrated core infrastructure asset management and primary project platform.	An asset management company focused on mining finance.	A structured credit investing business.	A private equity firm focused on non-control structured and common equity investment opportunities.	A global asset management business that sponsors and manages litigation finance-related investment funds.
AUM at 30 Jun 2022 ($Bn)	$1.0	$10.4	$0.03	$0.9	$0.1	$0.2
Percentage Tetragon ownership	Non-controlling interest(4)	75%	100%	100%	100%	Non-controlling interest(5)
Products	Hedge funds and managed accounts	Infrastructure and renewable funds and managed accounts	Private equity-style funds and managed accounts	Private equity-style vehicles	Private equity fund	Private equity fund
Average fund duration	Quarterly liquidity	25 years	Not applicable	10 years	Not applicable	7 years

3 AUM for BentallGreenOak represents Tetragon's pro rata share (12.86%) of BentallGreenOak AUM at March 2022 ($78 billion).

4 TFG Asset Management owns a non-controlling interest in this manager as well as providing all infrastructure services to it. Michael Humphries owns a controlling stake of Acasta Partners.

5 TFG Asset Management owns a non-controlling interest in this manager as well as providing all infrastructure services to it. Brandon Baer owns a controlling stake of Contingency Capital.

Figure 16

TFG Asset Management AUM by Business at 30 June 2022[i]

This chart shows the breakdown of the AUM by business in billions of U.S. dollars.

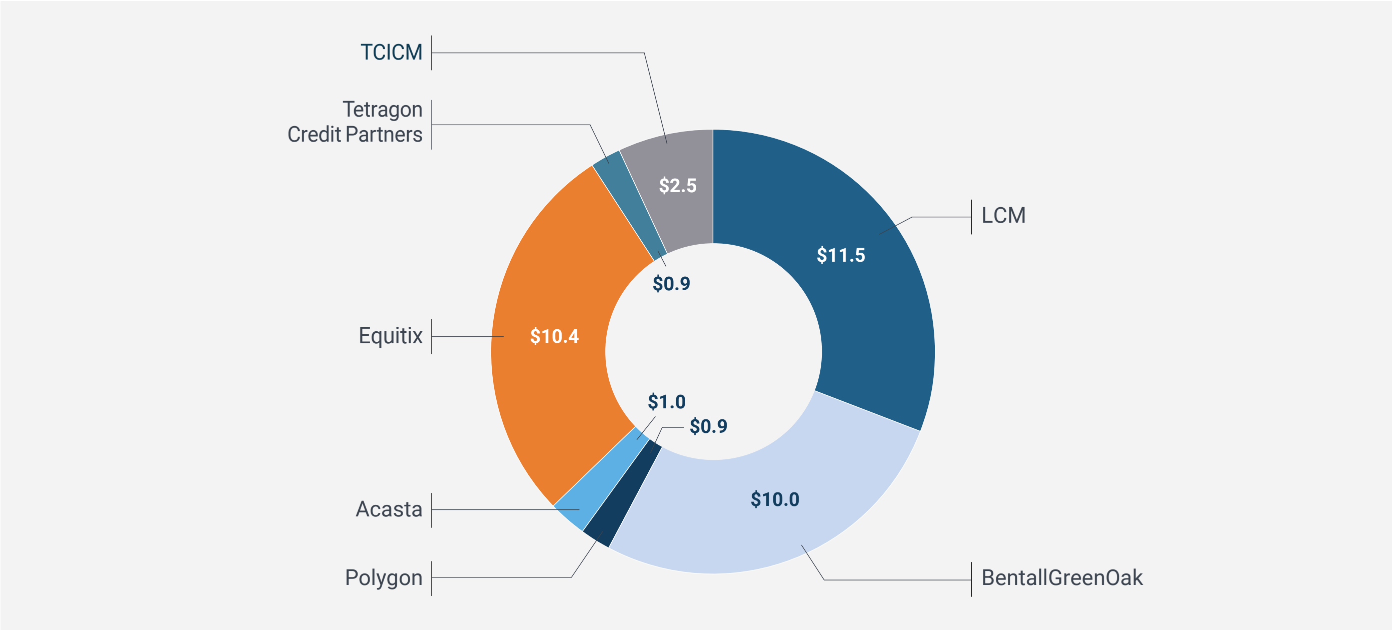
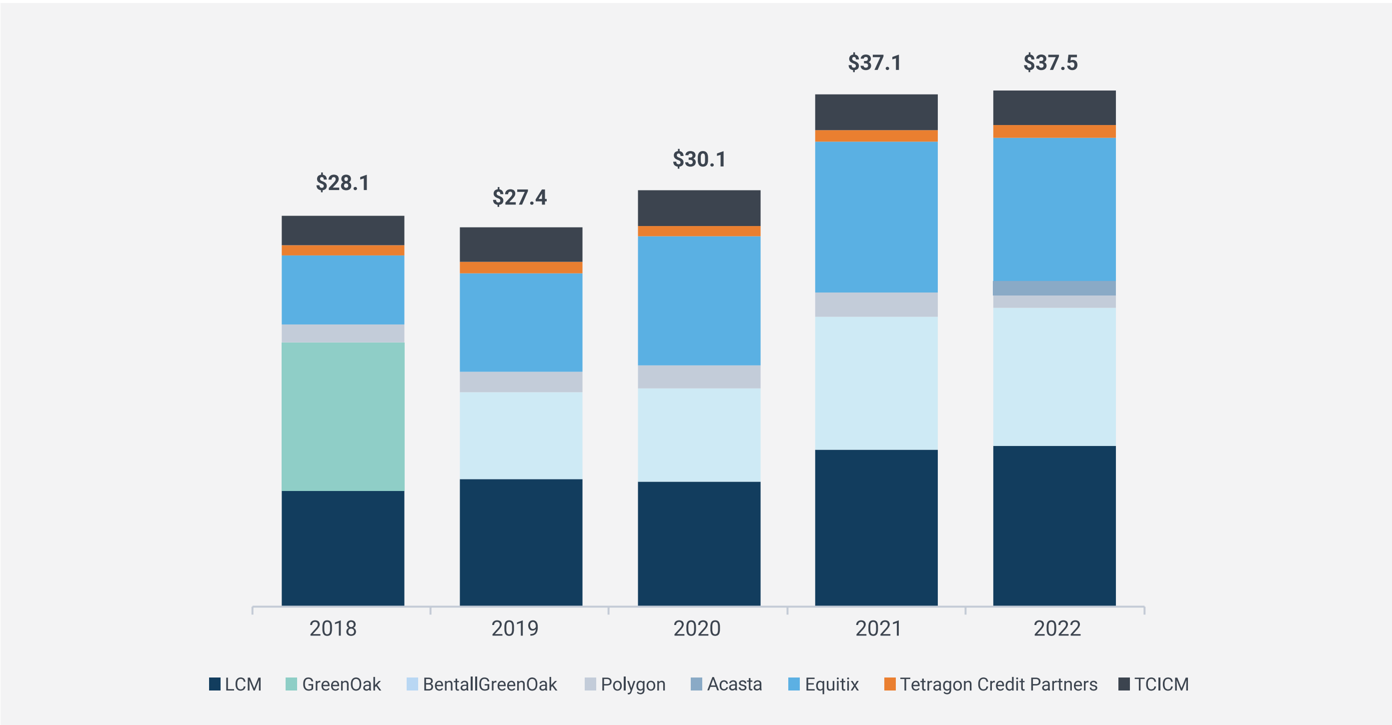


Figure 17

TFG Asset Management AUM at 30 June 2022[ii]

This chart depicts the growth of that AUM over the past five years in billions of U.S. dollars. AUM for TFG Asset Management as of 30 June 2022 totalled $37.5 billion.



(i) Please see Note 1 on page 30. (ii) AUM for BentallGreenOak from 2019-2021 represents Tetragon's pro rata share (12.86%) of BentallGreenOak AUM at 31 December and 100% of the AUM of the GreenOak joint venture for 31 December 2018. AUM for 2022 represents Tetragon's *pro rata* share of BentallGreenOak AUM at 31 March 2022 ($78 billion).

Figure 18

TFG Asset Management *Pro Forma* Statement of Operations[i]

	H1 2022 ($m)	H1 2021 ($m)	H1 2020 ($m)
Management fee income	80.6	68.4	65.4
Performance and success fees[ii]	20.7	23.6	22.2
Other fee income	13.4	11.2	7.7
Distributions from BentallGreenOak	10.1	10.7	9.2
Interest income	2.8	0.6	1.8
Total income	**127.6**	**114.5**	**106.3**
Operating, employee and administrative expenses[iii]	(86.4)	(75.0)	(61.1)
Non-TFG Asset Management owned interest	(8.9)	(12.0)	(7.4)
Net income - "EBITDA equivalent"	**32.3**	**27.5**	**37.8**

i This table includes the income and expenses attributable to TFG Asset Management's businesses (except BentallGreenOak) during the period. During 2020, Equitix repaid all its shareholder loans and, as a result, TFG Asset Management's rights to distributable income reduced from 85% to 75%. In the table above, 100% of Equitix's income and expenses are reflected and 25% of Equitix's income and expenses are reversed out through the "Non-TFG Asset Management-owned interest" line, being the proportion not attributable to Tetragon (in 2020, this figure was 15%). Similarly, 100% of the income and expenses from the Acasta Global Fund's manager, in which TFG Asset Management has a non-controlling interest, are reflected above, with the percentage not owned by TFG Asset Management reversed out through the "Non-TFG Asset Management owned interest" line. BentallGreenOak EBITDA is not included, but distributions relating to ordinary income and carried interest are included. The "EBITDA equivalent" is a non-GAAP measure which may adjust for certain non-recurring items, and is designed to reflect the operating performance of the TFG Asset Management businesses rather than what is reflected in Tetragon's financial statements. Please see Note 4 of the financial statements for details on the valuation techniques utilised in determining the valuation of investments in private equity in asset management companies.

ii The performance and success fees include some realised and unrealised Polygon and Acasta performance fees, representing the fees calculated by the administrator of the relevant funds, in accordance with the applicable fund constitutional documents when determining NAV at the reporting date. Similar amounts, if any, from LCM are recognised when received. Tetragon pays a mix of full and preferred fees on its investments in TFG Asset Management-managed investment vehicles. Tetragon pays full management and performance fees on its investments in the open Polygon and Acasta funds. Success fees also include fees earned by Equitix on successfully completing certain primary projects and delivering de-risked investments into their secondary funds; these are recognised once Equitix is entitled to recover them.

iii The *pro forma* EBITDA does not include an imputed charge for any share-based compensation issued to TFG AM employees. Share-based compensation is a non-cash form of equity-based employee compensation where the shares to be delivered have already been acquired and are typically held in escrow prior to release. See page 38 for more details on equity-based employee compensation plans.

Overview: Figure 18 shows a *pro forma* statement of operations that reflects the operating performance of the majority-owned asset management companies within TFG Asset Management. The reported fee income includes some amounts which were earned on capital invested in certain funds by Tetragon. During H1 2022, this included $6.4 million of management fees (H1 2021: $5.6 million) and $3.0 million of performance and success fees (H1 2021: $0.7 million).

BentallGreenOak's contribution has been captured by including the distributions that it has made to TFG Asset Management.

- **EBITDA:** In H1 2022, TFG Asset Management's EBITDA was $32.3 million, $4.8 million higher than in H1 2021, as income growth outweighed the increase in operating expenses.
- **Management fee income:** Management fee income continued to grow, increasing by $12.2 million or 18% year-on-year. Of note, Equitix's management fee income increased by $6.7 million, or 19%, as AUM continued to grow. LCM added $4.1 million following the raising of five new CLOs in the past year.
- **Performance and success fees:** Overall, this category was down $2.9 million on the prior year, driven primarily by a decrease in performance fee income earned in aggregate by the hedge funds. As noted previously, unlike management fee income, performance and success fees can be quite volatile in nature and subject to timing differences.
- **Other fee income:** This category includes two different buckets of fees: (i) income generated by Equitix on management services contracts, which is known as the EMS business and (ii) certain cost recoveries from Tetragon relating to seeded funds. EMS fee income continues to be the main driver, and this increased year-on-year.
- **Distributions from BentallGreenOak:** Distributions from BentallGreenOak reflect (i) quarterly fixed distributions, (ii) quarterly variable distributions and (iii) distributions of carried interest. A slight decrease in the quarterly variable distributions was the main driver for the decrease in this line item.
- **Operating expenses:** Operating expenses increased by $11.4 million (15%) versus H1 2021. This was driven by an increase in headcount as existing businesses added additional investment and operational capability.

Share repurchases & distributions

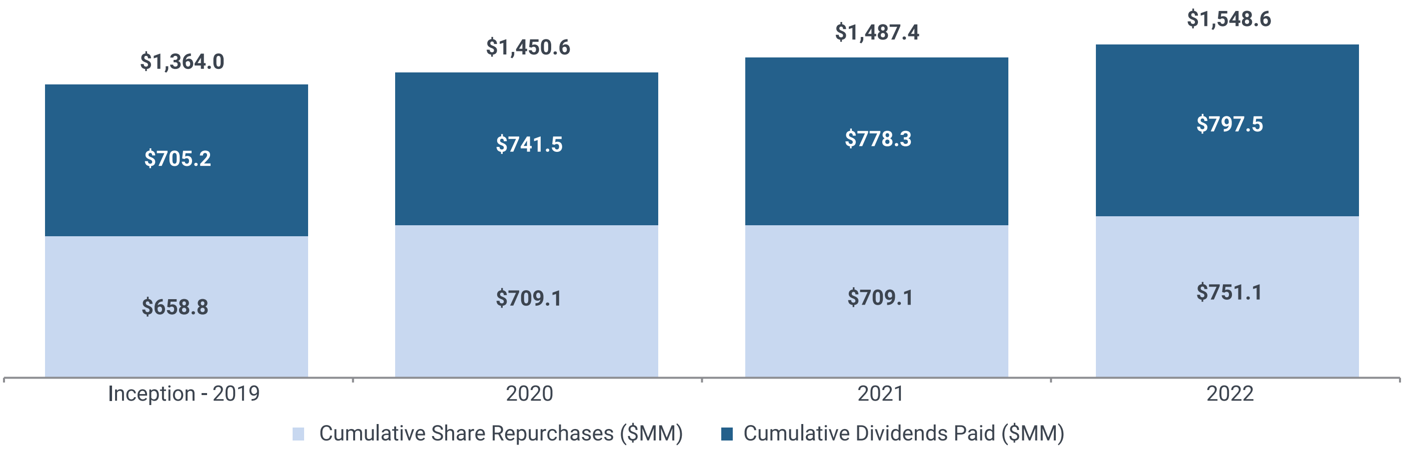
Figure 19

Share repurchase and dividends history ($ millions)

Year	Amount Repurchased	Cumulative Amount Repurchased	Dividends	Cumulative Dvidends
2007	$2.2	$2.2	$56.5	$56.5
2008	$12.4	$14.5	$60.4	$117.0
2009	$6.6	$21.2	$18.8	$135.7
2010	$25.5	$46.7	$37.5	$173.3
2011	$35.2	$81.9	$46.4	$219.6
2012	$175.6	$257.5	$51.5	$271.1
2013	$16.1	$273.6	$55.5	$326.6
2014	$50.9	$324.5	$58.7	$385.3
2015	$60.9	$385.4	$63.3	$448.6
2016	$157.8	$543.2	$61.0	$509.6
2017	$65.4	$608.6	$64.0	$573.6
2018	-	$608.6	$65.1	$638.7
2019	$50.3	$658.8	$66.5	$705.2
2020	$50.3	$709.1	$36.4	$741.5
2021	-	$709.1	$36.8	$778.3
2022	$42.0	$751.1	$19.2	$797.5
TOTAL	**$751.1**		**$797.5**	

Figure 20

The below graph shows cumulative historical share repurchases and dividends distributed by Tetragon from inception to 30 June 2022 in millions of U.S. dollars.(i)



i Tetragon seeks to return value to its shareholders, including through dividends and share repurchases. Decisions with respect to declaration of dividends and share repurchases may be informed by a variety of considerations, including (i) the expected sustainability of the company's cash generation capacity in the short and medium term, (ii) the current and anticipated performance of the company, (iii) the current and anticipated operating and economic environment, (iv) other potential uses of cash ranging from preservation of the company's investments and financial position to other investment opportunities and (v) Tetragon's share price. Cumulative dividends paid includes the cash and stock dividends paid to shareholders, but excludes dividends declared on shares held in escrow.

Share reconciliation and shareholdings

Figure 21

IFRS to Fully Diluted Shares Reconciliation	Shares at 30 June 2022 (millions)
Legal Shares Issued and Outstanding	**139.8**
Less: Shares Held in Treasury	42.3
Less: Total Escrow Shares[1.i]	10.2
IFRS Shares Outstanding	**87.3**
Add: Dilution for equity-based awards[1.ii]	6.2
Fully Diluted Shares Outstanding	**93.5**

Shareholdings

Persons affiliated with Tetragon maintain significant interests in Tetragon shares. For example, as of 30 June 2022, the following persons own (directly or indirectly) interests in shares in Tetragon in the amounts set forth below:

Figure 22

Individual	Shareholding at 30 June 2022
Mr. Reade Griffith[2.i]	18,083,150
Mr. Paddy Dear	5,324,871
Mr. David O'Leary	20,201
Other Tetragon/TFG Asset Management Employees	6,976,599
Equity-based awards[2.ii]	4,429,441

Notes

1 (i) The Total Escrow Shares of 10.2 million consists of shares held in separate escrow accounts in relation to certain equity-based compensation.

(ii) Dilution in relation to equity-based awards by TFG Asset Management for certain senior employees as well as equity-based awards by Tetragon to its independent Directors. At the reporting date, this was 6.2 million. The basis and pace of recognition is expected to match the rate at which service is being provided to TFG Asset Management or Tetragon in relation to these shares. Please see Equity-Based Compensation Plans on page 38 for more details. Certain of these persons may from time to time enter into purchases or sales trading plans (each a, "Fixed Trading Plan") providing for the sale of Vested Shares or the purchase of Tetragon shares in the market, or may otherwise sell their Vested Shares or purchase Tetragon shares, subject to applicable compliance policies. Applicable brokerage firms may be authorised to purchase or sell Tetragon shares under the relevant Fixed Trading Plan pursuant to certain irrevocable instructions. Each Fixed Trading Plan is intended to comply with Rule 10b5-1 under the United States Securities Exchange Act of 1934, as amended. Each Fixed Trading Plan has been or will be approved by Tetragon in accordance with its applicable compliance policies.

Rule 10b5-1 provides a "safe harbor" that is designed to permit individuals to establish a pre-arranged plan to buy or sell company stock if, at the time such plan is adopted, the individuals are not in possession of material, non-public information.

2 (i) Includes approximately 2.4 million incentive shares held in escrow with respect to Mr. Griffith's employment agreement vesting in July 2024 that are not subject to performance criteria per se. The remaining incentive shares covered by Mr. Griffith's employment agreement are subject to agreed-upon investment performance criteria and are excluded from this figure. Please see page 38 for further details.

(ii) Equity-based awards are intended to give certain senior employees of TFG Asset Management long-term exposure to Tetragon stock (with vesting subject to forfeiture and certain restrictions). Where shares have vested but not yet been released, they have been removed from this line and included in shares owned by "Other Tetragon/TFG Asset Management Employees". Please see page 38 for further details.

Other information

Additional CLO portfolio statistics

Figure 23

Tetragon's CLO Portfolio Details as of 30 June 2022

Transaction[i]	Status[ii]	Primary or Secondary Investment[iii]	Original Invest. Cost ($m USD)	Deal Closing Date	Year of Maturity	End of Reinv. Period	Wtd Avg Spread (bps)[iv]	Original Cost of Funds (bps)[v]	Current Cost of Funds (bps)[vi]	Current Jr-most O/C Cushion[vii]	Jr-Most O/C Cushion at Close[viii]	Annualised (Loss) Gain of Cushion[ix]	IRR[x]	ITD Cash Received as % of Cost[xi]
Transaction 83	Outstanding	Primary	20.8	2013	2029	2021	329	208	172	2.2%	6.2%	(0.4%)	12.8%	135.7%
Transaction 84	Outstanding	Primary	24.6	2013	2027	2021	319	198	177	2.0%	4.0%	(0.2%)	17.5%	157.5%
Transaction 85	Outstanding	Primary	1.0	2013	2031	2023	344	185	178	2.4%	5.0%	(0.3%)	10.9%	120.1%
Transaction 88	Outstanding	Primary	30.1	2014	2030	2022	330	214	177	1.4%	4.0%	(0.3%)	12.0%	120.7%
Transaction 89	Outstanding	Primary	33.6	2014	2031	2023	334	210	183	2.3%	4.0%	(0.2%)	13.3%	119.2%
Transaction 90	Outstanding	Primary	20.7	2014	2031	2023	338	218	174	1.8%	4.0%	(0.3%)	12.3%	113.1%
Transaction 91	Outstanding	Primary	27.8	2015	2031	2023	334	230	163	1.8%	4.0%	(0.3%)	12.4%	111.5%
Transaction 92	Outstanding	Primary	34.6	2015	2027	2020	315	214	240	3.4%	4.0%	(0.1%)	8.4%	101.5%
Transaction 93	Outstanding	Secondary	6.1	2016	2031	2023	334	230	163	1.8%	3.6%	(0.3%)	16.6%	118.0%
Transaction 94	Outstanding	Secondary	6.6	2016	2031	2023	334	210	183	2.3%	3.3%	(0.1%)	15.1%	102.1%
Transaction 95	Outstanding	Primary	2.6	2016	2029	2022	339	209	177	1.7%	4.4%	(0.5%)	8.1%	74.4%
Transaction 96	Outstanding	Secondary	2.7	2017	2030	2022	330	214	177	1.4%	3.0%	(0.2%)	5.2%	57.7%
Transaction 97	Outstanding	Primary	9.9	2017	2030	2022	330	193	177	1.4%	3.9%	(0.3%)	7.6%	66.8%
Transaction 98	Outstanding	Primary	33.2	2017	2030	2022	332	193	163	1.4%	4.5%	(0.6%)	8.9%	79.4%
Transaction 99	Outstanding	Primary	8.3	2017	2030	2022	332	179	162	4.4%	4.5%	(0.0%)	11.1%	69.3%
Transaction 100	Outstanding	Primary	2.6	2018	2031	2023	357	126	126	5.0%	7.8%	(0.7%)	24.3%	103.7%
Transaction 101	Outstanding	Primary	0.2	2018	2031	2023	344	178	178	2.4%	4.9%	(0.3%)	14.1%	77.1%
Transaction 102	Outstanding	Primary	5.0	2018	2031	2023	334	163	163	1.8%	4.5%	(0.4%)	19.3%	93.0%
Transaction 103	Outstanding	Primary	5.6	2018	2031	2023	338	174	174	1.8%	4.5%	(0.3%)	16.6%	72.3%
Transaction 104	Outstanding	Primary	9.8	2018	2031	2023	334	181	183	2.3%	4.5%	(0.3%)	13.3%	57.4%
Transaction 106	Outstanding	Primary	2.1	2021	2034	2026	353	177	177	4.9%	4.5%	0.4%	15.9%	19.8%
Transaction 107	Outstanding	Primary	2.0	2021	2034	2026	355	179	179	4.8%	4.5%	0.3%	16.9%	14.6%
Transaction 108	Outstanding	Primary	2.0	2021	2034	2026	357	182	182	4.8%	4.5%	0.4%	15.7%	11.8%
Transaction 109	Outstanding	Primary	2.0	2021	2034	2026	359	182	182	4.7%	4.5%	0.3%	17.1%	9.2%
Transaction 110	Outstanding	Primary	2.4	2021	2034	2027	365	182	182	4.8%	4.5%	0.6%	15.7%	0.0%
Transaction 111	Outstanding	Primary	21.2	2022	2034	2025	370	202	202	4.6%	4.5%	0.9%	16.0%	0.0%
Total CLO Portfolio:			**317.5**				**333**	**205**	**182**	**2.4%**	**4.3%**	**(0.2%)**	**12.6%**	**97.2%**

i Transactions are investments made on a particular investment date. Multiple transactions may be associated with the same tranche of the same CLO deal. Note that certain transactions may have been removed from the table above, as the remaining value of the assets of those CLOs is immaterial. The transactions continue to be held as of the date of this report.

ii "Outstanding" refers to investments in CLOs which have not yet been optionally redeemed, sold, or wound down to less-than-material remaining expected value. "Called" refers to investments in CLOs where Tetragon initiated or approved an optional redemption, and "wound down" refers to CLOs which have amortised or repaid without an optional redemption, in both cases with less-than-material remaining expected value.

iii "Primary" refers to investments made in the new issuance CLO market, whereas "Secondary" refers to investments made after the original issue date of the CLO.

iv Par weighted average spread over LIBOR or EURIBOR (as appropriate) of the underlying loan assets in each CLO's portfolio.

v Notional weighted average spread over SOFR of the debt tranches issued by each CLO, as of the closing date of each transaction. Tranches that are referencing LIBOR are converted to SOFR-equivalent tranches by adding 15 basis points to the LIBOR spread.

vi Notional weighted average spread over SOFR of the debt tranches issued by each CLO, as of the most recent trustee report date. Tranches that are referencing LIBOR are converted to SOFR-equivalent tranches by adding 15 basis points to the LIBOR spread.

vii The current junior-most O/C cushion is the excess (or deficit) of the junior-most O/C test ratio over the test requirement, as of the latest trustee report available as of the report date.

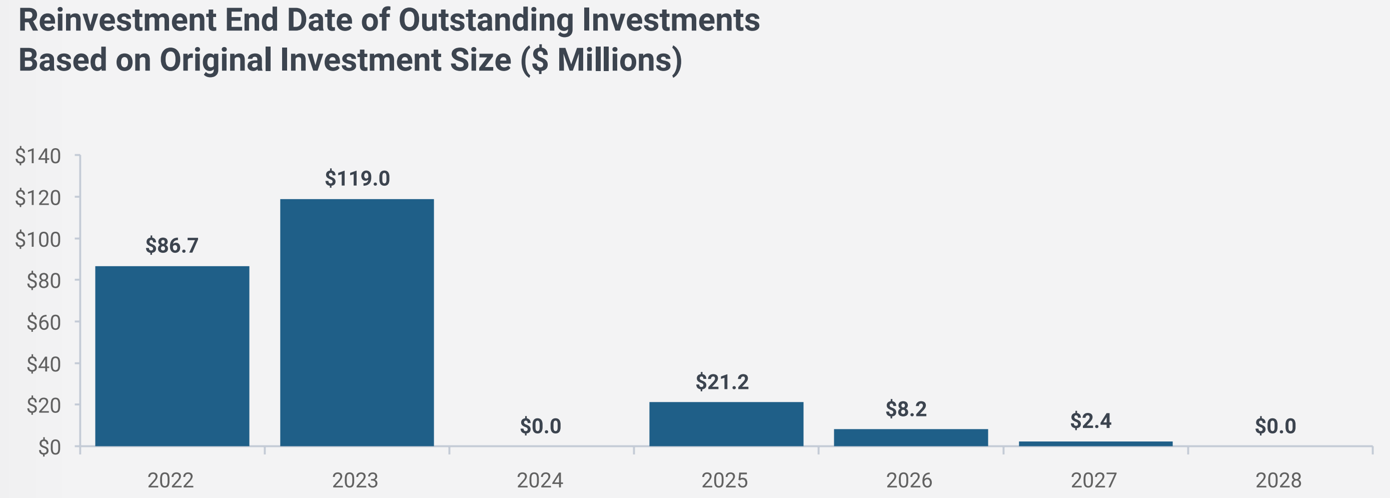
viii The junior-most O/C cushion at close is the excess (or deficit) of the junior-most O/C test ratio over the test requirement that was expected on each deal's closing date (or date of purchase, if later).

ix Calculated by annualising the change from the expected closing date junior-most O/C cushion to the current junior-most O/C cushion.

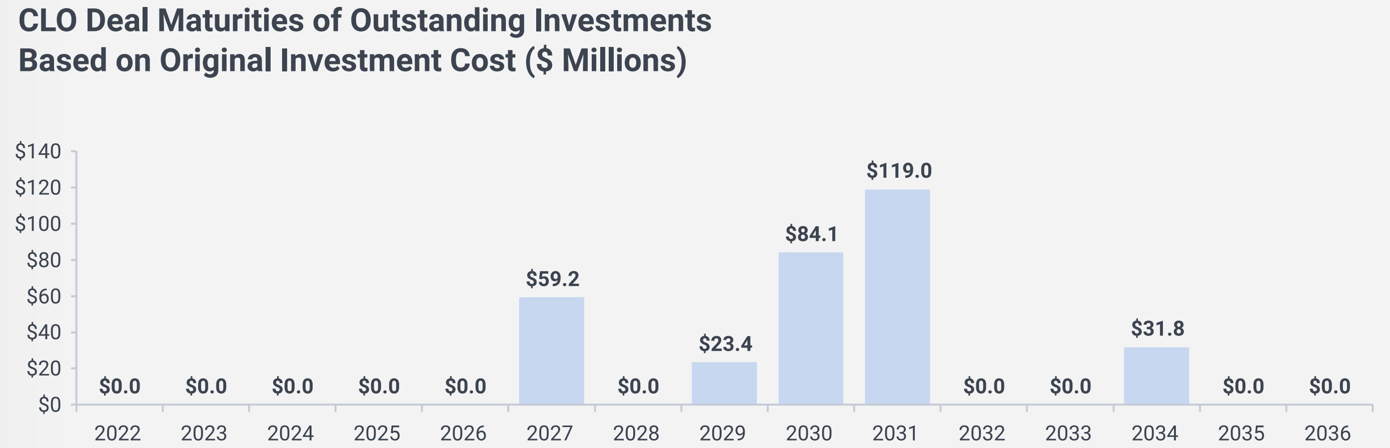
x Calculated from Tetragon's investment date. For outstanding investments, includes both historical cash flows received to date and prospective cash flows expected to be received, based on Tetragon's base case modelling assumptions. Refer to www.tetragoninv.com for more information on Tetragon's modelling assumptions and methodology. For all other investments, includes only historical realised cash flows received to date.

xi Inception to report date cash flow received on each transaction as a percentage of its original cost.

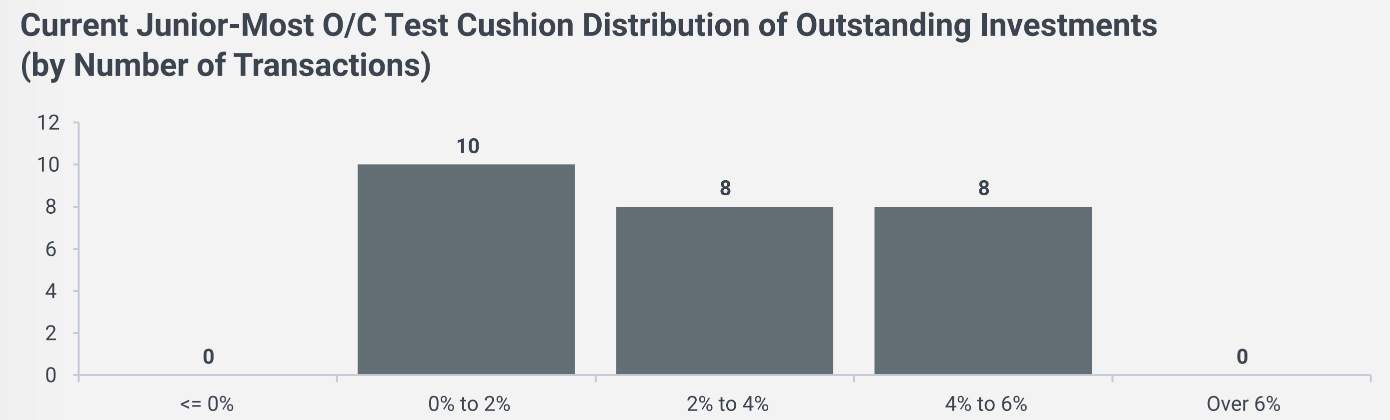
Figure 24



Reinvestment End Date of Outstanding Investments
Based on Original Investment Size ($ Millions)
$140
$120
$100
$80
$60
$40
$20
$0
$86.7
$119.0
$0.0
$21.2
$8.2
$2.4
$0.0
2022
2023
2024
2025
2026
2027
2028



CLO Deal Maturities of Outstanding Investments
Based on Original Investment Cost ($ Millions)
$140
$120
$100
$80
$60
$40
$20
$0
$0.0
$0.0
$0.0
$0.0
$0.0
$59.2
$0.0
$23.4
$84.1
$119.0
$0.0
$0.0
$31.8
$0.0
$0.0
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036



Current Junior-Most O/C Test Cushion Distribution of Outstanding Investments
(by Number of Transactions)
12
10
8
6
4
2
0
0
10
8
8
0
<= 0%
0% to 2%
2% to 4%
4% to 6%
Over 6%

Certain regulatory information

This annual report is made public by means of a press release, which contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation, and has been filed with the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten). In addition, this report is also made available to the public by way of publication on the Tetragon website (www.tetragoninv.com).

An investment in Tetragon involves substantial risks. Please refer to the company's website at www.tetragoninv.com for a description of the risks and uncertainties pertaining to an investment in Tetragon.

This release does not contain or constitute an offer to sell or a solicitation of an offer to purchase securities in the United States or any other jurisdiction. The securities of Tetragon have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States or to U.S. persons unless they are registered under applicable law or exempt from registration. Tetragon does not intend to register any portion of its securities in the United States or to conduct a public offer of securities in the United States. In addition, Tetragon has not been and will not be registered under the U.S. Investment Company Act of 1940, and investors will not be entitled to the benefits of such Act. Tetragon is registered in the public register of the Netherlands Authority for the Financial Markets under Section 1:107 of the FMSA as an alternative investment scheme from a designated country.

Tetragon shares are subject to legal and other restrictions on resale and the Euronext Amsterdam and SFS trading markets are less liquid than other major exchanges, which could affect the price of the shares.

There are additional restrictions on the resale of Tetragon shares by shareholders who are located in the United States or who are U.S. persons, and on the resale of shares by any shareholder to any person who is located in the United States or is a U.S. person. These restrictions include that each shareholder who is located in the United States or who is a U.S. person must be a "Qualified Purchaser" or a "Knowledgeable Employee" (each as defined in the Investment Company Act of 1940), and, accordingly, that shares may be resold to a person located in the United States or who is a U.S. person only if such person is a "Qualified Purchaser" or a "Knowledgeable Employee" under the Investment Company Act of 1940. These restrictions may adversely affect overall liquidity of the shares.

Tetragon's shares are not intended for European retail investors. Tetragon anticipates that its typical investors will be institutional and professional investors who wish to invest for the long term in a predominantly income-producing investment and who have experience in investing in financial markets and collective investment undertakings and are capable themselves of evaluating the merits and risks of Tetragon shares and who have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment.

Equity-based employee compensation plans

In the fourth quarter of 2015, Tetragon bought back approximately 5.65 million of its non-voting shares in a tender offer to hedge against (or otherwise offset the future impact of) grants of shares under an equity-based long-term incentive plan and other equity awards by TFG Asset Management for certain senior employees (excluding the principals of the investment manager).

These awards under the long-term incentive plan, along with other equity-based awards, are typically spread over multiple vesting dates up to 2024 which may vary for each employee and are subject to forfeiture provisions.

The arrangements may also include additional periods, beyond the vesting dates, during which employees gain exposure to the performance of the Tetragon shares, but the shares are not issued to the employees. Such periods may range from one to five years beyond the vesting dates.

In February 2021, further awards to certain senior TFG Asset Management employees (excluding the principals of the investment manager) were made covering vesting and release periods out to 2032. 2.3 million shares acquired during the buybacks made in 2020 will be used to hedge against (or otherwise offset the future impact of) these awards.

The shares underlying these equity-based incentive programmes typically will be held in escrow until they vest and will be eligible to receive shares under the Tetragon Optional Stock Dividend Plan (DRIP Shares).

In July 2019, TFG Asset Management entered into an employment agreement with Mr. Reade Griffith, Director of Tetragon, that covers his services to TFG Asset Management for the period through to 30 June 2024. Mr. Griffith is currently the Chief Investment Officer of TFG Asset Management as well as the Chief Investment Officer of its Polygon event-driven European equity strategies (in addition to other roles). Under the terms of this agreement, Mr. Griffith received $9.5 million in cash in July 2019, $3.75 million in cash in July 2020, 0.3 million Tetragon non-voting shares in July 2021 and will receive the following:

- 2.1 million Tetragon non-voting shares in July 2024; and
- between zero and an additional 3.15 million Tetragon non-voting shares – with the number of shares based on agreed-upon investment performance criteria – vesting in years 5, 6 and 7.

All of the Tetragon non-voting shares covered by Mr. Griffith's employment agreement are subject to forfeiture conditions. The shares are held in escrow for release upon vesting and are eligible to participate in the optional stock dividend programme, and as a result of subsequent dividends, further shares will be added to the escrow. Of the shares held in escrow with respect to Mr. Griffith's employment agreement, the 2.1 million shares (plus dividend shares) vesting in July 2024 are not subject to performance criteria per se and are included in Figure 21. The remaining shares are subject to agreed-upon investment performance criteria and are excluded from Figure 21.

For the purposes of determining the fully diluted NAV per Share, the dilutive effect of the equity-based compensation plans will be reflected in the fully diluted share count over the life of the plans. Such dilution will include, among other things and in addition to the award shares, any DRIP Shares and shares that will be required to cover employer taxes. At 30 June 2022, approximately 6.2 million shares were included in the fully diluted share count.

On 1 January 2020, the Independent Directors were awarded shares in Tetragon which vest on 31 December 2022 and are subject to forfeiture provisions. The fair value of the award, as determined by the share price on grant date of $12.25 per share, is $300,000 per Independent Director.

Shareholder information

Registered Office of Tetragon
Tetragon Financial Group Limited
Mill Court, La Charroterie
St. Peter Port, Guernsey
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Stock Listing
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London Stock Exchange
(Specialist Fund Segment)

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Mill Court, La Charroterie
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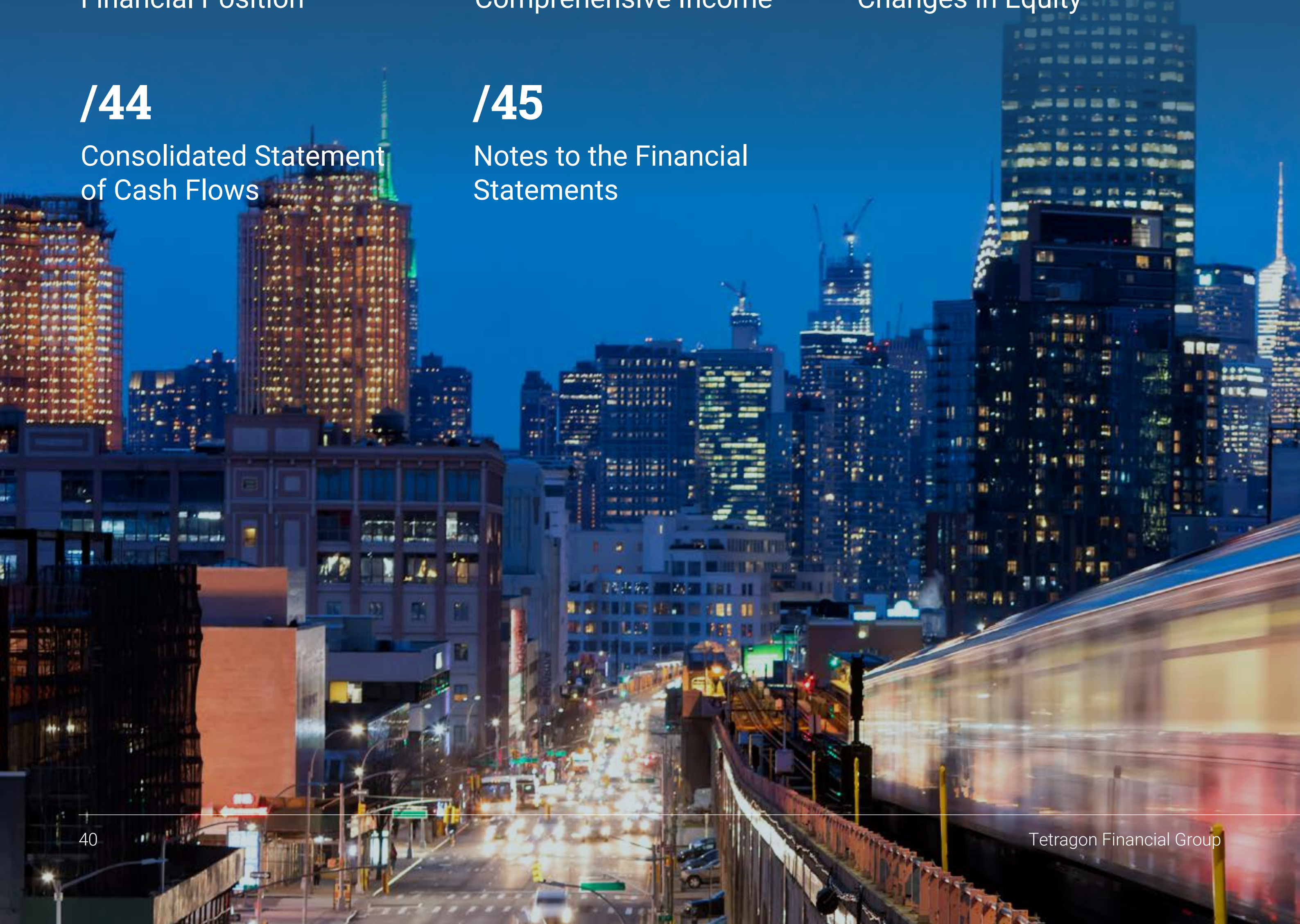
Unaudited condensed financial statements

for the six months ended 30 June 2022 (H1 2022)



Consolidated Statement of Financial Position

As of	Note	30 Jun 2022 US$ MM	31 Dec 2021 US$ MM
Assets			
Non-derivative financial assets at fair value through profit or loss	4	2,763.6	2,852.4
Derivative financial assets	4	45.9	4.2
Other receivables and prepayments		7.1	2.6
Amounts due from brokers		5.0	5.9
Cash and cash equivalents		125.3	198.8
Total assets		**2,946.9**	**3,063.9**
Liabilities			
Loans and borrowings	5	250.0	75.0
Derivative financial liabilities	4	2.0	1.5
Other payables and accrued expenses		5.4	110.6
Amount due to brokers		15.4	-
Total liabilities		**272.8**	**187.1**
Net assets		**2,674.1**	**2,876.8**
Equity			
Share capital		0.1	0.1
Other equity		786.5	814.7
Share-based compensation reserve		57.6	60.1
Retained earnings		1,829.9	2,001.9
		2,674.1	**2,876.8**
Shares outstanding		**Million**	**Million**
Number of shares	7	87.3	90.2
Net Asset Value per share (US$)		**30.65**	**31.88**

The accompanying notes are an integral part of the consolidated financial statements.

Signed on behalf of the Board of Directors by:

David O'Leary
Director

Steven Hart
Director

Date: 27 July 2022

Consolidated Statement of Comprehensive Income

For the six months ended	Note	30 Jun 2022 US$ MM	30 Jun 2021 US$ MM
Net (loss)/gain on non-derivative financial assets at fair value through profit or loss		(160.5)	82.9
Net gain/(loss) on derivative financial assets and liabilities		42.6	(9.1)
Net gain on foreign exchange		2.0	-
Interest income		-	0.2
Total income		**(115.9)**	**74.0**
Management fees		(20.9)	(18.5)
Incentive fee	6	-	(6.0)
Legal and professional fees		(1.1)	(7.8)
Share-based employee compensation		(4.8)	(5.7)
Audit fees		(0.3)	(0.3)
Other operating expenses and administrative expenses		(2.1)	(1.3)
Operating expenses		**(29.2)**	**(39.6)**
Operating (loss)/profit before finance costs		**(145.1)**	**34.4**
Finance costs		(4.4)	(2.5)
(Loss)/gain and total comprehensive (loss)/income for the period		**(149.5)**	**31.9**
Earnings per share		**US$**	**US$**
Basic	11	(1.68)	0.36
Diluted	11	(1.50)	0.32
Weighted average shares outstanding		**Million**	**Million**
Basic	11	89.2	89.0
Diluted	11	99.3	100.1

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital US$ MM	Other equity US$ MM	Retained earnings US$ MM	Share-based compensation reserve US$ MM	Total US$ MM
As at 1 January 2022	**0.1**	**814.7**	**2,001.9**	**60.1**	**2,876.8**
Loss and total comprehensive loss for the period	-	-	(149.5)	-	(149.5)
Transactions with owners recognised directly in equity					
Shares released from escrow	-	7.3	-	(7.3)	-
Dividends on shares released from escrow	-	2.9	(2.9)	-	-
Share-based employee compensation	-	-	-	4.8	4.8
Cash dividends	-	-	(11.6)	-	(11.6)
Stock dividends	-	8.0	(8.0)	-	-
Purchase of treasury shares	-	(46.4)	-	-	(46.4)
As at 30 June 2022	**0.1**	**786.5**	**1,829.9**	**57.6**	**2,674.1**
As at 1 January 2021	**0.1**	**799.6**	**1,620.1**	**54.6**	**2,474.4**
Profit and total comprehensive income for the period	-	-	31.9	-	31.9
Transactions with owners recognised directly in equity					
Shares released from escrow	-	0.4	-	(0.4)	-
Dividends on shares released from escrow	-	0.1	(0.1)	-	-
Share-based employee compensation	-	-	-	5.7	5.7
Cash dividends	-	-	(12.1)	-	(12.1)
Stock dividends	-	5.7	(5.7)	-	-
Purchase of treasury shares	-	(0.2)	-	-	(0.2)
As at 30 June 2021	**0.1**	**805.6**	**1,634.1**	**59.9**	**2,499.7**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

For the six months ended	30 Jun 2022 US$ MM	30 June 2021 US$ MM
Operating activities		
(Loss)/profit for the period	(149.5)	31.9
Adjustments for:		
Losses/(gains) on investments and derivatives	117.9	(73.8)
Share-based compensation	4.8	5.7
Interest income	-	(0.2)
Finance costs	4.4	2.5
Operating cash flows before movements in working capital	**(22.4)**	**(33.9)**
(Increase)/decrease in receivables	(0.4)	0.4
Decrease in payables	(104.4)	(61.2)
Decrease in amounts due from brokers	0.9	35.5
Increase in amounts due to brokers	15.4	48.7
Cash flows from operations	**(110.9)**	**(10.5)**
Proceeds from sale/prepayment/maturity of investments	199.5	104.9
Net payments for derivative financial instruments	(4.9)	(34.1)
Purchase of investments	(269.8)	(159.0)
Cash interest received	-	0.2
Net cash used in operating activities	**(186.1)**	**(98.5)**
Financing activities		
Proceeds from loans and borrowings	175.0	50.0
Finance costs paid	(4.4)	(2.5)
Purchase of treasury shares	(46.4)	(0.2)
Dividends paid to shareholders	(11.6)	(12.1)
Net cash generated from financing activities	**112.6**	**35.2**
Net decrease in cash and cash equivalents	**(73.5)**	**(63.3)**
Cash and cash equivalents at beginning of period	198.8	191.6
Cash and cash equivalents at end of period	**125.3**	**128.3**

The accompanying notes are an integral part of the consolidated financial statements.

Notes to the financial statements

Note 1
Corporate information

Tetragon Financial Group Limited ("Tetragon" or the "Fund") was registered in Guernsey on 23 June 2005 as a company limited by shares, with registered number 43321. All voting shares of the Fund are held by Polygon Credit Holdings II Limited (the "Voting Shareholder"). The Fund continues to be registered and domiciled in Guernsey, and the Fund's non-voting shares (the "Shares") are listed on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. (ticker symbol: TFG. NA) and on the Specialist Fund Segment of the London Stock Exchange plc (ticker symbols: TFG.LN and TFGS.LN). The registered office of the Fund is Mill Court, La Charroterie, St. Peter Port, Guernsey, GY1 1EJ, Channel Islands.

Note 2
Significant accounting policies

Basis of preparation
The unaudited condensed consolidated financial statements of the Fund (the "Financial Statements") have been prepared in accordance with IAS 34 *Interim Financial Reporting* as endorsed by the European Union, and give a true and fair view. The same accounting policies, presentation and methods of computation have been followed in these financial statements as were applied in the preparation of the Fund's audited financial statements for the year ended 31 December 2021.

The unaudited condensed consolidated financial statements do not contain all the information and disclosures required in a full set of annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Fund for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The financial statements are presented in United States Dollars ("USD" or "US$"), which is the functional currency of the Company, expressed in USD millions (unless otherwise stated).

In accordance with IFRS 10 *Consolidated Financial Statements* ("IFRS 10"), the Fund is an investment entity and, as such, does not consolidate the entities it controls where they are deemed to be subsidiaries except for Tetragon Financial Group (Delaware) LLC. Tetragon Financial Group (Delaware) LLC was formed in July 2020 to hold the collateral for the revolving credit facility. The subsidiary's main purpose and activity is to provide a service to the Fund, as such, it is consolidated on a line-by-line basis with balances between the Fund and the subsidiary eliminated. The financial statements for this subsidiary are prepared at the same reporting date using the same accounting policies. All other interests in subsidiaries are classified as fair value through profit or loss ("FVTPL"). Investments in associates are also classified as FVTPL. Subsidiaries are consolidated from the date control is established by Tetragon and cease to be consolidated on the date control is transferred from Tetragon.

The Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing these financial statements and that the Fund will be able to continue to meet its liabilities for at least twelve months from the date of approval of the financial statements. In making this determination, the Directors have considered the cash flow and liquidity projections for the next twelve months, the nature of the Fund's capital (including readily available resources such as cash, undrawn credit facility and liquid equities) and the applicable covenants on the revolving credit facility.

New standards and amendments to existing standards
The Fund has considered all the standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund's financial statements. These standards and interpretations are not relevant to the Fund's activities, or their effects are not expected to be material.

Note 3
Significant accounting judgements, estimates and assumptions

As explained in the audited consolidated financial statements for the year ended 31 December 2021, the following areas contain a higher degree of judgement, assumptions or estimates that are significant to the financial statements:

- Investment entity status
- Measurement of fair values (see Note 4)

Note 4
Financial assets and financial liabilities at fair value through profit or loss

Fair value hierarchy
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 Quoted in active markets for identical instruments.

Level 2 Prices determined using other significant observable inputs. These may include quoted prices for similar securities, interest rates, prepayments spreads, credit risk and others.

Level 3 Unobservable inputs. Unobservable inputs reflect assumptions market participants would be expected to use in pricing the asset or liability.

Recurring fair value measurement of assets and liabilities

The following table shows financial instruments measured at fair value by the level in fair value hierarchy as of 30 June 2022:

Non-derivative financial assets at FVTPL	Level 1 US$ MM	Level 2 US$ MM	Level 3 US$ MM	Total Fair Value US$ MM
TFG Asset Management	-	-	1,209.0	1,209.0
Investment funds and vehicles	-	604.5	553.7	1,158.2
Listed stock	168.4	-	-	168.4
CLO equity tranches[1]	-	-	171.6	171.6
CLO debt tranches[1]	-	-	-	-
Unlisted stock	-	-	39.2	39.2
Corporate bonds	-	17.2	-	17.2
Total non-derivative financial assets at FVTPL	**168.4**	**621.7**	**1,973.5**	**2,763.6**
Derivative financial assets				
Contracts for difference (asset)	-	1.4	-	1.4
Currency options (asset)	-	0.2	-	0.2
Forward foreign exchange contracts (asset)	-	44.3	-	44.3
Total derivative financial assets	**-**	**45.9**	**-**	**45.9**
Derivative financial liabilities				
Contracts for difference (liability)	-	(0.4)	-	(0.4)
Forward foreign exchange contracts (liability)	-	(1.6)	-	(1.6)
Total derivative financial liabilities	**-**	**(2.0)**	**-**	**(2.0)**

1 Investment in CLO equity and debt tranches held through special purpose vehicles are included in these captions.

Notes to the financial statements (continued)

Note 4 (Continued)
Financial assets and financial liabilities at fair value through profit or loss

The following table shows financial instruments measured at fair value by the level in fair value hierarchy as of 31 December 2021:

Non-derivative financial assets at FVTPL	Level 1 US$ MM	Level 2 US$ MM	Level 3 US$ MM	Total Fair Value US$ MM
TFG Asset Management	-	-	1,256.3	1,256.3
Investment funds and vehicles	-	638.1	521.7	1,159.8
Listed stock	198.0	-	-	198.0
CLO equity tranches[1]	-	-	164.4	164.4
CLO debt tranches[1]	-	3.5	-	3.5
Unlisted stock	-	-	50.3	50.3
Corporate bonds	-	20.1	-	20.1
Total non-derivative financial assets at FVTPL	**198.0**	**661.7**	**1,992.7**	**2,852.4**
Derivative financial assets				
Contracts for difference (asset)	-	0.1	-	0.1
Currency options (asset)	-	2.3	-	2.3
Forward foreign exchange contracts (asset)	-	1.8	-	1.8
Total derivative financial assets	**-**	**4.2**	**-**	**4.2**
Derivative financial liabilities				
Contracts for difference (liability)	-	(0.1)	-	(0.1)
Forward foreign exchange contracts (liability)	-	(1.4)	-	(1.4)
Total derivative financial liabilities	**-**	**(1.5)**	**-**	**(1.5)**

Notes

1 Investment in CLO equity and debt tranches held through special purpose vehicles are included in these captions.

Transfers between levels
There were no transfers between levels during the period from 1 January 2021 to 30 June 2022.

Other financial assets and liabilities
For all other financial assets and liabilities, the carrying value is an approximation of fair value, including other receivables, amounts due from and to brokers, cash and cash equivalents, loans and borrowings, and other payables.

Level 3 reconciliation
The following is a reconciliation of the Fund's assets in which significant unobservable inputs (Level 3) were used in determining fair value at 30 June 2022.

	CLO Equity Tranches US$ MM	Unlisted Stock US$ MM	Investment Funds and Vehicles US$ MM	TFG Asset Management US$ MM	Total US$ MM
Balance at 1 January 2022	**164.4**	**50.3**	**521.7**	**1,256.3**	**1,992.7**
Additions	21.4	6.3	35.7	23.1	86.5
Proceeds	(39.1)	(17.5)	(37.4)	(10.1)	(104.1)
Net gains/(losses) through profit or losses	24.9	0.1	33.7	(60.3)	(1.6)
Balance at 30 June 2022	**171.6**	**39.2**	**553.7**	**1,209.0**	**1,973.5**
Change in unrealised gains/ losses through profit or loss for assets held at year end	2.4	0.1	15.9	(70.4)	(51.4)

The following is a reconciliation of the Fund's assets in which significant unobservable inputs (Level 3) were used in determining fair value at 31 December 2021.

	CLO Equity Tranches US$ MM	Unlisted Stock US$ MM	Investment Funds and Vehicles US$ MM	TFG Asset Management US$ MM	Total US$ MM
Balance at 1 January 2021	**151.3**	**174.6**	**371.5**	**833.5**	**1530.9**
Additions	26.1	35.0	132.6	9.9	203.6
Proceeds	(42.0)	(273.3)	(51.0)	(30.3)	(396.6)
Net gains through profit or loss	29.0	114.0	68.6	443.2	654.8
Balance at 31 December 2021	**164.4**	**50.3**	**521.7**	**1,256.3**	**1,992.7**
Change in unrealised gains/ losses through profit or loss for assets held at year end	5.1	15.3	37.7	412.9	471.0

Valuation process (framework)
TMF Group Fund Services (Guernsey) Limited (the "Administrator") serves as the Fund's independent administrator and values the investments of the Fund on an ongoing basis in accordance with the valuation principles and methodologies approved by the Fund's Audit Committee, which comprises independent directors, from time to time.

For certain investments, such as TFG Asset Management, a third-party valuation agent is also used. However, the Directors are responsible for the valuations and may, at their discretion, permit any other method of valuation to be used if they consider that such method of valuation better reflects value and is in accordance with IFRS.

Valuation techniques

CLO equity tranches
A mark to model approach using discounted cash flow analysis ("DCF Approach") has been adopted to determine the value of the equity tranche CLO investments. The model contains certain assumption inputs that are reviewed and adjusted as appropriate to factor in how historic, current, and potential market developments (examined through, for example, forward-looking observable data) might potentially impact the performance of these CLO equity investments. Since this involves modelling, among other things, forward projections over multiple years, this is not an exercise in recalibrating future assumptions to the latest quarter's historical data.

Subject to the foregoing, the Fund seeks to derive a value at which market participants could transact in an orderly market and also seeks to benchmark the model inputs and resulting outputs to observable market data when available and appropriate. Although seeking to utilise, where possible, observable market data, for certain assumptions the Investment Manager may be required to make subjective judgements and forward-looking determinations, and its experience and knowledge is instrumental in the valuation process.

As at 30 June 2022, key modelling assumptions used are disclosed below. The modelling assumptions disclosed below are a weighted average (by USD amount) of the individual deal assumptions. Each individual deal's assumptions may differ from this average and vary across the portfolio.

Constant Annual Default Rate ("CADR")	2.39%, which is 1.0x of the original Weighted Average Rating Factor ("WARF") derived base-case default rate for the life of the transaction (31 December 2021: 2.38%).
Recovery Rate	70% (31 December 2021: 70%).
Prepayment Rate	20% (31 December 2021: 20%), the original base-case prepayment rate with a 0% prepayment rate on bonds throughout the life of the transaction.
Reinvestment Price and Spread	Assumed reinvestment price is par for the life of the transaction with reinvestments being modelled for deals that are still in their reinvestment period. Up to 30 June 2023, reinvestment assets consist of 50% U.S. syndicated loans with a weighted average spread over LIBOR of 349 basis points ("bps") and 50% U.S. syndicated loans with a weighted average effective spread over Term SOFR of 379 bps. After 30 June 2023, reinvestment assets consist of 100% U. S. syndicated loans with an effective spread over Term SOFR of 379 bps (31 December 2021: 100% 347 bps weighted average spread over LIBOR).

Notes to the financial statements (continued)

When determining the fair value of the equity tranches, a discount rate is applied to the expected future cash flows derived from the third-party valuation model. The discount rate applied to those future cash flows reflects the perceived level of risk that would be used by another market participant in determining fair value. In determining the discount rates to use, an analysis of the observable risk premium data as well as the individual deal's structural strength and credit quality is undertaken. At 30 June 2022, a discount rate of 12% (31 December 2021: 12%) is applied unless the deal is within its non-refinancing period, in which case the deal internal rate of return ("IRR") is utilised as the discount rate. For deals in this category, the weighted average IRR or discount rate is 16.0% (31 December 2021: 14.7%).

Sensitivity analysis:

The discount rate used has a significant impact on the fair value of CLO equity tranches. A reasonable possible alternative assumption is to change the discount rate by 1%. Changing the discount rate and keeping all other variables constant would have the following effects on net assets and profits:

	30 Jun 2022 US$ MM	31 Dec 2021 US$ MM
-1% discount rate	5.1	4.8
+1% discount rate	(4.8)	(4.6)

Private equity in asset management companies

The Fund owns a 100% interest in TFG Asset Management which holds majority and minority private equity stakes in asset management companies. The valuation calculation for TFG Asset Management was prepared by a third-party valuation specialist engaged by the Fund's Audit Committee. Although TFG Asset Management is valued as a single investment, a sum of the parts approach, valuing each business separately has been utilised. This approach aggregates the fair value of all asset managers held by TFG Asset Management overlaying the central costs and net assets at TFG Asset Management level. Currently, no premium has been attributed to the valuation of TFG Asset Management in respect of diversification or synergies between different income streams. Any benefit from operating on the TFG Asset Management platform has been captured in the valuation of the individual asset managers by incorporating it in the business plans used in the DCF and Market Multiple Approaches.

The DCF Approach calculates the enterprise value of the investments by utilising a business specific model to estimate the generation of future net cash flows. Each model reflects the business plan over a specific period of 5-10 years which includes, where applicable, assumptions (which may not be linear) around planned capital raising and/or organic growth through investment returns. The DCF Approach may also include a terminal value which is calculated by applying a growth formula to the projected cash flows in the terminal year or to the average of yearly cash-flows in the business plan. This terminal value calculation is used in the DCF approach for Equitix, LCM and Polygon. All estimates of future free cash flows and the terminal value are discounted at a weighted average cost of capital ("WACC") that captures the risk inherent in the projections. From the enterprise value derived by the DCF Approach, market value of net debt is deducted to arrive at the equity value. An adjustment is made to account for a discount for lack of liquidity ("DLOL"), generally in the range of 10% to 20%.

The Market Multiple Approach applies a multiple, considered to be an appropriate and reasonable indicator of value to certain metrics of the business, such as earnings or assets under management ("AUM"), to derive the equity value. The multiple applied in each case is derived by considering the multiples of quoted comparable companies. The multiple is then adjusted to ensure that it appropriately reflects the specific business being valued, considering its business activities, geography, size, competitive position in the market, risk profile, and earnings growth prospects of the business. The valuation specialist considered a multiple of price-to-assets under management, and/or a multiple of earnings such as a company's earnings before interest, taxes, depreciation, and amortisation ("EBITDA"), to perform this analysis. These multiples were then adjusted for control premium if the comparable companies are valued on a minority basis.

Equitix and LCM are valued using a combination of DCF Approach and quoted market multiples ("Market Multiple Approach") based on comparable companies to determine an appropriate valuation range. Both approaches are given 50/50 weighting in the valuation.

TFG Asset Management holds approximately 13% interest in BentallGreenOak and is entitled to receive a series of fixed and variable profit distributions. Sun Life have an option to acquire the remaining interest in the merged entity in 2026. TFG Asset Management and other minority owners are entitled to sell their interest to Sun Life in 2027. The Fund's investment in BentallGreenOak, as at 31 December 2021 and 30 June 2022, is valued using the DCF Approach on expected cash flows.

The following table shows the unobservable inputs used by the third-party valuation specialist in valuing TFG Asset Management.

30 June 2022

Investment	Fair Value US$ MM	AUM (billion)	Valuation methodology	Significant unobservable inputs				
				WACC	EV/EBITDA Multiple	DLOL	Control premium	Forecast 5Y CAGR
Equitix	624.7	GBP 8.5	DCF and Market Multiples	9.50%	12.75x	10%	20%	11.0% (AUM)
BentallGreenOak	224.6	US$ 10.0	DCF (sum-of-the-parts)	11.5%	NA	15%	NA	12.1% (EBITDA)
LCM	278.5	US$ 11.5	DCF and Market Multiples	12.25%	11.6x	15%	20%	10.7% (AUM)
Other	81.3	US$ 5.6	DCF, replacement cost	11.25-13.25%	NA	15-20%	NA	6.0% (AUM)

31 December 2021

Investment	Fair Value US$ MM	AUM (billion)	Valuation methodology	Significant unobservable inputs				
				WACC	EV/EBITDA Multiple	DLOL	Control premium	Forecast 5Y CAGR
Equitix	725.6	GBP 8.0	DCF and Market Multiples	9.50%	15x	10%	20%	14.1% (AUM)
BentallGreenOak	213.5	US$ 9.0	DCF (sum-of-the-parts)	11%	NA	15%	NA	18.4% (EBITDA)
LCM	237.8	US$ 11.2	DCF and Market Multiples	12.25%	12.5x	15%	20%	10.0% (AUM)
Other	79.4	US$ 5.6	DCF, replacement cost	10.5-13%	NA	15-20%	NA	9.9% (AUM)

Notes to the financial statements (continued)

Sensitivity analysis:

30 June 2022

Investment	Effects on net assets and profits (US$ MM)									
	WACC		EV/EBITDA multiple		DLOL		Control premium		Forecast 5Y CAGR	
	-100 bps	+100 bps	+3%	-3%	-500 bps	+500 bps	+500 bps	-500 bps	+100 bps	-100 bps
Equitix	53.7	(41.3)	11.2	(11.2)	37.1	(37.1)	17.0	(17.0)	14.8	(13.4)
BentallGreenOak	6.1	(5.8)	NA	NA	13.5	(13.5)	NA	NA	9.6	(8.5)
LCM	16.3	(13.3)	4.6	(4.6)	15.0	(15.0)	6.9	(6.9)	5.4	(5.0)
Other	6.7	(5.6)	NA	NA	4.5	(4.5)	NA	NA	6.4	(6.3)

31 December 2021

Investment	Effects on net assets and profits (US$ MM)									
	WACC		P/AUM multiple		DLOL		Control premium		Forecast 5Y CAGR	
	-100 bps	+100 bps	+3%	-3%	-500 bps	+500 bps	+500 bps	-500 bps	+100 bps	-100 bps
Equitix	54.4	(41.9)	13.7	(13.7)	41.6	(41.6)	20.8	(20.8)	31.3	(30.6)
BentallGreenOak	4.9	(4.7)	NA	NA	12.9	(12.9)	NA	NA	8.8	(7.5)
LCM	10.4	(8.6)	4.3	(4.3)	12.8	(12.8)	6.8	(6.8)	5.3	(5.1)
Other	6.9	(5.8)	NA	NA	4.6	(4.6)	NA	NA	6.5	(6.5)

Investment funds and vehicles
Investments in unlisted investment funds, classified as Level 2 and Level 3 in the fair value hierarchy, are valued utilising the net asset valuations provided by the managers of the underlying funds and/or their administrators. Management's assessment is that these valuations are the fair value of these investments. In determining any adjustments necessary to the net asset valuations, management has considered the date of the valuation provided. No adjustment was deemed material following this review.

The Fund has an investment in an externally managed investment vehicle that holds farmlands in Paraguay. These farmlands are valued utilising inputs from an independent third-party valuation agent.

Sensitivity analysis:
A 1% increase in net asset value ("NAV") of the unlisted investment funds included in Level 3 will increase net assets and profits of the Fund by US$ 5.5 million (31 December 2021: US$ 5.2 million). A decrease in the NAV of the unlisted investment funds will have an equal and opposite effect.

Unlisted stock

At 30 Jun 2022, the Level 3 unlisted stock includes three investments in private companies.

Investment no.	Fair value (US$ MM)		Valuation methodology
	30 Jun 2022	31 Dec 2021	
1	29.2	22.8	Transaction price
2	2.5	20.0	Transaction price
3	7.5	7.5	Transaction price from latest funding round

Sensitivity analysis:
A 5% increase in the valuation will increase the net assets and profits of the Fund by US$ 2.0 million (31 December 2021: US$ 2.5 million). A 5% decrease will have an equal but opposite effect on the net assets and profits.

Listed stock
For listed stock in an active market, the closing exchange price is utilised as the fair value price.

Corporate bonds and CLO debt tranches
The corporate bonds and CLO debt tranches held by the Fund are valued using the broker quotes obtained at the valuation date.

Forward foreign exchange contracts and currency options
Forward foreign exchange contracts and currency options are recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are based on observable foreign currency forward rates, recent market transactions, and valuation techniques, including discounted cash flow models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of fair value of a forward foreign exchange contract at initial recognition is the transaction price. The currency options are recognised initially at the amount of premium paid or received.

Contracts for difference
The Fund enters into contracts for difference ("CFD") arrangements with financial institutions. CFDs are typically traded on the over the counter ("OTC") market. The arrangement generally involves an agreement by the Fund and a counterparty to exchange the difference between the opening and closing price of the position underlying the contract, which are generally on equity positions.

Fair values are based on quoted market prices of the underlying security, contract price, and valuation techniques including expected value models, as appropriate.

Notes to the financial statements (continued)

Note 5
Credit facility

In July 2020, the Fund obtained a 10-year US$ 250.0 million revolving credit facility. The facility is subject to a non-usage fee of 0.5% which is applied to the undrawn notional amount and a servicing fee of 0.015% of the total size of the facility. Any drawn portion incurred interest at a rate of 3M U.S. LIBOR plus a spread of 3.25%.

In July 2022, the Fund extended the current facility to US$ 400.0 million for a duration of 10 years starting from July 2022. The facility will be subject to the same non-usage and servicing fee as described above. Any drawn portion will incur interest at a rate of 3M Term SOFR plus a spread of 3.25%.

	30 Jun 2022 US$ MM	30 Jun 2021 US$ MM
Drawn balance at start of the period	75.0	100.0
Interest and fees expensed	4.4	2.5
Interest and fees paid	(4.4)	(2.5)
Drawdowns	175.0	50.0
Drawn balance at the end of the period	**250.0**	**150.0**

In July 2020, the Fund paid US$ 2.5 million in fees directly associated with the facility, of which US$ 2.0 million (31 December 2021: US$ 2.1 million) is included in prepayments balance and is amortised over the life of the facility. This expense, US$ 0.1 million (H1 2021: US$ 0.1 million), is included in finance costs.

Note 6
Incentive fee

There was no incentive fee for the period ended 30 June 2022 (H1 2021: US$ 6.0 million) and none remains outstanding (31 December 2021: US$ 104.1 million).

Note 7
Share capital

Share Transactions	Voting Shares No.	Non-Voting Shares* No. MM	Treasury Shares No. MM	Shares held in Escrow No. MM
Shares in issue at 1 January 2021	10	88.8	40.0	10.9
Stock dividends	-	1.2	(1.6)	0.4
Issued through release of tranche of escrow shares	-	0.4	-	(0.4)
Shares purchased during the year	-	(0.2)	0.2	-
Shares in issue at 31 December 2021	**10**	**90.2**	**38.6**	**10.9**
Stock dividends	-	0.9	(1.1)	0.3
Issued through release of tranche of escrow shares	-	1.0	-	(1.0)
Shares purchased during the year	-	(4.8)	4.8	-
Shares in issue at 30 June 2022	**10**	**87.3**	**42.3**	**10.2**

*Non-voting shares do not include the treasury shares, or the shares held in escrow.

Treasury Shares and Share Repurchases
Treasury shares consist of shares that have been bought back by the Fund from its investors through various tender offers and plans. Whilst they are held by the Fund, the shares are neither eligible to receive dividends nor are they included in the shares outstanding in the Consolidated Statement of Financial Position.

In April 2022, under the terms of "modified Dutch auctions", the Fund accepted for purchase approximately 4.3 million non-voting shares at an aggregate cost of US$ 42.0 million, including applicable fees and expenses of US$ 0.2 million.

The Fund made the following purchases of its own shares from related parties using the then-current share price:

Date	Purchased from	No. of shares	Cost (US$ MM)	Then-current share price
January 2021	TFG Asset Management LP	17,651	0.2	US$ 9.50
August 2021	TFG Asset Management LP	156,023	1.5	US$ 9.70
October 2021	TFG Asset Management LP	44,903	0.4	US$ 9.14
January 2022	TFG Asset Management LP	515,331	4.4	US$ 8.50

Note 8
Dividends

	30 Jun 2022 US$ MM	31 Dec 2021 US$ MM
Quarter ended 31 December 2020 of US$ 0.1000 per share	-	8.9
Quarter ended 31 March 2021 of US$ 0.1000 per share	-	8.9
Quarter ended 30 June 2021 of US$ 0.1000 per share	-	9.0
Quarter ended 30 September 2021 of US$ 0.1000 per share	-	9.0
Quarter ended 31 December 2021 of US$ 0.1100 per share	9.9	-
Quarter ended 31 March 2022 of US$ 0.1100 per share	9.6	-
	19.5	**35.8**

The second quarter dividend of US$ 0.1100 per share was approved by the Directors on 27 July 2022 and has not been included as a liability in these financial statements.

Notes to the financial statements (continued)

Note 9
Contingencies and commitments

The Fund has the following unfunded commitments:

	30 Jun 2022 US$ MM	31 Dec 2021 US$ MM
BentallGreenOak investment vehicles	36.0	42.8
Private equity funds	19.6	18.4
Contingency Capital loan	4.8	8.3
Contingency Capital fund	25.1	10.3
Tetragon Credit Income IV	10.0	10.6
	95.5	**90.4**

Note 10
Related-party transactions

There were no material changes in the transactions or arrangements with related parties as described in the audited financial statements for the year ended 31 December 2021 that would have a material effect on the financial position or performance of the Fund for the period ended 30 June 2022.

Reade Griffith, Paddy Dear and David O'Leary – all Directors of the Fund during the period – maintained (directly or indirectly) interests in shares of the Fund as at 30 June 2022, with interests of 15,657,550, 5,324,871 and 20,201 shares respectively (31 December 2021: 15,297,765, 5,202,514 and 16,880 shares respectively).

During the period ended 30 June 2022, the Fund repurchased 515,331 of its own shares for US$ 4.4 million from TFG Asset Management using the then-current price of US$ 8.50 per share.

Note 11
Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Period ended 30 Jun 2022 US$ MM	Period ended 30 Jun 2021 US$ MM
Earnings for the purposes of basic earnings per share being net profit attributable to shareholders for the year	(149.5)	31.9
Weighted average number of shares for the purposes of basic earnings per share	89.2	89.0
Effect of dilutive potential shares:		
Share-based employee compensation – equity-based awards	10.1	11.1
Weighted average number of shares for the purposes of diluted earnings per share	**99.3**	**100.1**

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding assuming conversion of all dilutive potential shares. Share-based employee compensation shares are dilutive potential shares.

In respect of share-based employee compensation – equity-based awards – it is assumed that all the time-based shares currently held in escrow will be released, thereby increasing the weighted average number of shares. The number of dilutive performance-based shares is based on the number of shares that would be issuable if the end of the period were the end of the performance period.

Note 12
Segment information

IFRS 8 Operating Segments requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes.

For management purposes, the Fund is organised into one main operating segment – its investment portfolio – which invests, either directly or via fund vehicles, in a range of alternative asset classes including equity securities, debt instruments, real estate, infrastructure, loans and related derivatives. The Fund's investment activities are all determined by the Investment Manager in accordance with the Fund's investment objective.

All the Fund's activities are interrelated, and each activity is dependent on the others.

Accordingly, all significant operating decisions are based upon analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

The shares in issue are in US Dollars. The Fund's investment geographical exposure is as follows:

Region	30 Jun 2022	31 Dec 2021
North America	46%	38%
Europe	48%	56%
Asia Pacific	4%	5%
Latin America	2%	1%

Note 13
Subsequent events

The Directors have evaluated the period up to 27 July 2022, which is the date that the financial statements were approved. The Directors have concluded that there are no material events that require disclosure or adjustment to the financial statement.

Note 14
Approval of financial statements

The Directors approved and authorised for issue the financial statements on 27 July 2022.

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