

Tetragon Financial Group Limited (“TFG”)

8 August 2013

THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO PURCHASE ANY SECURITY OF TFG.

THIS INFORMATION IS CURRENT ONLY AS OF 8 AUGUST 2013, UNLESS OTHERWISE STATED. TFG UNDERTAKES NO OBLIGATION TO UPDATE ANY INFORMATION CONTAINED IN THIS PRESENTATION. PLEASE REFER TO THE ACCOMPANYING LEGAL DISCLAIMER. IN THIS REPORT, UNLESS OTHERWISE STATED, WE REPORT ON THE CONSOLIDATED BUSINESS INCORPORATING TFG AND TETRAGON FINANCIAL GROUP MASTER FUND LIMITED (THE “MASTER FUND”).

TETRAGON



Contents

| | |
|-------------------------|---------|
| 1. Introduction | page 3 |
| 2. Investment Strategy | page 4 |
| 3. Goals for 2013 | page 5 |
| 4. Financials | page 6 |
| 5. Investment Portfolio | page 14 |
| 6. TFG Asset Management | page 15 |
| 7. Endnotes | page 18 |

TFG - Introduction

TFG owns:

- \$1.7 billion of financial assets
- “TFG Asset Management”: a global alternative asset management business with over \$8.5 billion of assets under management (“AUM”) of client assets⁽ⁱ⁾

(1) Includes GreenOak funds and advisory assets, AUM for Polygon Recovery Fund LP, Polygon Convertible Opportunity Master Fund, Polygon European Equity Opportunity Master Fund and associated managed account, Polygon Mining Opportunity Master Fund, and Polygon Global Equities Master Fund, as calculated by the applicable administrator. Includes, where relevant, investments by Tetragon Financial Group Master Fund Limited.

Investment Strategy

TFG's current investment strategy is:

- To identify opportunities, assets and asset classes it believes to be attractive
- To identify asset managers it believes to be superior based on their track record and expertise
- To use the market experience of the Investment Manager to negotiate favourable transactions and terms for its investments in asset classes and in asset managers

As part of that strategy, TFG seeks to own majority or minority stakes in the asset management businesses with whom it invests so as to achieve fee income (both management and performance fees) to enhance the asset-level returns

Goals for 2013

Strategic operating and investment goals:

- To deliver 10-15% RoE per annum to shareholders.⁽ⁱ⁾
- To manage more of TFG's assets on the TFG Asset Management platform.
- To grow client AUM and fee income.
- To add further asset management businesses to the TFG Asset Management platform.

(i) TFG's returns will most likely fluctuate with LIBOR. LIBOR directly flows through some of TFG's investments and, as it can be seen as the risk-free short-term rate, it should affect all of TFG's investments. In high-LIBOR environments, TFG should achieve higher sustainable returns; in low-LIBOR environments, TFG should achieve lower sustainable returns.

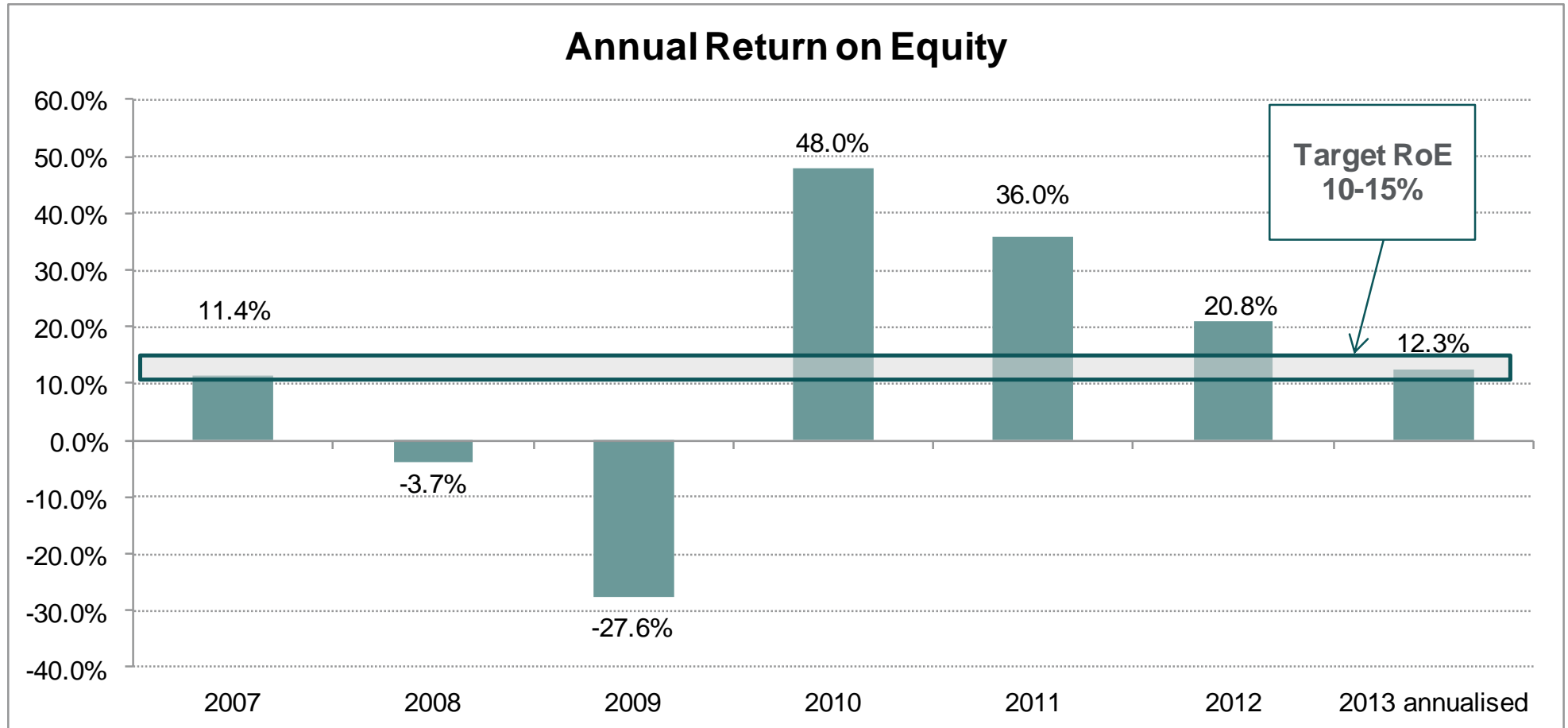
FINANCIALS

We focus on three key metrics for TFG's business⁽ⁱ⁾:

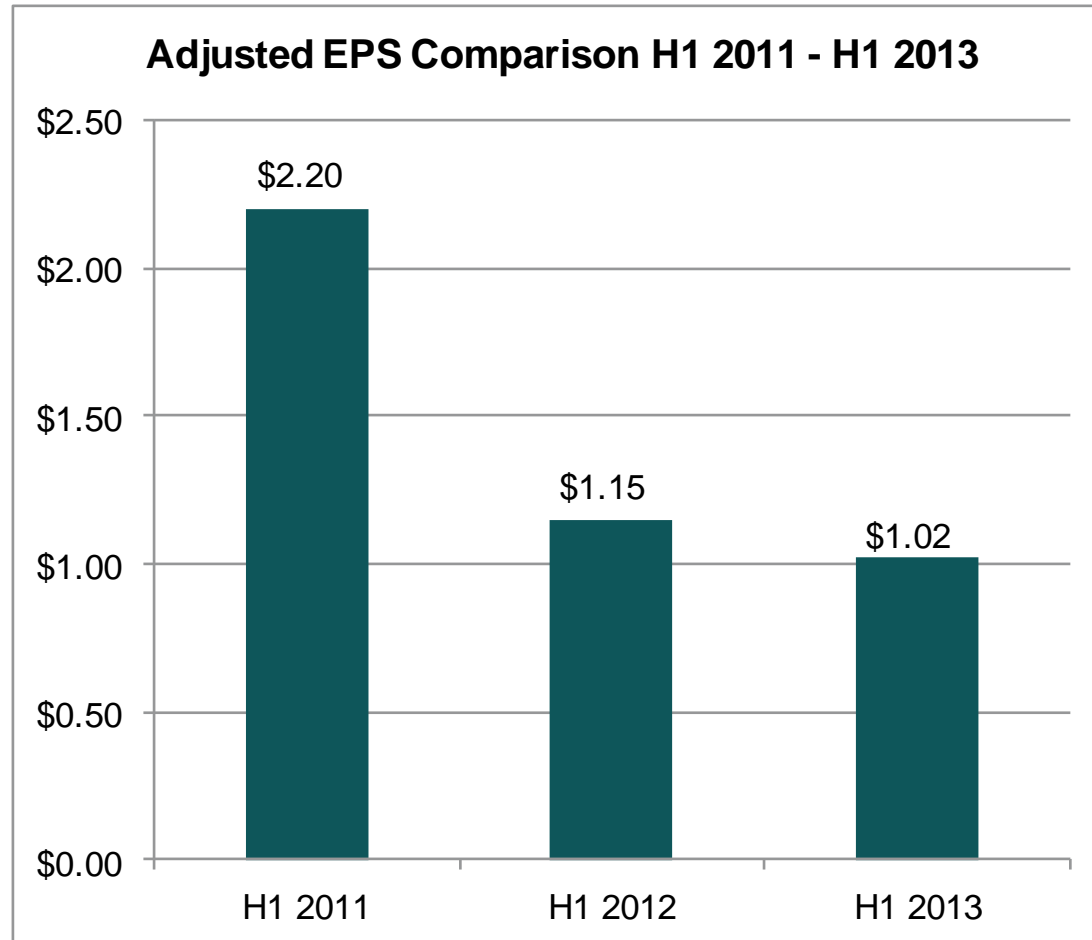
1. **Earnings:** measured both as RoE and earnings per share (“EPS”), reflecting the operating performance of TFG.
2. **Net Asset Value (“NAV”) per Share:** reflecting how value is being accumulated within the business.
3. **Dividends and other distributions:** reflecting how asset value has been returned to shareholders.

⁽ⁱ⁾Please see the company's H1 2013 quarterly report for further information. Certain non-GAAP measures used herein are further defined on page 18 of the quarterly report and on page 18 of this presentation.

Key performance metrics - RoE

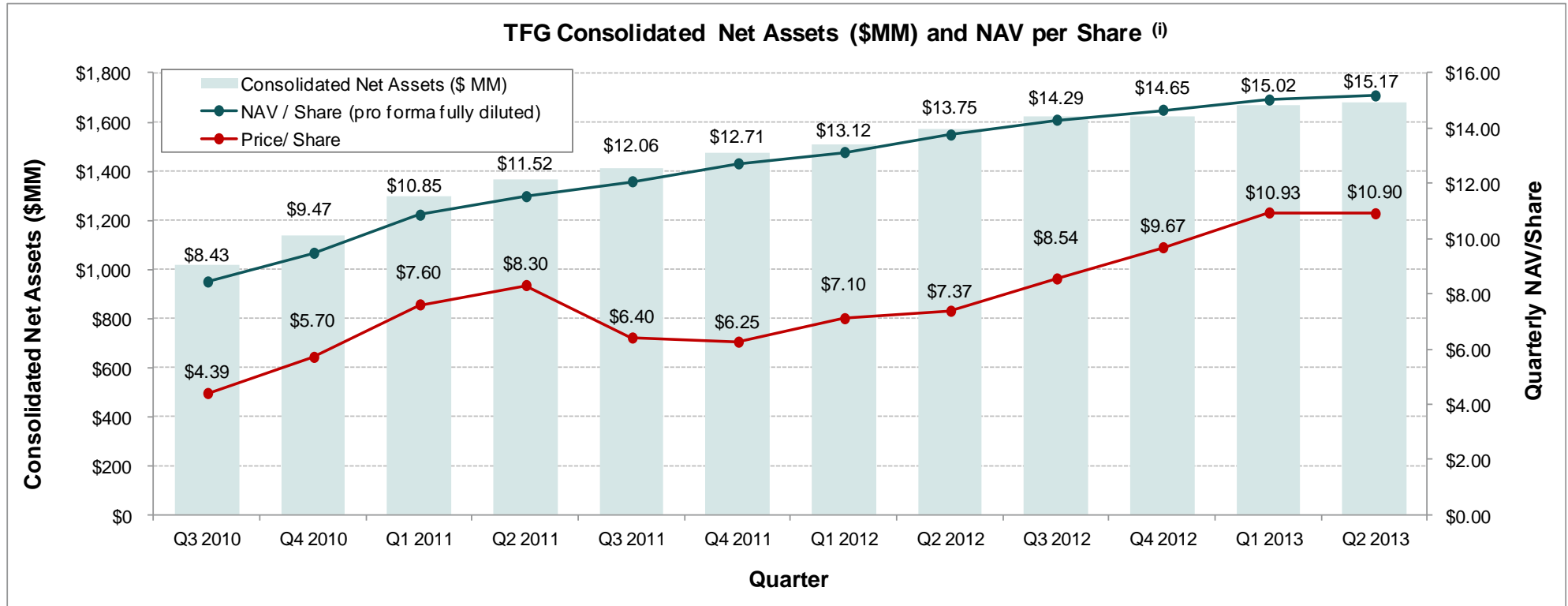


Key metrics: Earnings Per Share⁽ⁱ⁾



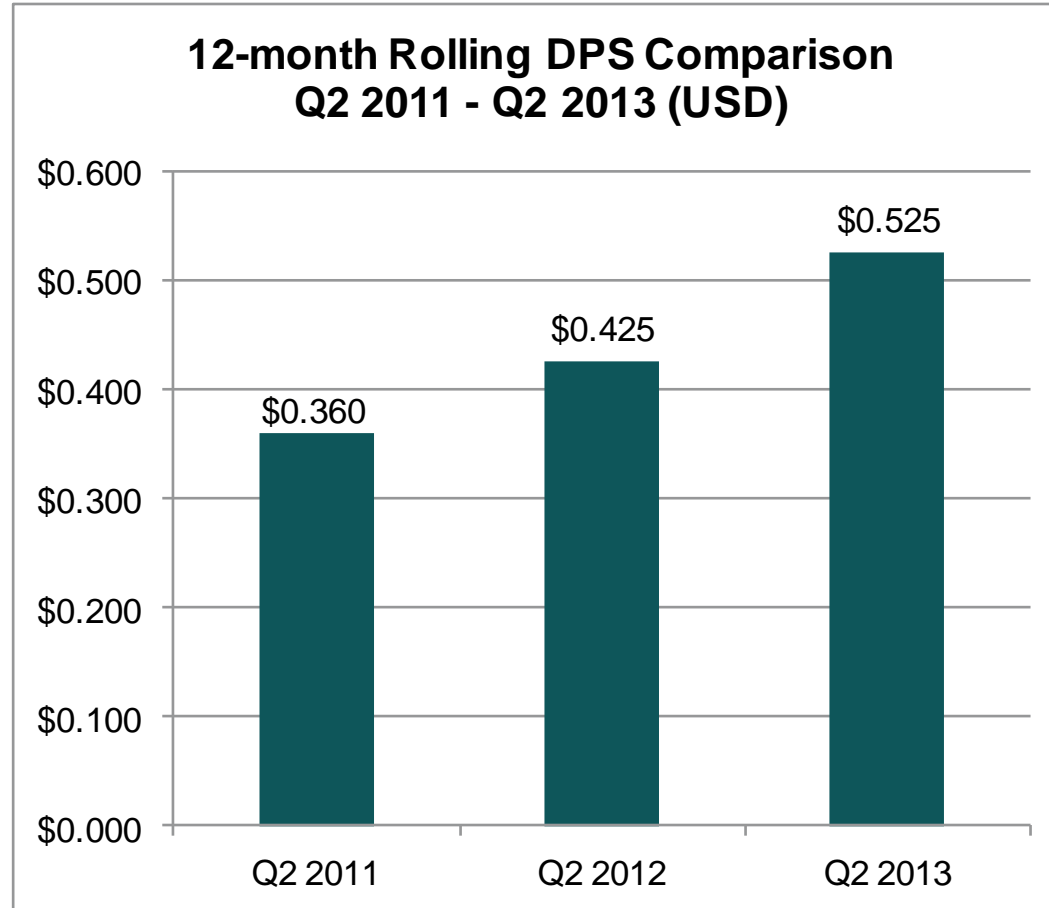
⁽ⁱ⁾Please see page 19 of this presentation for certain relevant definitions.

Key metrics: NAV per Share



⁽ⁱ⁾NAV per share based on TFG's financial statements as of the relevant quarter-end date; TFG's closing share price data as per Bloomberg as of the last trading day of each quarter. Please note that the Pro Forma Fully Diluted NAV per Share reported as of each quarter-end date excludes any shares held in treasury or in a subsidiary as of that date, but includes shares held in escrow which are expected to be released and incorporated into the U.S. GAAP NAV per Share over a five-year period and the number of shares corresponding to the applicable intrinsic value of the options issued to the Investment Manager at the time of the company's IPO.

Key metrics: Dividends Per Share (DPS)



Statement of Operations – Quarterly Comparison

| TETRAGON FINANCIAL GROUP | | | |
|--|-------------------|-------------------|-------------------|
| Statement of Operations | | | |
| Statement of Operations | H1 2013 (\$MM) | H1 2012 (\$MM) | H1 2011 (\$MM) |
| Interest income | 109.8 | 115.8 | 100.4 |
| Fee income | 30.7 | 11.9 | 10.7 |
| Other income - cost recovery | 10.3 | - | - |
| Investment income | 150.8 | 127.7 | 111.1 |
| Management and performance fees | (36.7) | (47.8) | (91.1) |
| Other operating and administrative expenses | (44.8) | (9.4) | (9.8) |
| Total operating expenses | (81.5) | (57.2) | (100.9) |
| Net investment income | 69.3 | 70.5 | 10.2 |
| Net change in unrealised appreciation in investments | 9.4 | 68.2 | 249.5 |
| Realised gain on investments | 5.0 | 0.1 | 0.6 |
| Realised and unrealised gains/(losses) from hedging and fx | 6.0 | (3.6) | 5.3 |
| Net realised and unrealised gains from investments and fx | 20.4 | 64.7 | 255.4 |
| Income taxes | (2.3) | (1.6) | (1.9) |
| Noncontrolling interest | - | (1.0) | (0.9) |
| U.S. GAAP net income | 87.4 | 132.6 | 262.8 |
| Add back share based employee compensation | 11.5 | - | - |
| Net unrealised Polygon performance fees | 0.7 | - | - |
| Net Economic Income | 99.6 | 132.6 | 262.8 |

Statement of Operations By Segment

| TETRAGON FINANCIAL GROUP | | | |
|--|---------------------------------|----------------|---------------|
| Statement of Operations by Segment H1 2013 | | | |
| | Investment Portfolio \$MM | TFG AM \$MM | Total \$MM |
| Interest income | 109.7 | 0.1 | 109.8 |
| Fee income | - | 30.7 | 30.7 |
| Other income - cost recovery | - | 10.3 | 10.3 |
| Investment and management fee income | 109.7 | 41.1 | 150.8 |
| Management and performance fees | (35.0) | (1.7) | (36.7) |
| Other operating and administrative expenses | (3.2) | (30.1) | (33.3) |
| Share based employee compensation | - | - | (11.5) |
| Total operating expenses | (38.2) | (31.8) | (81.5) |
| Net investment income | 71.5 | 9.3 | 69.3 |
| Net change in unrealised appreciation in investments | 9.4 | - | 9.4 |
| Realised gain on investments | 5.0 | - | 5.0 |
| Realised and unrealised gains from hedging and fx | 6.0 | - | 6.0 |
| Net realised and unrealised gains from investments and fx | 20.4 | - | 20.4 |
| Income taxes | - | (2.3) | (2.3) |
| U.S. GAAP net income | 91.9 | 7.0 | 87.4 |
| Share based employee compensation | - | - | 11.5 |
| Net unrealised Polygon performance fees | - | 0.7 | 0.7 |
| Net economic income | 91.9 | 7.7 | 99.6 |

TFG Asset Management Statement of Operations

| TETRAGON FINANCIAL GROUP | | |
|--|-------------|---------------------|
| TFG Asset Management Statement of Operations H1 2013 | | |
| | U.S. GAAP | Net Economic income |
| | \$MM | \$MM |
| Fee income ⁽ⁱ⁾ | 30.7 | 30.7 |
| Unrealised Polygon performance fees ⁽ⁱⁱ⁾ | - | 1.5 |
| Interest income | 0.1 | 0.1 |
| Total income | 30.8 | 32.3 |
| Operating, employee and administrative expenses ⁽ⁱ⁾ | (16.4) | (16.4) |
| Net income - "EBITDA equivalent" | 14.4 | 15.9 |
| Performance fee allocation to TFM | (1.7) | (2.0) |
| Amortisation expense on management contracts | (3.4) | (3.4) |
| Net income before taxes | 9.3 | 10.5 |
| Income taxes | (2.3) | (2.8) |
| Net income | 7.0 | 7.7 |

(i) Nets off cost of recovery on "Other fee income" against this cost contained in "operating, employee, and administrative expenses." Operating costs also removes amortisation from the U.S. GAAP segmental report.

(ii) Unrealised Polygon performance fees represent the fees calculated by the applicable administrator of the relevant Polygon funds, in accordance with the applicable fund constitutional documents, when determining net asset value at quarter end, less certain assumed costs. Similar amounts, if any, from LCM and GreenOak are excluded from this line item. Such fees would typically not be realised or recognised under U.S. GAAP until calendar year end, and are therefore subject to change based on fund performance during the remainder of the year. There can be no assurance that the company will realise all or any portion of such amounts. For H1 2013, this amount equalled \$1.5 million before (1) an assumed imputed tax charge and (2) estimated TFM performance fees reduced the net contribution to \$0.7 million as shown in Figure 9 and further represented in Figures 16 and 17 of the H1 2013 report which can be found at www.tetragoninv.com.

TFG's Investment Portfolio

| Asset Type | June 2013 Market Value (in \$MM) | LTM Performance ⁽ⁱⁱ⁾ |
|---|-------------------------------------|---------------------------------|
| U.S. Pre-Crisis CLOs ⁽ⁱ⁾ | \$787.3 | 28.4% |
| U.S. Post-Crisis CLOs ⁽ⁱ⁾ | \$209.0 | 16.5% |
| U.S. Direct Loans | \$43.2 | 6.0% |
| European CLOs | \$145.4 | 49.6% |
| Equities | \$133.7 | 2.7% ⁽ⁱⁱⁱ⁾ |
| Convertible Bonds and Credit | \$20.8 | 4.2% ^(iv) |
| Real Estate | \$37.5 | N/A |

(i) "U.S. Pre-Crisis CLOs" and "U.S. Post-Crisis CLOs" refers to U.S. CLOs issued before and after 2008, respectively. TFG owns \$1.75 million notional in a CLO debt tranche. Such investment is excluded from these performance metrics.

(ii) For CLOs and direct loans, calculated as the total return. The total return is calculated as the sum of the aggregate ending period fair values and aggregate cash flows received during the year, divided by the aggregate beginning period fair values for all such investments. LTM performance for U.S. Post-Crisis CLO is weighted by the end of Q2 2013 fair values. U.S. Post-Crisis CLO equity investments which were made during the year, and which therefore lack a full year of performance, are annualised. The LTM performance for European CLOs excludes the impact of any changes in the EUR-USD exchange rate on TFG's fair values and cash flows received for such investments.

(iii) Note that for Polygon-managed funds (Equities and Convertible Bonds), LTM returns are presented as the actual return for TFG's period of investment from 1 December to 30 June 2013. TFG invests in Polygon-managed funds on a preferred fee-basis.

(iv) Assets characterized as "Equities" consist of the fair value of investments in Polygon-managed equity funds as well as the fair value of, or capital committed to, equity assets (as applicable) held directly on the balance sheet.

TFG Asset Management

- Good performance from all of the underlying funds
- Fee Income⁽ⁱ⁾ (including unrealised hedge fund performance fees⁽ⁱⁱ⁾) was \$32.3 million in H1 2013
- “EBITDA equivalent” - \$15.9 million in H1 2013
- Assets Under Management - \$8.7 billion at end of H1 2013
- Added new distressed credit capability in H1 2013

(i) Nets off cost of recovery on “Other fee income” against this cost contained in “operating, employee, and administrative expenses.” Operating costs also removes amortisation from the U.S. GAAP segmental report.

(ii) Unrealised Polygon performance fees represent the fees calculated by the applicable administrator of the relevant Polygon funds, in accordance with the applicable fund constitutional documents, when determining net asset value at quarter end, less certain assumed costs. Similar amounts, if any, from LCM and GreenOak are excluded from this line item. Such fees would typically not be realised or recognised under U.S. GAAP until calendar year end, and are therefore subject to change based on fund performance during the remainder of the year. There can be no assurance that the company will realise all or any portion of such amounts. For H1 2013, this amount equalled \$1.5 million before (1) an assumed imputed tax charge and (2) estimated TFM performance fees reduced the net contribution to \$0.7 million as shown in Figure 9 and further represented in Figures 16 and 17 of the 2013 interim report.

Potential New Investments for the Next 12 Months⁽ⁱ⁾

| Asset Class | Amount Invested at 30 June 2013 | Potential New Investment Amounts |
|-----------------------|---------------------------------|----------------------------------|
| CLOs | \$1,190 million | \$75 - \$150 million |
| Real Estate | \$38 million | \$25 - \$75 million |
| Equities | \$134 million | \$25 - \$50 million |
| Credit & Convertibles | \$21 million | \$50 - \$100 million |
| New Businesses | | \$50 - \$150 million |

⁽ⁱ⁾ Actual investment allocations may differ from the ranges presented herein. Such investment allocations may be informed by a variety of matters, including then-applicable market conditions.

Q & A

Contact us anytime: ir@tetragoninv.com

Endnotes

Certain definitions:

We believe the following metrics used in this presentation may be helpful in understanding the progress and performance of the company:

- Return on Equity (6.1%): Net Economic Income (\$99.6 million) divided by Net Assets at the start of the year (\$1,621.4 million).
- Net Economic Income (+\$99.6 million): adds back to the U.S. GAAP net income (+\$87.4 million) the imputed H1 2013 share based employee compensation (+\$11.5 million), which is generated on an ongoing basis resulting from the Polygon transaction and also includes unrealized Polygon performance fees(21) (+\$0.7 million).
- Pro Forma Fully Diluted Shares (110.7 million): adjusts the U.S. GAAP shares outstanding (97.6 million) for the impact of escrow shares used as consideration in the Polygon transaction and associated stock dividends (+12.1 million) and for the potential impact of options issued to TFG's investment manager at the time of TFG's IPO (+1.0 million).
- Adjusted EPS (\$1.02): calculated as Net Economic Income (\$99.6 million) divided by weighted-average U.S. GAAP shares outstanding (98.0 million).
- Pro Forma Fully Diluted NAV per Share (\$15.17): calculated as Net Assets (\$1,680.3 million) divided by Pro Forma Fully Diluted shares (110.7 million).
- Please refer to the company's Q1 2013 quarterly report for further information.

Legal Disclaimer

This document has been prepared by TFG (together with the Master Fund, the “Company”). TFG is a Guernsey closed-ended investment company whose shares (“Shares”) are listed on Euronext Amsterdam. The Company’s investment manager is Tetragon Financial Management LP (the “Investment Manager”).

This communication is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth entities, or other persons to whom it may lawfully be communicated, falling within article 49(2)(a) to (d) of the Order (all such persons together being referred to as “Relevant Persons”). Any person who is not a Relevant Person must not act or rely on this communication or any of its contents. The investment or investment activity to which this communication relates is only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire Shares will be engaged in only with Relevant Persons.

This document contains certain forward-looking statements relating to the investment objective, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects and dividend policy of the Company and the markets in which it invests. Forward-looking statements include all matters that are not historical facts. These forward-looking statements, including illustrative examples, assumptions, opinions and views of the Company or cited from third party sources, are solely examples, opinions and forecasts which are uncertain and subject to risks. Many factors can cause actual events to differ significantly from any anticipated developments. Neither the Investment Manager nor the Company makes any guarantee that the assumptions underlying such forward-looking statements are free from errors nor does the Investment Manager or the Company accept any responsibility for the future accuracy of the opinions or for the examples set out in this document or the actual occurrence of any forecasted development or result.

Investment in the Shares involves substantial risk. Many of the Company’s investments are in the form of highly subordinated securities, which are susceptible to losses of up to 100% of the initial investments. References to future returns are not promises or even estimates of actual returns an investor may achieve. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. The information herein reflects our judgement of the prevailing conditions as of this date, all of which are subject to change. Past performance or experience does not necessarily give a guide for the future. Neither the delivery of this presentation nor any further discussions with any recipient shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.

The information and opinions contained in this document are for background purposes only and do not purport to be full or complete. No reliance may be placed for any purpose on the information or opinions contained in this document or their accuracy or completeness. No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this document by the Investment Manager and no liability is accepted by us for the accuracy or completeness of any such information or opinions.

We believe that the sources of the information in this document are reliable. However we cannot and do not guarantee, either expressly or implicitly, and accept no liability for, the accuracy, validity, timeliness, merchantability or completeness of any information or data (whether prepared by such parties or by any third party) for any particular purpose or use or that the information or data will be free from error. We do not undertake any responsibility for any reliance which is placed by any person on any statements or opinions which are expressed herein. Neither we nor any of our affiliates, directors, officers or employees will be liable or have any responsibility of any kind for any loss or damage that any person may incur resulting from the use of this information.

This presentation 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 TFG have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States or to US persons unless they are registered under applicable law or exempt from registration. TFG 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, TFG has not been and will not be registered under the US Investment Company Act of 1940, and investors will not be entitled to the benefits of such Act. TFG is registered in the public register of the Netherlands Authority for the Financial Markets under Section 1:107 of the Financial Markets Supervision Act as a collective investment scheme from a designated country.

Recipients of this document will be solely responsible for their own assessment of the market, the market position of the Company and the Shares and will conduct their own analysis and be solely responsible for forming their own view of the potential future performance of the Company’s business.

References in this disclaimer to “we” are references to the Investment Manager and the Company. References to “us” and “our” shall be construed accordingly.