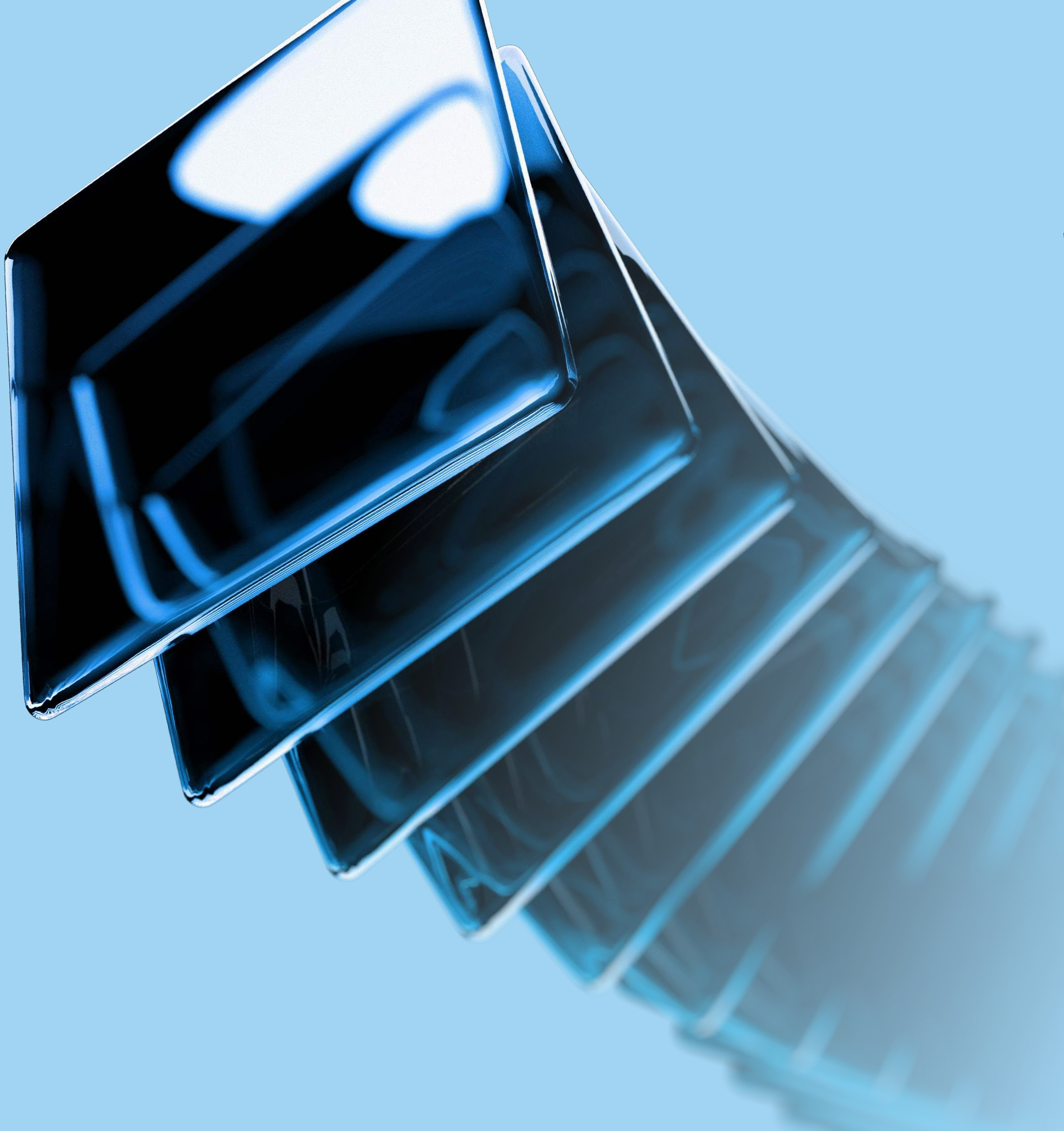


TETRAGON

# Diversified. Alternative. Investors.

2025 Half-Yearly Report

Tetragon Financial Group

# Contents



Searching for intrinsic alpha – from returns in excess to risks taken.

At Tetragon, we seek to provide stable returns to investors across economic cycles and market conditions.

Tetragon is a Guernsey closed-ended investment company. Its non-voting shares are listed on Euronext in Amsterdam and also traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange.(1)

aic
The Association of Investment Companies

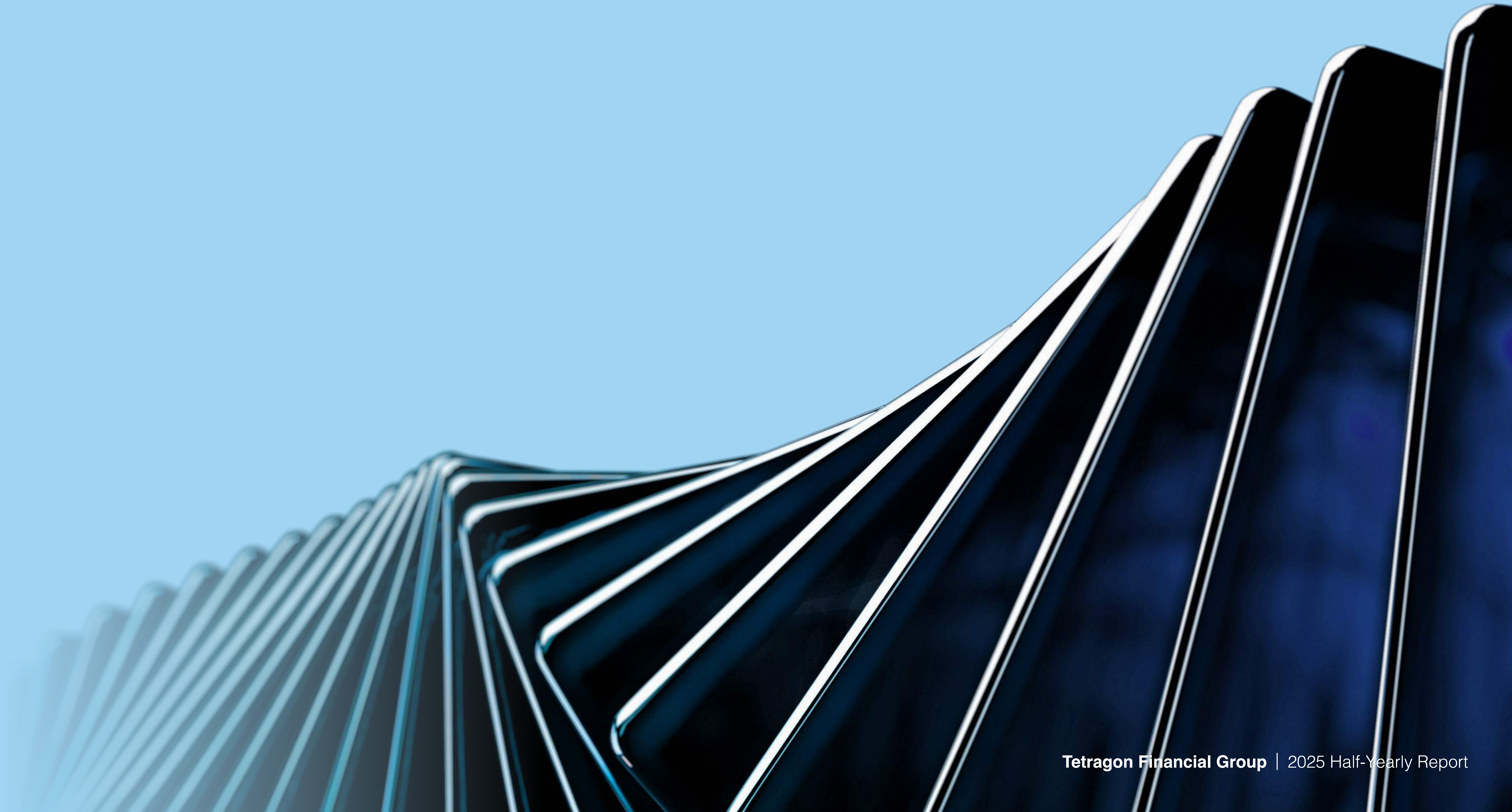
To view company updates visit:
www.tetragoninv.com

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 and who have experience in investing in financial markets and collective investment undertakings, who 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.

(1) Euronext in Amsterdam is a regulated market of Euronext Amsterdam. Tetragon's "Home Member State" for the purposes of the EU Transparency Directive (Directive 2004/109/EC) is the Netherlands.

# Snapshot





## H1 2025 Snapshot

# Distributable income. Capital appreciation.

### Net Asset Value(1)

**$3.5BN**
30 June 2025

### Ownership(2)

**38.3%**
Principal and Employee Ownership at 30 June 2025

### NAV Per Share Total Return(3)

**24.6%** One Year to 30 June 2025

**11.7%** 5 Years Annualised

**10.8%** 10 Years Annualised

**11.0%** Since IPO Annualised

**572%** Since IPO

### Investment Returns/Return on Equity(4)

**12.2%** 2025 YTD RoE

**10-15%** RoE Target

**11.8%** Annual Average Since IPO

### Dividends

**$0.11** Q2 2025 Dividend

**$0.22** 2025 Dividends

**2.7%** Dividend Yield(5)

**(5.1)%** Dividend 5-Year CAGR(6)

(1) (2) (3) (4) (5) (6) Please see important notes on page 6.

## H1 2025 Snapshot

# H1 2025 performance summary

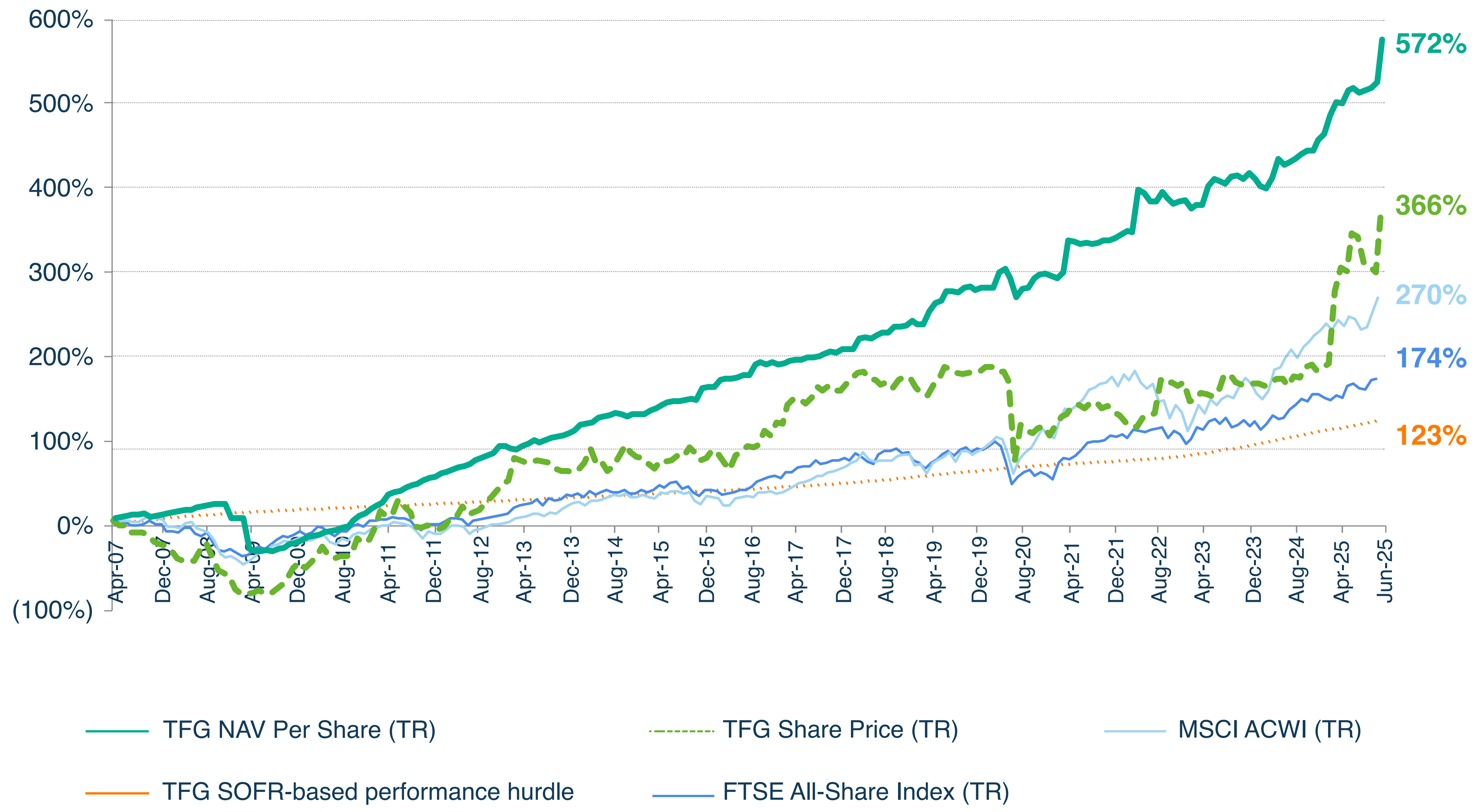
Figure 1

| | 30 Jun 25 | 31 Dec 24 | Change |
|---|---|---|---|
| Net Assets | $3,547.3m | $3,173.0m | $374.3m |
| Fully Diluted NAV Per Share | $38.74 | $35.43 | $3.31 |
| Share Price[1] | $16.15 | $14.00 | $2.15 |
| **Dividend (past 12 months)** | **$0.44** | **$0.44** | **$0.00** |
| Dividend Yield | 2.7% | 3.1% | |
| Ongoing Charges[2] | 1.72% | 1.72% | |
| Principal & Employee Ownership | 38.3% | 40.3% | |

| | H1 2025 | H1 2024 |
|---|---|---|
| **Investment Returns/Return on Equity[3]** | **12.2%** | **1.3%** |
| **NAV Per Share Total Return[4]** | **10.0%** | **1.9%** |
| Share Price Total Return[5] | 17.1% | 6.6% |
| Tetragon Hurdle: SOFR +2.75%[6] | 3.6% | 4.1% |
| MSCI ACWI Index Total Return[7] | 10.3% | 22.8% |
| FTSE All-Share Index Total Return[7] | 9.1% | 7.7% |

Figure 2

Tetragon's NAV per Share Total Return and Share Price Total Return Since IPO to 30 June 2025



## H1 2025 Snapshot

# Notes

**Page 4**

(1) The value of Tetragon's assets, less any liabilities, as at 30 June 2025. Source: Tetragon.

(2) Shareholdings at 30 June 2025 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 page 42 for more details of these arrangements. Source: Tetragon.

(3) NAV Per Share Total Return to 30 June 2025, for the last year, the last five years, the last ten years, and since Tetragon's initial public offering in April 2007. NAV Per Share 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 Per Share 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.

(4) Average RoE is calculated from Tetragon's IPO in 2007. Tetragon seeks to deliver 10-15% RoE per annum to shareholders. Over longer time horizons, Tetragon's returns will most likely reflect sensitivity to the underlying short term risk-free rate regime. Therefore, after periods of transition to high-SOFR environments, Tetragon should achieve higher sustainable returns; after periods of transition to low-SOFR environments, Tetragon should achieve lower sustainable returns.

(5) The Dividend Yield represents the last four quarterly dividends divided by the TFG NA share price at 30 June 2025. The latest declared dividend is included in the calculation.

(6) The five-year Compound Annual Growth Rate (CAGR) figure is at 30 June 2025. The latest declared dividend is included in the calculation.

**Page 5**

(1) Based on TFG NA.

(2) Annual calculation as at 31 December 2024. 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, including the annual management fee of 1.5%.

(3) Please see Note 4 for page 4.

(4) Please see Note 3 for page 4.

(5) 2025 year-to-date total shareholder return, defined as share price appreciation including dividends reinvested, as sourced from Bloomberg.

(6) Cumulative return determined on a quarterly compounding basis using the actual Tetragon quarterly incentive fee SOFR-based hurdle rate. In the period from IPO to June 2008 this was 8%; July 2008 to June 2023, this was the three-month USD LIBOR rate on the first day of each calendar quarter, plus a spread of 2.647858%; thereafter, the hurdle rate has been determined using the three-month term SOFR rate on the first day of each calendar quarter, as sourced from Bloomberg, plus a spread of 2.747858%.

(7) 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 are 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 Index" refers to the MSCI All Country World Index (USD) which captures large and mid-cap representation across 23 developed markets and 24 emerging markets countries. With 2,528 constituents, the index covers approximately 85% of the global investable equity opportunity set. 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 https://www.lseg.com/en/ftse-russell/indices/uk.

# Letter to our shareholders

## Letter to our shareholders

# Clear focus. Strong foundations.

We are pleased to report that during the first half of 2025, Tetragon delivered an investment Return on Equity (RoE) of 12.2%, above our 6-month RoE target of 5.0-7.5% (our annualised RoE target is 10-15%).

Performance in H1 2025 was mainly driven by Tetragon's investments in Equitix, Ripple Labs, and investments managed by Hawke's Point.

Over the last 12 months, Tetragon's gross RoE was +33.4% (+25.5% net), compared to +14.2% for the MSCI ACWI Local Index.(1) Tetragon's NAV Per Share Total Return during H1 2025 was 10.0% (24.6% over the last 12 months).(2) Tetragon has declared 22.0 cents of dividends per share year to date, and the H1 share price total return was 17.1%.(3)

Performance during H1 was mainly driven by the same three investments which were the strongest performers in 2024. These investments, we believe, exemplify our diversified approach and our focus on identifying attractive alternative investment strategies that may be more likely to have low correlation to markets and to each other.

Firstly, TFG Asset Management's investment in Equitix, a leading international investor, developer and fund manager in infrastructure, was the strongest positive contributor during the period with a gain of $409.1 million. This was mainly due to recalibrated valuation approaches due to the announcement that Hunter Point Capital (HPC) had agreed to acquire a 16.1% stake in Equitix; approximately 14.6% from TFG Asset Management, and 1.5% from Equitix management. This transaction enables Tetragon to realise some of the value created in the business, while remaining invested with a trusted partner in a sector where we continue to see significant runway for innovation and growth.

The second-strongest positive contributor during the period was Tetragon's investment in the Series A and B preferred stock of Ripple Labs, a top U.S. enterprise blockchain company underpinned by the XRP token and XRPL cryptocurrency ledger, which benefitted from various tailwinds, including the prospective resolution of the SEC's lawsuit, significant platform expansion, U.S. regulatory developments, Ripple's $175 per share tender offer in June and the price of XRP.

Thirdly, investments managed by Hawke's Point, TFG Asset Management's resource finance business, generated a gain of $62.7 million led by their largest strategic investment, an Australian gold mining, exploration and development company. Recently, Hawke's Point made a strategic investment in an Australian copper producer.

On the negative side, our investments with exposure to bank loans via collateralised loan obligations, or CLOs, were down during H1 2025. This includes our investment in CLO manager LCM, part of TFG Asset Management, where AUM continued to decline, and in CLO investment vehicles managed by Tetragon Credit Partners as older-vintage loan exposures generated losses. However, our overall exposure to bank loans now stands at only 3% of the portfolio.

Please refer to the Investment review section for more detailed commentary on Tetragon's investments during the period.

# Letter to our shareholders

NAV Per Share Total Return in H1 2025:

10.0%

Return on Equity in H1 2025:

12.2%

Dividends in H1 2025:

$0.22

## Year-to-date market context

Markets began the year by extending the positive momentum from President Trump's election in November, with the S&P 500 reaching new all-time highs in January and February.  By March, however, sentiment shifted as DOGE cuts, initial tariffs and the promise of tax cuts raised concerns that such policies could slow growth while exacerbating inflation and fiscal deficits. These fears crystalized on 2 April with Trump's "Liberation Day" announcement that a series of universal and reciprocal tariffs would increase the weighted U.S. tariff rate from approximately 2% to over 20%. This led to a 19% drop in the S&P 500 from its Q1 highs and triggered a sharp sell-off in the dollar as markets contemplated the end of U.S. exceptionalism.

A week later, markets rose when Trump announced a delay in reciprocal tariffs until early July (later extended to 1 August), allowing time to negotiate country-specific trade deals and the S&P 500 reversed its losses to close the first half of 2025 with a +6.2% gain, reaching all-time highs. This remarkable recovery was helped by strong first quarter earnings and a sustained "U.S. economic soft landing" narrative characterized by unemployment stable at 4.1%, inflation trends remaining in the 2.0-2.5% range, and projections that real GDP growth was rebounding from a -0.5% contraction in the first quarter. International equities outperformed as investors sought to diversify U.S.-heavy portfolios, with the MSCI ACWI Local Index rising +7.3% and additional fiscal stimulus in Europe driving the Euro STOXX 600 up +8.8%.  While U.S. Treasuries rallied in the first half of 2025, the yield curve experienced considerable volatility as Moody's downgraded the U.S.'s credit rating from Aaa to Aa1 due to concerns that Trump's proposed "One Big Beautiful Bill" would undermine U.S. fiscal stability and reduce foreign demand for the world's reserve asset. These concerns led to an -11% drop in the U.S. dollar in the first half, while gold rose +26% and Bitcoin reached new all-time highs.

As positive momentum carries into the third quarter, the markets continue to climb a "wall of worry" spanning uncertainty about the ultimate form and impact of tariffs, fiscal deficits, global conflicts, and the Federal Reserve's political independence. Such conditions often lead to sudden volatility, creating attractive opportunities and potentially paving the way for strong returns in the coming years.

### Tetragon portfolio performance notes

**Return on Equity**

Over the last 12 months, Tetragon's gross RoE was +33.4% (+25.5% net), compared to +14.2% for the MSCI ACWI Local Index. Over the last five years, Tetragon's annualised gross RoE was +16.2% (+11.6% net) compared to +14.4% for the MSCI ACWI Local Index.(4)

**Volatility**

Over the last 12 months, the annualised volatility of Tetragon's gross RoE was 11.4% (8.7% net), as compared to 9.6% for the MSCI ACWI Local Index. Over the last five years, the annualised volatility of Tetragon's gross ROE was 10.7% (8.3% net), compared to 13.8% for the MSCI ACWI Local Index.

**Sharpe Ratio**

Over the last 12 months, Tetragon's Sharpe Ratio was 2.51 on a gross basis (and 2.41 on a net basis), versus 0.94 for the MSCI ACWI Local Index. Over the last five years, Tetragon produced a Sharpe Ratio of 1.25 on a gross basis (1.06 net) versus 0.82 for the Index.(5)

# Letter to our shareholders

## Board matters

### Dividends and share repurchases

The second quarter 2025 dividend was declared at 11.00 cents per share, bringing the year-to-date dividends to 22.0 cents per share.

### Cash

Tetragon's cash at bank balance was $3.0 million as of 30 June 2025. After adjusting for known accruals and liabilities (short- and long-dated), its net cash balance was $(546.0) million. Tetragon has access to a credit facility of $400.0 million with maturity date in July 2032. As of 30 June 2025, $350.0 million of this facility was drawn and this liability has been incorporated into the net cash balance calculation. Please note that the cash balance is net of unpaid incentive fees, but does not account for the Equitix transaction.

## Conclusion

Over the time that Tetragon has been trading as a publicly-listed company, our NAV Per Share Total Return of 572.2% has demonstrated our ability to compound investment growth and return value to shareholders; this compares to the MSCI ACWI Local Index returning 270.4% over the same period.

Equitix was founded in 2007. Tetragon acquired 85% of the company in February 2015 for a total enterprise value of £159.5 million. At that time, the company had £1.9 billion of AUM. Today, the company manages over £11.7 billion of AUM with a broad sector reach across social infrastructure, transport, renewable power, environmental services, network utilities and data infrastructure.

As we discussed in our 2024 Annual Report, the Equitix transaction is part of Tetragon's strategy to realise some of the value inherent in TFG Asset Management. As such, one the key metrics that underscores TFG Asset Management's success must be the returns achieved by successful dispositions of its private equity stakes in asset management companies.

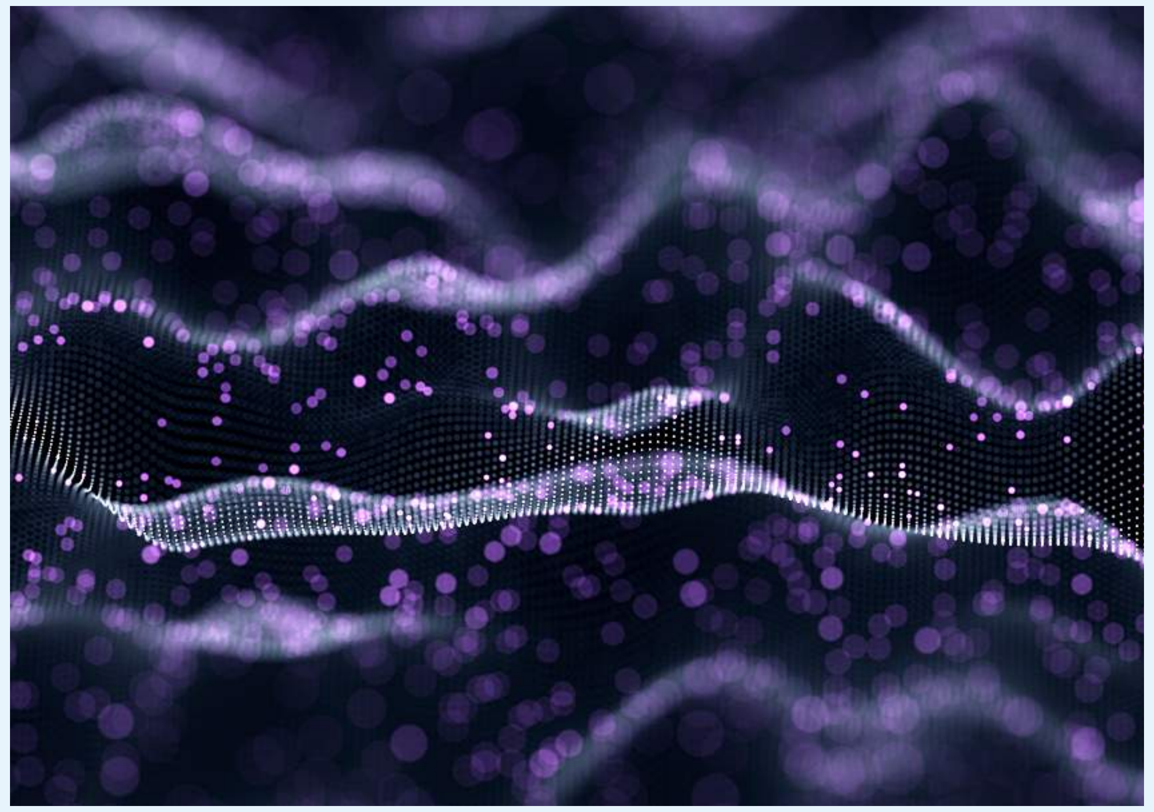
Although transactions such as these would inevitably have the effect of shrinking TFG Asset Management's portfolio of relatively mature market-leading businesses – and thus its aggregate AUM – they enable TFG Asset Management to monetise the benefits of its success in growing successful asset management businesses.

We remain excited about the emerging opportunities across our portfolio of diversified alternative assets.

With Regards,

**The Board of Directors**

29 July 2025



**Notes:**

(1) Source: All market data is sourced from Bloomberg. The MSCI ACWI Local Index represents the performance of the MSCI ACWI Index if there were no foreign exchange fluctuations, similar to a portfolio with currency hedges, and with dividends reinvested, gross of any taxes. Please see Note 7 on page 6 for important disclosures.

(2) Please see Note 3 on page 6 for important disclosures.

(3) Please see Note 5 on page 6 for important disclosures.

(4) All statistics are calculated using monthly datapoints. Represents the performance of the ACWI index if there were no foreign exchange fluctuations (similar to a portfolio with currency hedges), and with dividends reinvested, gross of any taxes.

(5) The risk-free rate used in the calculation of the Sharpe Ratio is the yield on 1-month U.S. Treasury bills.

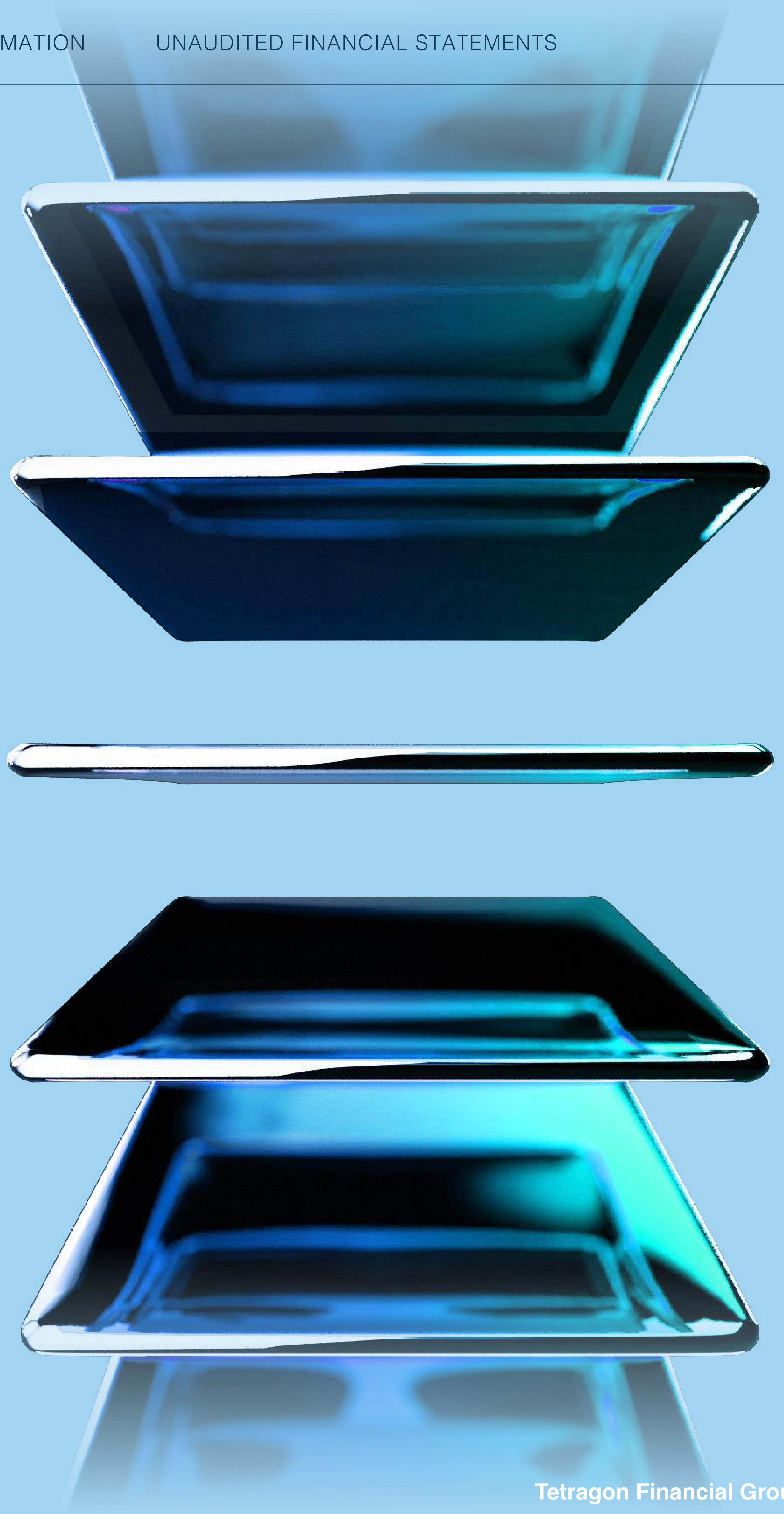
(6) The "Euro STOXX 600" refers to the SXXR Index.

(7) Source: Moodys https://ratings.moodys.com/ratings-news/443154.

# Manager's review

The section covers our investment objective and strategy, key performance metrics and risk management.





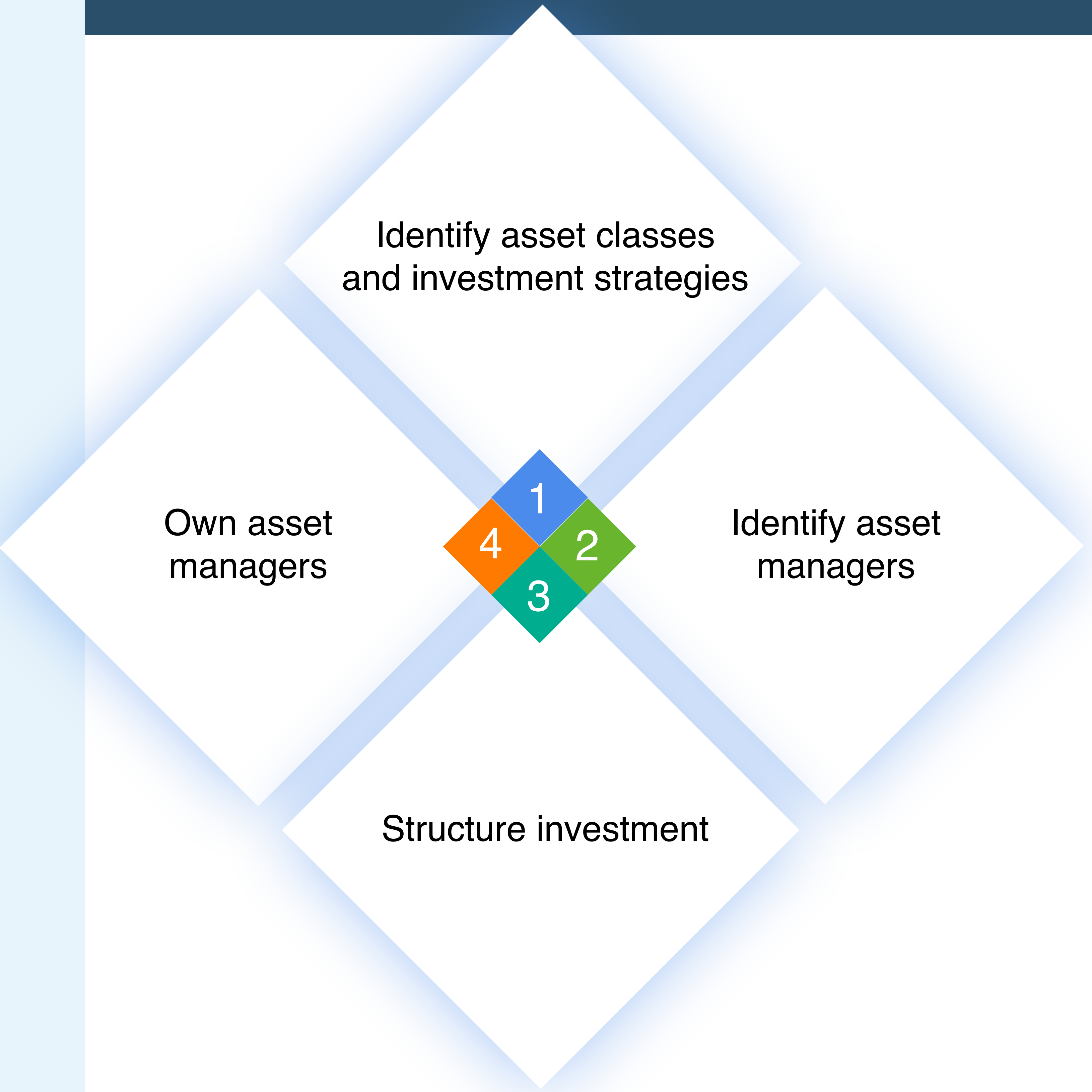
## Manager's review

# Investment objective & strategy

Tetragon's investment objective is to generate distributable income and capital appreciation.

Our investment strategy is as follows:

### Our investment strategy




- Identify attractive asset classes and investment strategies.
- Identify asset managers that Tetragon Financial Management believes to be superior.
- Use Tetragon Financial Management's market experience to negotiate favourable terms for Tetragon's investments.
- Own, where appropriate, all or a portion of the asset management companies with which Tetragon invests in order to enhance the returns achieved on its capital.

In addition, the current investment strategy is to continue to enhance the value of the asset management companies that form part of TFG Asset Management with a view to realising value from the enterprise.

Manager's review

# The ways we invest

Our investment strategy leads us to invest in three primary ways.

## 1. Investments in managed funds

**Internally-managed funds**

We invest in a range of specialised funds managed by TFG Asset Management managers, with a view to obtaining diversified returns on favourable terms. In so doing, Tetragon aims to not only produce asset-level returns, but also to enhance these returns with capital appreciation and investment income from its ownership stakes in asset management businesses that derive income from external investors.

**Externally-managed funds**

We also invest with high-quality third-party managers in which we do not have an ownership stake, in order to access asset classes and investment strategies that we believe are attractive, and we look to create beneficial structures for these investments.

## 2. Ownership stakes in asset managers

One of Tetragon's largest investments is TFG Asset Management, which manages, oversees and supervises our ownership stakes in asset management companies.

TFG Asset Management enhances 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.

**Factors in building out TFG Asset Management**

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.

**Longer-term investment strategy**

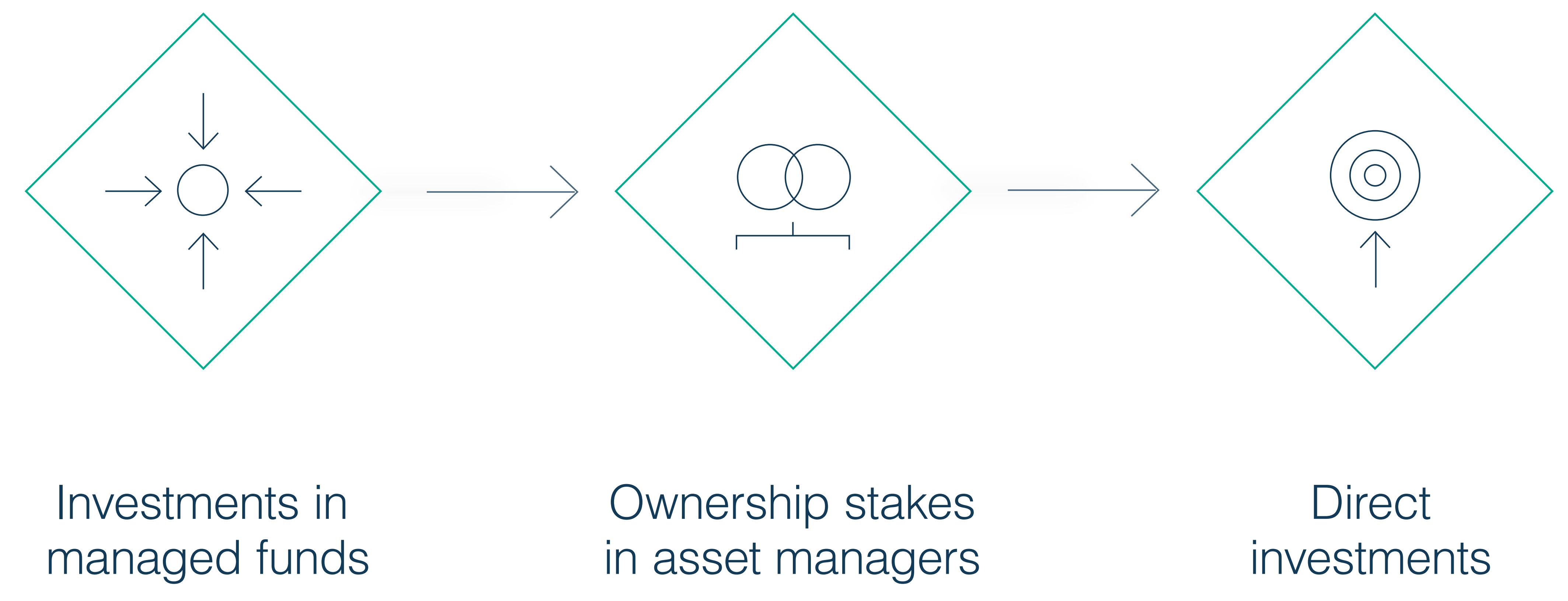
Tetragon's longer-term investment strategy with respect to TFG Asset Management is to continue to enhance the value of its asset management companies, with a view to realising value from the enterprise. This may be through transactions relating to individual businesses within TFG Asset Management that would take advantage of this value enhancement or a strategic transaction at the TFG Asset Management level. Although transactions relating to individual businesses could shrink TFG Asset Management's portfolio of relatively mature market-leading businesses, they would enable it to monetise the benefits of its success in growing asset management businesses. In any event, TFG Asset Management will continue to leverage its operating infrastructure and shared strategic direction, with Tetragon looking to support investments through co-investment and working capital.

## 3. Direct investments

We make investments directly on our balance sheet.

These investments reflect single-strategy ideas or idiosyncratic investments that we believe are attractive but may be unsuitable for an investment via TFG Asset Management vehicles. These investments tend to be opportunistic and with a catalyst.

**Three ways of investing**

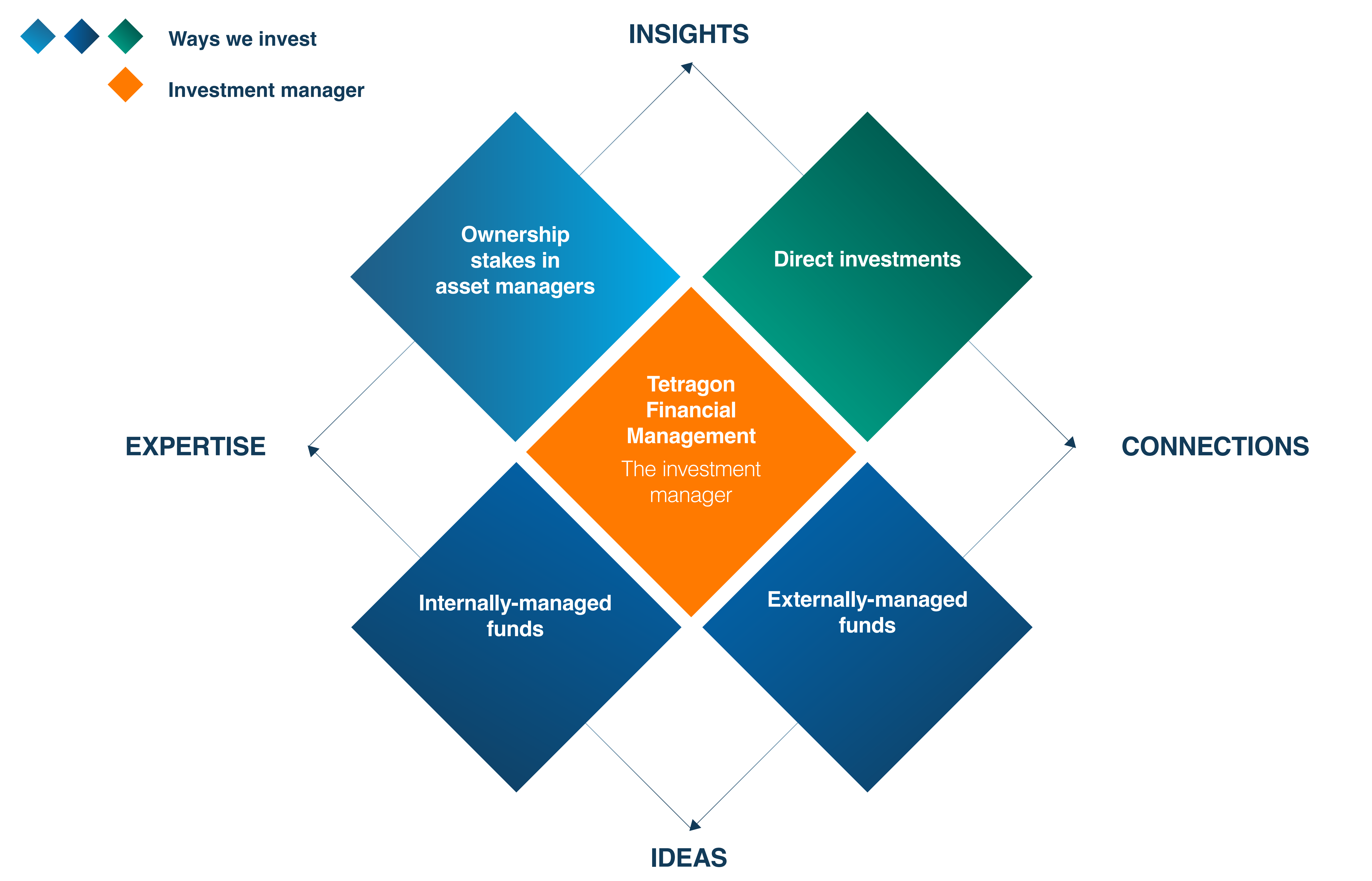


## Manager's review

# Alignment. Performance. Returns.

Our alpha-driven ecosystem generates ideas, expertise, insights and connections.

**Our alpha-driven ecosystem**



Manager's review

# 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**

10.0%

2025 YTD NAV Per Share Total Return

**Investment Returns / Return on Equity**

12.2%

2025 YTD RoE

**Dividends**

$0.22

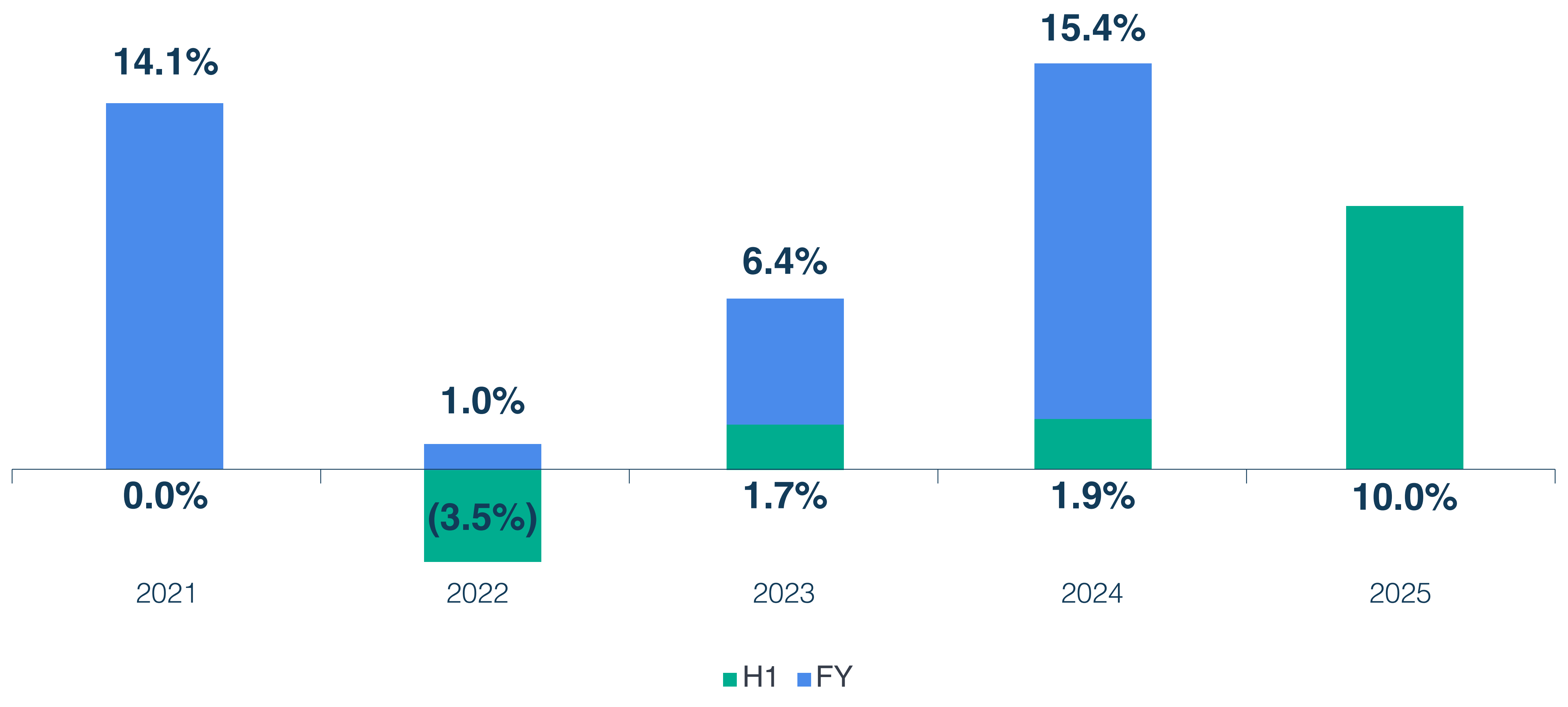
2025 YTD DPS

Figure 3

**Fully Diluted NAV Per Share**

NAV Per Share Total Return 2021-2025 YTD

Fully Diluted NAV Per Share was $38.74 at 30 June 2025. NAV Per Share Total Return was 10.0% for the first half of 2025.



Manager's review

# Key performance metrics (continued)

Figure 4

## Investment Returns / Returns on Equity(1)

Return on Equity 2021-2025

Average RoE since IPO: 11.8%

Target RoE: 10–15%

RoE for H1 2025 was 12.2%. Adjusted Earnings Per Share (EPS) for the period was $4.48.

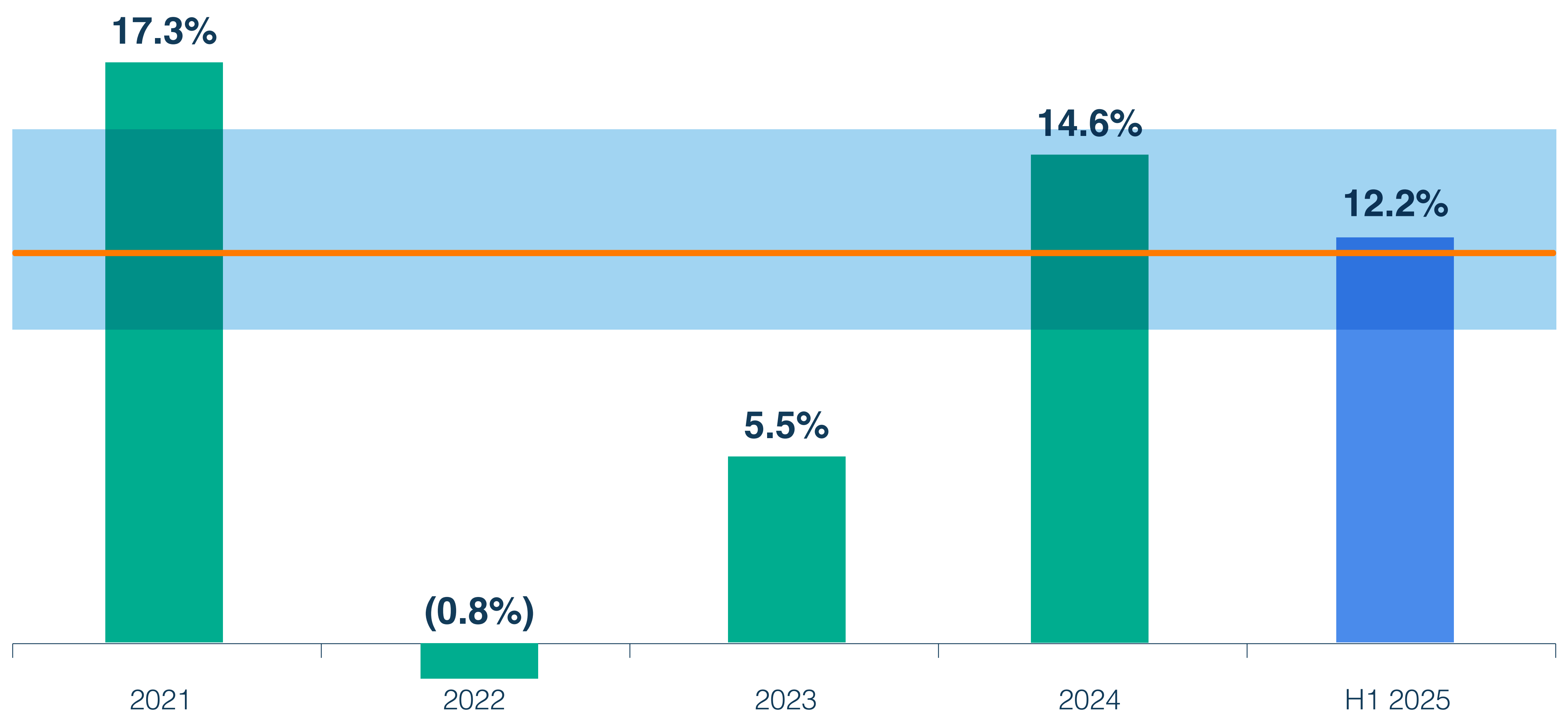
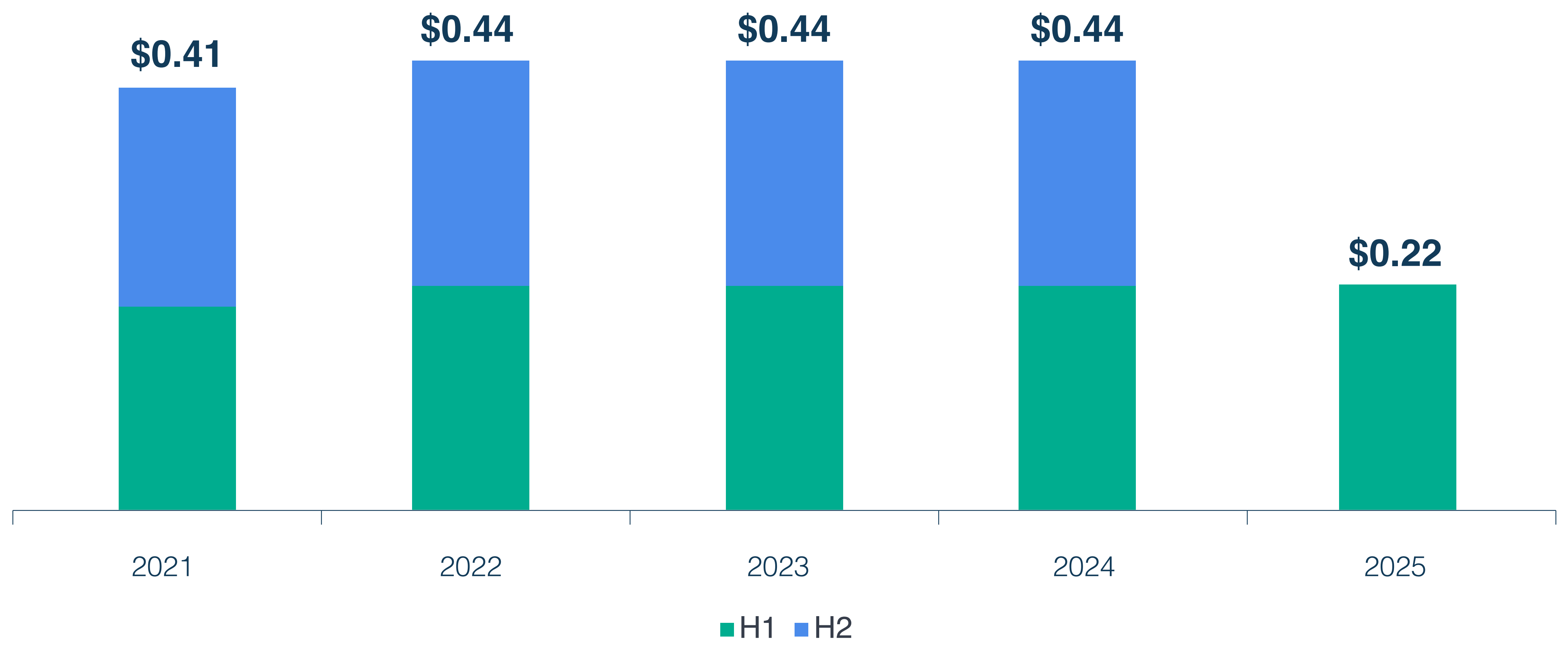



Figure 5

## Dividends Per Share (DPS)

Dividend Per Share Comparison 2021-2025

Tetragon declared a Q2 2025 dividend of $0.11 per share, for a year-to-date dividend payout of $0.22 per share. The cumulative DPS declared since Tetragon's IPO is $9.2675.




**Notes:**

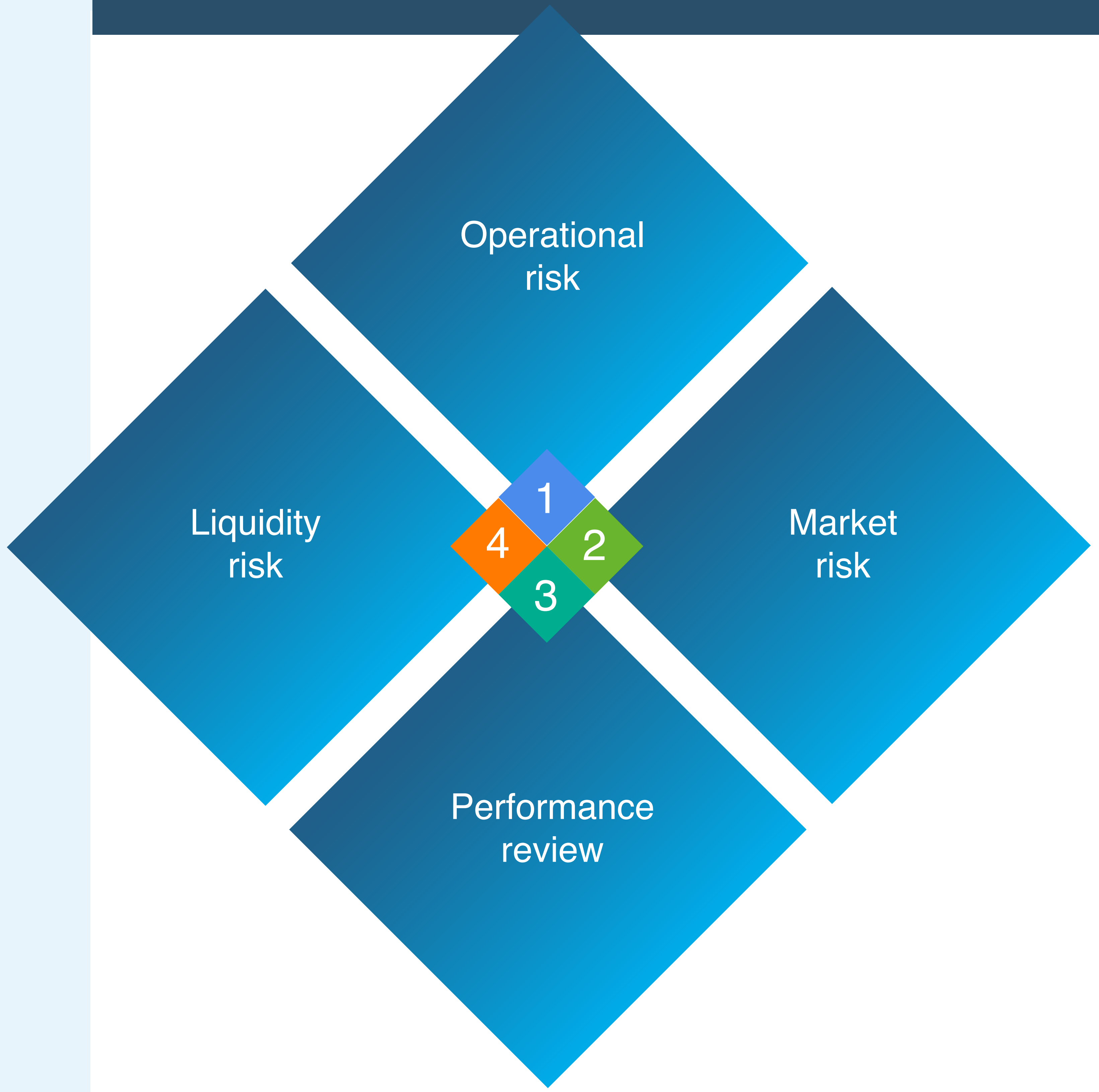
(1) Average RoE is calculated from Tetragon's IPO in 2007. Tetragon seeks to deliver 10-15% RoE per annum to shareholders. Over longer time horizons, Tetragon's returns will most likely reflect sensitivity to the underlying short term risk-free rate regime. Therefore, after periods of transition to high-SOFR environments, Tetragon should achieve higher sustainable returns; after periods of transition to low-SOFR environments, Tetragon should achieve lower sustainable returns.

## Manager's review

# Risk management

Here are some factors that Tetragon monitors with respect to portfolio risk management.(i)

### Factors that Tetragon monitors with respect to portfolio risk management




- Trades done in the month
- Settlement
- Counterparty
- Legal
- Regulatory / compliance
- Finance / tax

- Key financial highlights
- NAV bridge
- Investment P&L by asset class
- Valuation
- Allocation shifts (additions/disposals)

- Concentration limits
- Equity exposure
- Risk limits
- CLO credit metrics
- FX exposure
- Scenario analysis
- Interest rate sensitivity
- Tail hedge monitor

- Portfolio cash flow forecast
- Duration profile
- Cash versus debt
- Leverage facilities
- Review borrowing covenants
- Short-term cash management
- Remaining third-party commitments
- Exogenous uses of cash (capital call and FX margining scenarios)

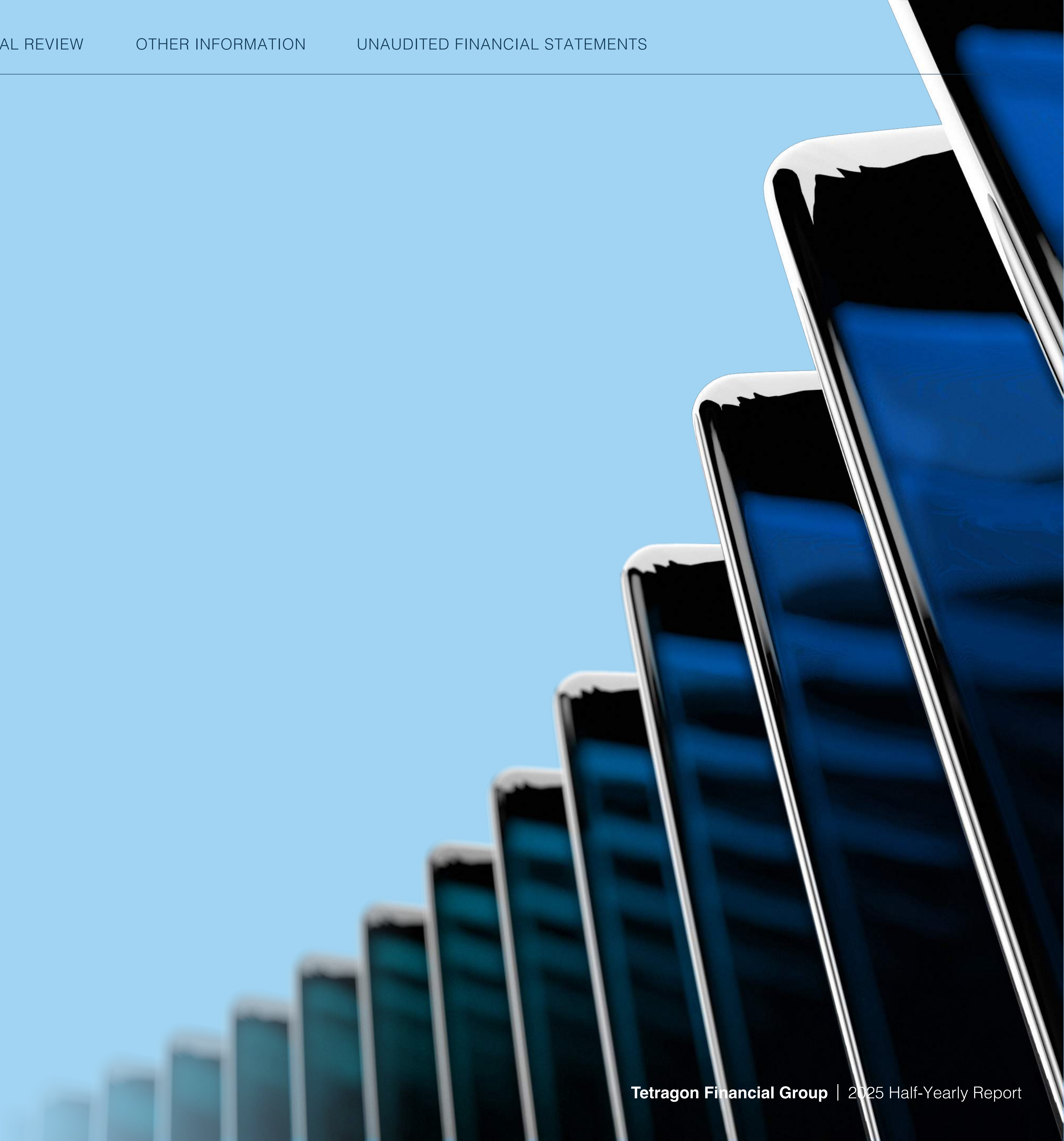
**Notes:**

(i) These are some of the key risk management functions. However, they may not be the only risk management factors or functions that are considered.

# Investment review

This section covers details on Tetragon's investment performance during H1 2025.





## Investment review

# TFG Asset Management and private equity drive returns

Tetragon's Fully Diluted NAV Per Share increased from $35.43 per share at 31 December 2024 to $38.74 per share at 30 June 2025, driven by the investments in "private equity in asset management companies", and the "private equity and venture capital" segment.

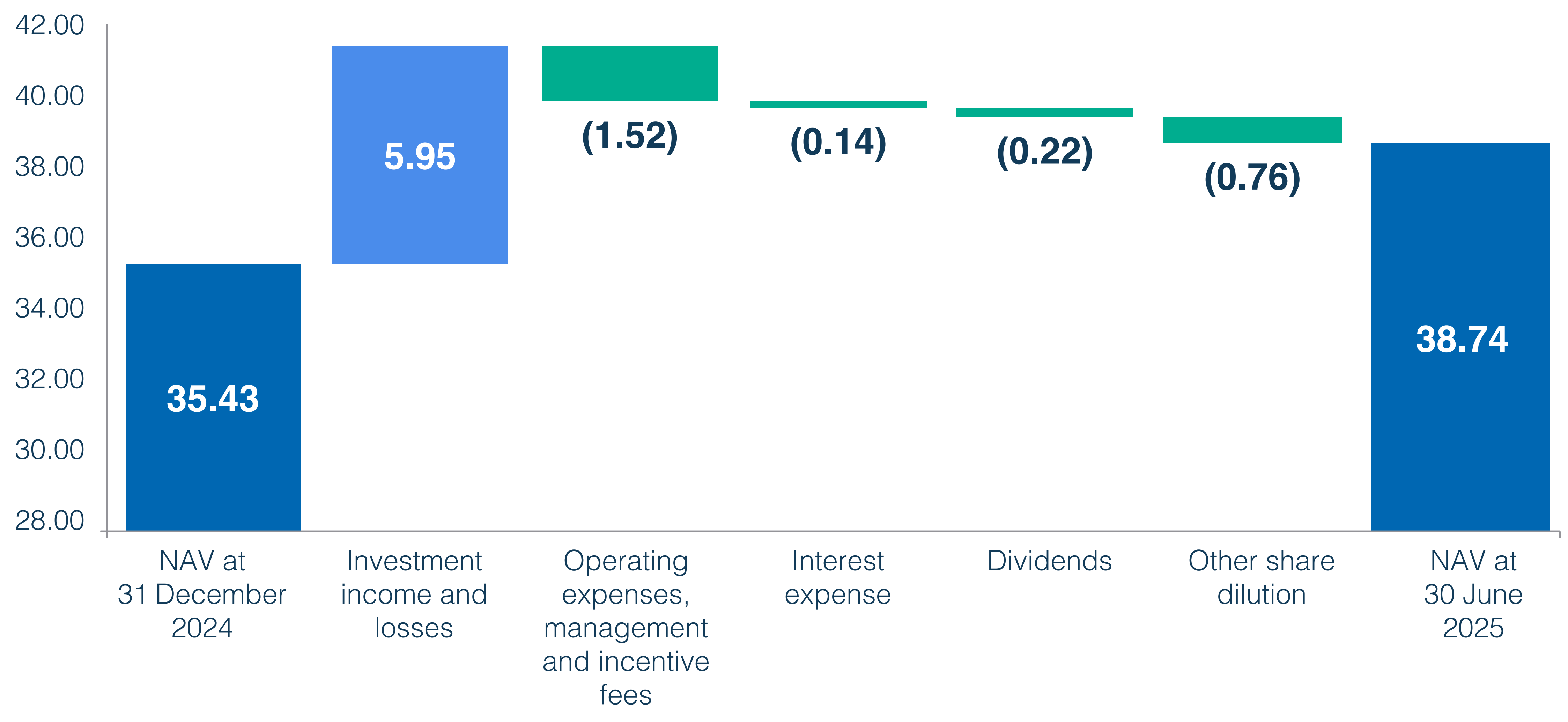
Tetragon's NAV at the end of the year stood at $3.55 billion, compared to $3.17 billion at year end. A detailed performance review of each asset class follows beginning on page 23.

# Investment review

Tetragon's Fully Diluted NAV Per Share increased from $35.43 per share at 31 December 2024 to $38.74 per share at 30 June 2025.

Figure 6

## NAV Per Share Progression (USD)(i)




**Notes:**

(i) Progression from 31 December 2024 to 30 June 2025 is an aggregate of each of the six months' NAV progressions. All 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 2024 and 30 June 2025, 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 2024 | Additions(i) | Disposals/ Receipts(i) | Gains/ Losses | NAV at 30 Jun 2025 |
|---|---|---|---|---|---|
| Private equity in asset management companies | 1,572.8 | 71.9 | (28.2) | 365.1 | 1,981.6 |
| Event-driven equities, convertible bonds and other hedge funds | 585.4 | 4.7 | (3.1) | 6.5 | 593.5 |
| Bank loans | 165.8 | 1.3 | (30.3) | (23.8) | 113.0 |
| Real estate | 130.0 | 6.7 | (0.9) | (8.5) | 127.3 |
| Private equity and venture capital | 786.6 | 24.9 | (75.5) | 189.2 | 925.2 |
| Legal assets | 51.5 | 5.3 | (1.3) | 3.2 | 58.7 |
| Other equities and credit | 220.0 | 93.1 | (27.3) | 8.2 | 294.0 |
| Net cash | (339.1) | - | (206.9) | - | (546.0) |
| **Total** | **3,173.0** | **207.9** | **(373.5)** | **539.9** | **3,547.3** |

**Notes:**

(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 and 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 CFDs have been netted off against each other.

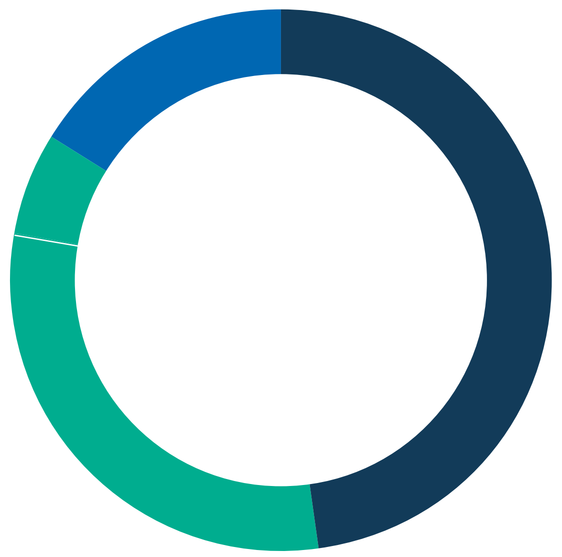
(iii) Net cash consists of: (1) cash held directly by Tetragon, (2) excess margin held by brokers associated with assets held directly by Tetragon, (3) cash held in certain designated accounts related to Tetragon's investments, some of which may only be used for designated purposes without incurring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

Investment review

# Net asset composition summary

Figure 8

### Invested in three ways



- **GP** 48%
- **LP internal** 30%
- **LP external** 6%
- **Direct** 16%

### Net asset breakdown at 30 June 2025

- **Private equity in asset management companies** 48%
- **Event-driven equities, convertible bonds other hedge funds** 15%
- **Bank loans** 3%
- **Real esate** 3%
- **Private equity and venture capital** 23%
- **Legal assets** 1%
- **Other equities and credit** 7%

### Net asset breakdown at 31 December 2024

- **Private equity in asset management companies** 45%
- **Event-driven equities, convertible bonds other hedge funds** 17%
- **Bank loans** 5%
- **Real esate** 4%
- **Private equity and venture capital** 22%
- **Legal assets** 1%
- **Other equities and credit** 6%

## Investment review

# Top 10 holdings

Figure 9

### Top 10 holdings by value as of 30 June 2025

| | Holding | Asset Class | Value ($ millions) | % of Investments |
|---|---|---|---|---|
| 1 | Equitix | Private equity in asset management company | 1,354.5 | 33.1% |
| 2 | Ripple Labs Inc. - Series A & B Preferred Stock | Private equity and venture capital | 349.8 | 8.5% |
| 3 | BGO | Private equity in asset management company | 309.3 | 7.6% |
| 4 | Westbourne River Event Fund - Low Net | Event-driven equities | 306.8 | 7.5% |
| 5 | Hawke's Point Fund 1 | Private equity and venture capital | 199.2 | 4.9% |
| 6 | LCM | Private equity in asset management company | 188.3 | 4.6% |
| 7 | Westbourne River Event Fund - Long Bias | Event-driven equities | 166.7 | 4.1% |
| 8 | Banyan Square Fund 1 | Private equity and venture capital | 147.0 | 3.6% |
| 9 | Public U.S. equity | Other equities | 128.0 | 3.1% |
| 10 | Acasta Global Fund | Convertible bonds and credit | 95.4 | 2.3% |
| | **Total** | | | **79.3%** |

Investment review

# Detailed investment review

Figure 10 breaks out more detail showing the effect of capital flows and performance gains and losses on the NAV of each asset class during H1 2025; more detailed commentary for each asset class follows.

Figure 10

## Detailed investment review (all figures are in millions of U.S. dollars)

| Asset Classes | NAV at 31 Dec 2024 | Additions | Disposals/ Receipts(i) | Gains/ Losses) | NAV at 30 Jun 2025 | % of investments |
|---|---|---|---|---|---|---|
| **Private equity in asset management companies** | | | | | | |
| Equitix | 922.4 | 32.4 | (9.4) | 409.1 | 1,354.5 | 33.1% |
| BGO | 290.2 | - | (9.2) | 28.3 | 309.3 | 7.6% |
| LCM | 223.6 | - | - | (35.3) | 188.3 | 4.6% |
| Platform and other asset managers | 136.6 | 39.5 | (9.6) | (37.0) | 129.5 | 3.2% |
| **Event-driven equities, convertible bonds and other hedge funds** | | | | | | |
| Westbourne River Event Fund - Low Net | 306.5 | - | - | 0.3 | 306.8 | 7.5% |
| Westbourne River Event Fund - Long Bias | 157.3 | 4.7 | - | 4.7 | 166.7 | 4.1% |
| Acasta funds | 97.1 | - | - | 2.8 | 99.9 | 2.4% |
| Other hedge funds | 24.5 | - | (3.1) | (1.3) | 20.1 | 0.5% |
| **Bank loans** | | | | | | |
| U.S. CLOs | 89.7 | - | (17.4) | (16.7) | 55.6 | 1.4% |
| Tetragon Credit Partners funds | 76.1 | 1.3 | (12.9) | (7.1) | 57.4 | 1.4% |
| **Real estate** | | | | | | |
| BGO Europe funds and co-investments | 45.5 | 5.5 | (0.3) | 1.3 | 52.0 | 1.3% |
| BGO U.S. funds and co-investments | 28.2 | 1.0 | (0.2) | (8.2) | 20.8 | 0.5% |
| BGO Asia funds and co-investments | 21.4 | - | (0.4) | (1.4) | 19.6 | 0.5% |
| Other real estate | 34.9 | 0.2 | - | (0.2) | 34.9 | 0.9% |
| **Private equity and venture capital** | | | | | | |
| Hawke's Point funds and co-investments | 198.4 | 8.0 | (53.3) | 62.7 | 215.8 | 5.3% |
| Banyan Square funds | 162.4 | 8.3 | (7.0) | 5.9 | 169.6 | 4.1% |
| Other funds and co-investments | 170.9 | 8.6 | (0.6) | 3.1 | 182.0 | 4.4% |
| Direct | 254.9 | - | (14.6) | 117.5 | 357.8 | 8.7% |
| **Legal assets** | | | | | | |
| Contingency Capital funds | 51.5 | 5.3 | (1.3) | 3.2 | 58.7 | 1.4% |
| **Other equities and credit** | | | | | | |
| Other equities | 220.0 | 93.1 | (27.3) | 8.2 | 294.0 | 7.2% |
| **Cash** | | | | | | |
| Net cash | (339.1) | - | (206.9) | - | (546.0) | |
| **Total** | **3,173.0** | **207.9** | **(373.5)** | **539.9** | **3,547.3** | **100.0%** |

**Notes:**

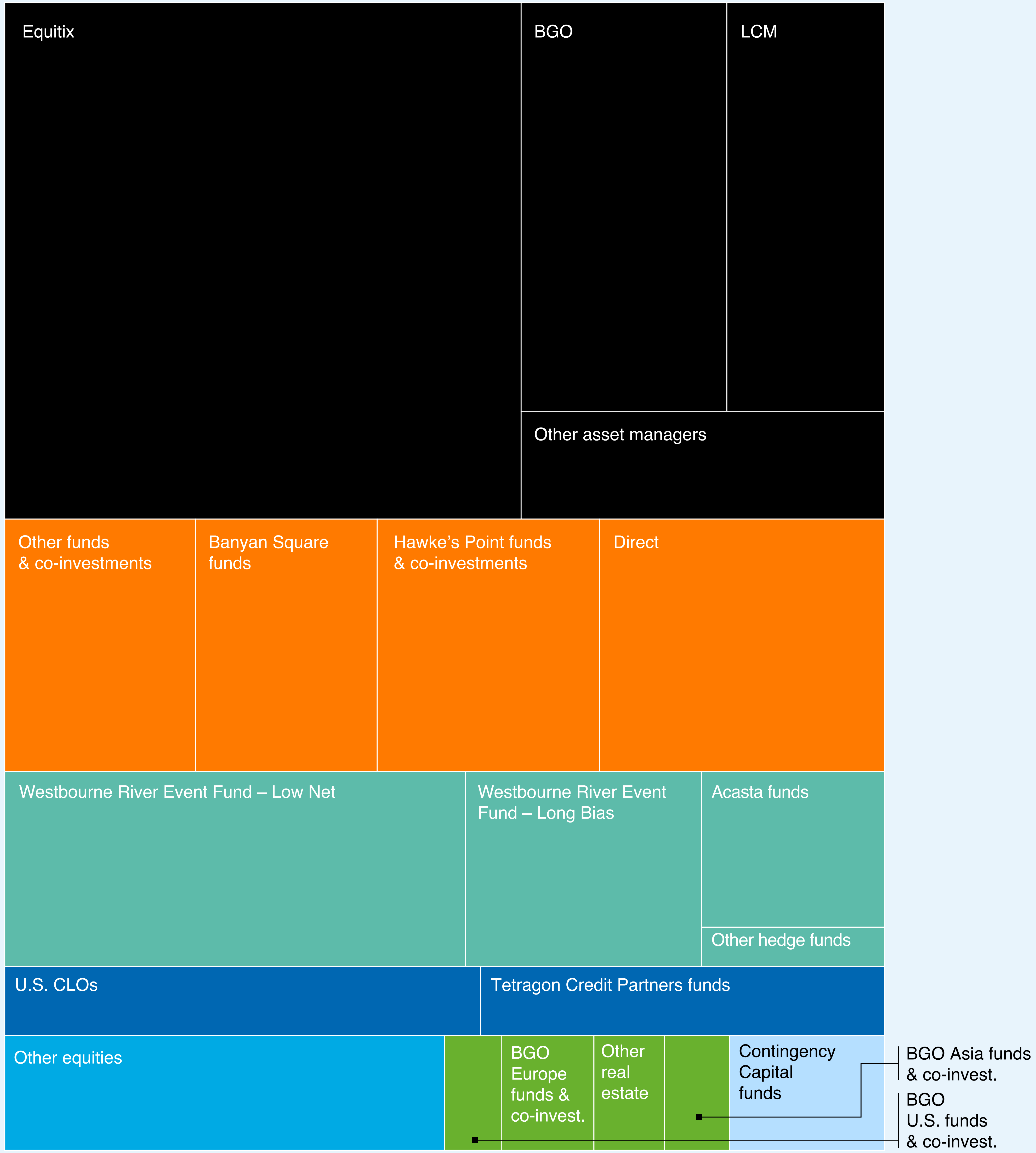
(i) Any gains or losses on foreign exchange hedging instruments attributable to a particular strategy or sub-asset class have been included in "additions" or "disposals/receipts" respectively. For example, where a hedging gain or loss is made, this will result in either cash being received or paid, or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

(ii) Assets characterised as "other equities and 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 CFDs have been netted off against each other.

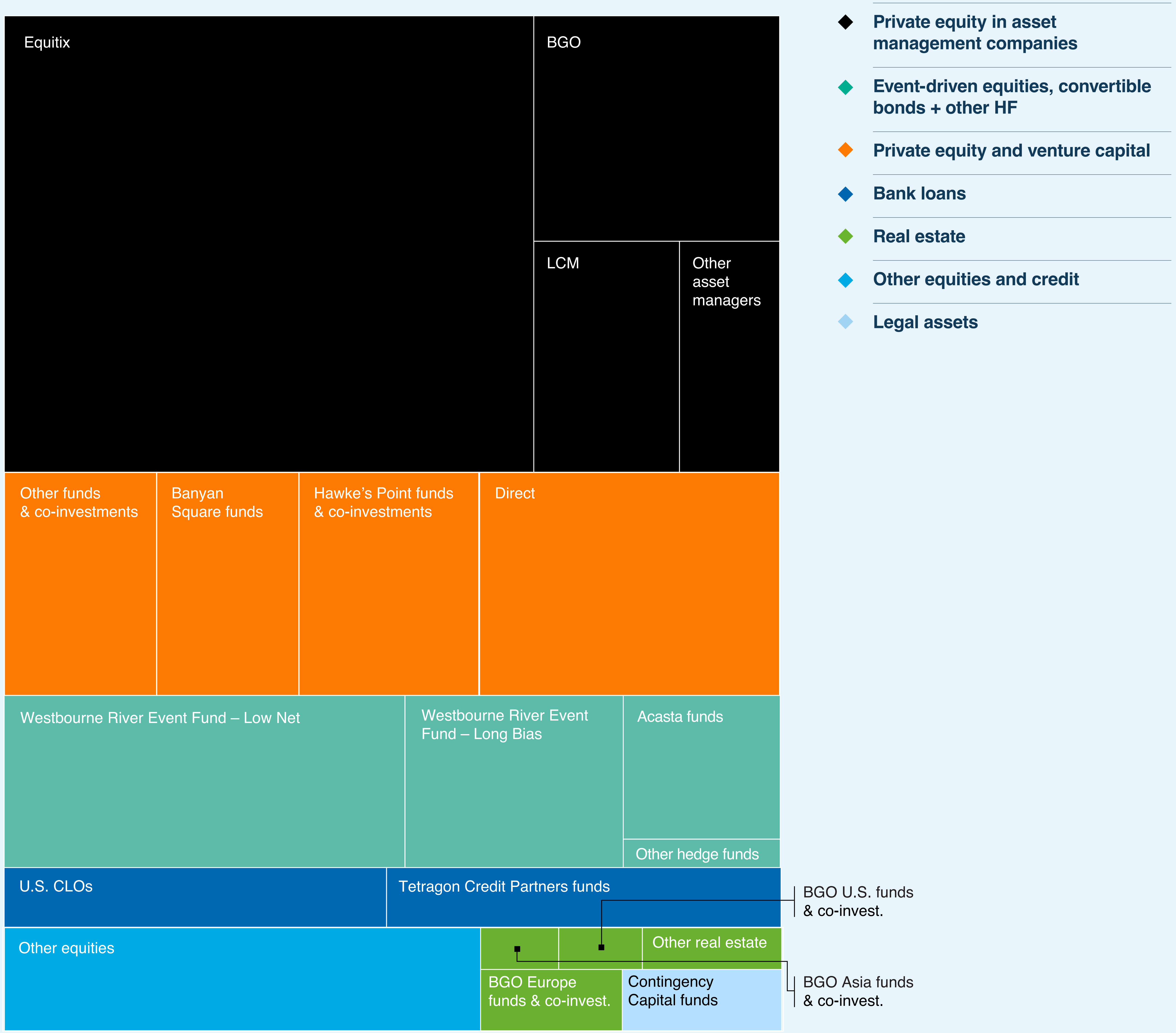
(iii) Net cash consists of: (1) cash held directly by Tetragon, (2) excess margin held by brokers associated with assets held directly by Tetragon, (3) cash held in certain designated accounts related to Tetragon's investments, some of which may only be used for designated purposes without incurring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

# Investment review

## Net asset breakdown summary at 31 December 2024




## Net asset breakdown summary at 30 June 2025



Investment review

# Detailed investment review (continued)

### Private equity investments in asset management companies

TFG Asset Management is Tetragon's diversified alternative asset management platform. It enables Tetragon to produce asset level returns on its investments in managed funds on the platform, and to enhance those returns through capital appreciation and investment income from its ownership stakes in the asset management businesses. The combination 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 2025, TFG Asset Management comprised LCM, BGO, Westbourne River Partners, Acasta Partners, Equitix, Hawke's Point, Tetragon Credit Partners, Banyan Square Partners and Contingency Capital. This segment recorded investment gains of $365.1 million in H1 2025, driven by Equitix.

- **Equitix**

  Equitix is an integrated core infrastructure asset management and primary project platform, with a sector focus on social infrastructure, transport, renewable power, environmental services, network utilities and data infrastructure.

  On 16 June 2025, Tetragon announced that Hunter Point Capital, or HPC, an independent investment firm providing capital solutions and strategic support to alternative asset managers, has agreed to acquire a minority stake in Equitix. HPC is acquiring a 16.1% stake in the business at an implied enterprise value of £1.3 billion, before accounting for net debt. HPC's stake is being acquired from two existing shareholders: approximately 14.6% from TFG Asset Management and 1.5% from Equitix management. The deal is subject to customary closing conditions, including required regulatory approvals. Tetragon will continue to hold 66.4% of Equitix.

  Tetragon's investment made a gain of $409.1 million in H1 2025, driven by a combination of (a) a higher valuation as the valuation approaches were calibrated towards the above transaction, (b) foreign exchange gains as the GBP gained 9.6% against the USD (approximately 50% of the value is currently hedged), and (c) dividend income of $9.4 million received from Equitix.

- **BGO**

  BGO is a real estate-focused principal investing, lending and advisory firm. In H1 2025, the investment gained $28.3 million. Distributions to Tetragon during the period totalled $9.2 million, reflecting a combination of fixed quarterly contractual payments and variable payments. The valuation of BGO is on a discounted cash flow basis with an assumed exit upon the exercise of a put/call option in 2026/2027. The exercise price will be determined based on the average EBITDA of BGO during the two years prior to exercising the option. The main driver of the gain was an increase in the value of the put/call option due to a higher EBITDA achieved than previously forecast and an unwinding of the discount.

- **LCM**

  LCM is a bank loan asset management company. LCM manages loan assets through Collateralised Loan Obligations (CLOs), which are long-term, multi-year investment vehicles. LCM's AUM stands at $7.7 billion as of 30 June 2025, 12% lower than the 31 December 2024 AUM of $8.8 billion, due to amortisation of the existing deals. Tetragon's investment in LCM made a loss of $35.3 million as the valuation reflected the impact of the reduction in the AUM.

- **Platform and other asset managers**

  TFG Asset Management's other asset managers consist of Westbourne River Partners, a European event-driven equity investing business; Acasta Partners, a manager of open-ended hedge fund and managed account vehicles, employing a multi-disciplinary approach; Tetragon Credit Partners, a structured credit investing business focused on primary CLO control equity as well as a broader series of offerings across the CLO capital structure; Hawke's Point, an asset management business that provides strategic capital to companies in the mining and resource sectors; Banyan Square Partners, a private equity firm focused on non-control equity investments; and Contingency Capital, a global asset management business focused on credit-oriented legal assets investments.

  The collective loss on Tetragon's investments in these managers and the platform was $37.0 million, owing to a combination of a reduction in the fair value of some of these managers, as well as working capital support provided to relatively nascent businesses. During Q1 2025, Tetragon Credit Partners had a first close in its Tetragon Credit Income V fund with $116.8 million of committed capital and a final close is expected in 2026.

Please see Note 4 in the 30 June 2025 Tetragon Financial Group Limited unaudited 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.

Tetragon's investment in Equitix made a gain of $409.1 million in H1 2025.

TFG Asset Management

+$365M

H1 2025 performance

Investment review

# Detailed investment review (continued)

### Event-driven equities, convertible bonds and other hedge funds

Tetragon invests in event-driven equities and convertible bonds and credit through hedge funds. At 30 June 2025, these investments are primarily through hedge funds managed by Acasta Partners and Westbourne River Partners. Investments in these funds generated a gain of $6.5 million during the period.

- **Westbourne River Partners funds:** The Westbourne River Event Fund focuses on event-driven investing in European small- and mid-cap equities to pursue what it believes are more attractive and less-followed opportunities seeking to deliver uncorrelated alpha. The Low Net product has targeted net exposure of between 0-30%. Net performance for this vehicle was 0.8% for H1 2025 in its flagship share class and Tetragon's investment return was flat during the period. The Westbourne River Event Fund – Long Bias fund follows the same strategy as the Low Net vehicle but has targeted net exposure of approximately 75%. Tetragon's investment in the Long Bias vehicle generated a gain of $4.7 million during the period. Net performance was +6.5% for H1 2025 in its flagship share class. Returns were mainly driven by positive events in the M&A strategies in Q2 2025.
- **Acasta Partners funds:** The Acasta Global Fund pursues a multi-disciplinary approach to investing, employing niche strategies to profit over economic and risk cycles. The fund invests opportunistically across the credit universe with a particular emphasis on convertible securities, special situations, instruments trading at stressed or distressed levels, metals and mining capital structures including related commodities, and in volatility driven strategies. Acasta Partners also manages 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's investment in Acasta funds generated a gain of $2.8 million during H1 2025. Net performance in the Acasta Global Fund was +2.3% for its flagship share class, compared to the HFR RV Fixed Income-Convertible Arbitrage Index which returned +2.8% during the period.[1]
- **Other hedge funds**

  Investments in other hedge funds lost $1.3 million during H1 2025.

Hedge funds

+$7M

H1 2025 performance

Investment review

# Detailed investment review (continued)

## Bank loans

Tetragon continues to invest in bank loans through collateralised loan obligations, or CLOs.

- **U.S. CLOs:** Directly-owned U.S. CLOs lost $16.7 million during H1 2025, driven by realised and unrealised losses on certain older-vintage loan exposures. During the period, investments in this segment generated $17.4 million in cash proceeds.
- **Tetragon Credit Partners funds:** TCI II, TCI III, TCI IV and TCI V[2] are CLO investment vehicles established by Tetragon Credit Partners, a 100% owned subsidiary of TFG Asset Management.

  During H1 2025, Tetragon's investments in funds managed by Tetragon Credit Partners generated $12.9 million in cash distributions and a loss of $7.1 million. Performance was negatively impacted by realised and unrealised losses on certain older-vintage loan exposures.

## Real estate

- **BGO Europe, U.S. and Asia funds and co-investments:** Tetragon holds most of its investments in real estate through BGO-managed funds and co-investment vehicles. This segment had a net loss of $8.5 million in H1 2025, mainly due to losses in the U.S. investments.
- **Other real estate:** In addition to the commercial real estate investments through BGO-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 was flat during H1 2025.

## 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; (3) private equity investments with third-party managers; and (4) direct private equity investments, including venture capital investments. This segment generated gains of $189.2 million during the period.

- **Hawke's Point:** Tetragon's mining finance investments managed by Hawke's Point generated a gain of $62.7 million during H1 2025, primarily driven by realised and unrealised gains in one of its Australian gold mining project investments. Tetragon invested an additional $8.0 million into Hawke's Point funds and received distributions of $53.3 million during the period. During H1, Hawke's Point made a strategic investment in an Australian copper producer.
- **Banyan Square Partners:** Investments in Banyan Square's portfolio companies generated a gain during the period of $5.9 million. Banyan Square has 16 positions across its two funds, which include investments across application software, infrastructure software, and cybersecurity.
- **Other funds and co-investments:** Investments in externally-managed private equity funds and co-investment vehicles in Europe and North America made gains of $3.1 million in H1 2025, spread across 40 different positions.
- **Direct:** This category produced gains of $117.5 million during the period, primarily related to positive performance in the investment in Ripple Labs Inc. The gain is driven by an increase in the price of Ripple shares observed in the private market. Ripple announced a tender offer in June 2025 at a purchase price of $175 per share, in which Tetragon participated. The tender closed in July and Tetragon sold approximately 3% of its holdng through this process.

Resource finance investments managed by Hawke's Point generated a gain of $62.7 million, primarily driven by gains in one of its Australian gold mining project investments.

Direct private equity investments generated a gain of $117.5 million, primarily related to positive performance in the investment in Ripple Labs Inc.

Bank loans

-$24M

H1 2025 performance

Real estate

-$9M

H1 2025 performance

Private equity and venture capital

+$189M

H1 2025 performance

Investment review

# Detailed investment review (continued)

## Legal assets

Tetragon makes investments in legal assets through vehicles managed by Contingency Capital. Tetragon has committed capital of $74.5 million to Contingency Capital vehicles, $46.7 million of which has been called to date, including $5.3 million year-to-date. This investment generated a gain of $3.2 million during the period. The performance of the Contingency Capital Fund I and Contingency Capital Fund II portfolios are above underwritten projections and performance targets, and the performance of such portfolios are uncorrelated to the public equity and debt markets.

## 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 and in some cases, 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. This segment generated a gain of $8.2 million during H1 2025.

## Cash

Tetragon's net cash balance is comprised of the following:

| | $M |
|---|---|
| Cash at bank | 3.0 |
| Drawn balance of credit facility | (350.0) |
| Net amount due to brokers[(3)] | (90.3) |
| Net receivables and payables | (108.7) |
| **Net cash** | **(546.0)** |

Tetragon has access to a credit facility of $400.0 million with maturity date in July 2032. As of 30 June 2025, $350.0 million of this facility was drawn and this liability has been incorporated into the net cash balance calculation. Net receivables and payables include the accrued incentive fees for Q2 2025, but does not account for the Equitix transaction.

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 2025, Tetragon used $207.9 million of cash to make investments and $12.1 million to pay dividends million. $166.6 million of cash was received as distributions and proceeds from the sale of investments. Future cash commitments are $113.3 million, comprising: investment commitments to private equity funds of $32.3 million; Contingency Capital funds of $27.7 million; BGO funds of $21.3 million; and Tetragon Credit Partners funds of $15.0 million.

Legal assets

**+$3M**

H1 2025 performance

Other equities and credit

**+$8M**

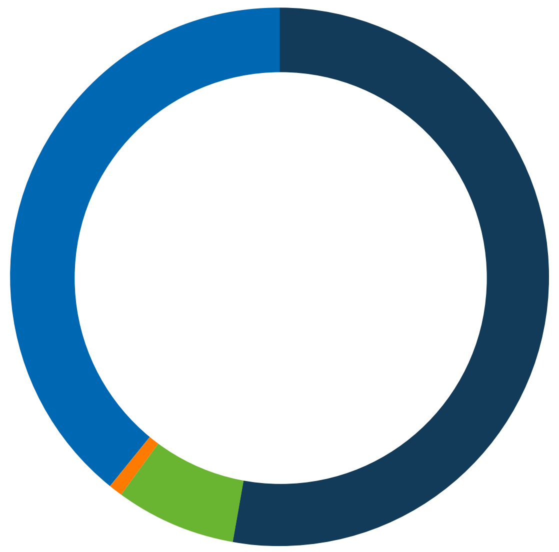
H1 2025 performance

# Investment review

## Further portfolio metrics - exposures at 30 June 2025

Figure 11

### By geography[1]



- Europe 53%
- Asia Pacific 7%
- Latin America 1%
- North America 39%

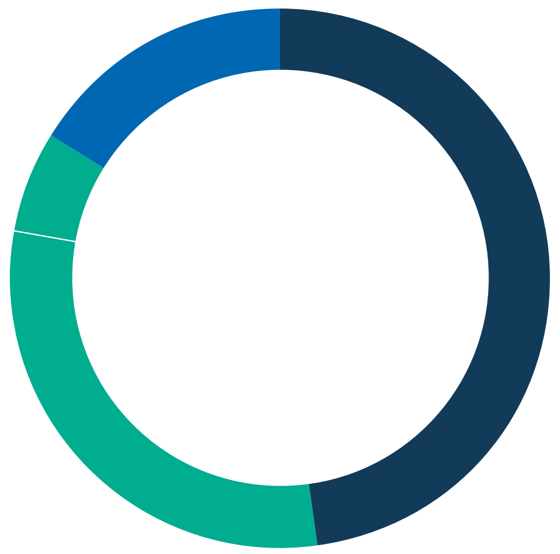
### Currency exposure

Tetragon is a U.S. dollar-based fund and reports all its metrics in U.S. dollars. During H1 2025, all investments denominated in other currencies were hedged to U.S. dollars, except for some of the GBP-denominated exposure in Equitix.

### By exposure[2]

- Westbourne River Partners[i] 12%
- LCM 6%
- BGO[i] 10%
- Acasta[i] 3%
- External[ii] 6%
- Direct balance sheet[ii] 16%
- Equitix[iii] 33%
- Tetragon Credit Partners[i] 2%
- Hawke's Point[i] 6%
- Banyan Square[ii] 4%
- Contingency Capital[i] 2%

### By investment



- GP 48%
- LP internal 30%
- LP external 6%
- Direct 16%

**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.
- BGO (TFG Asset Management) is treated as 24% Europe, 66% North America, and 10% Asia-Pacific.
- Acasta Partners (TFG Asset Management) is treated as 80% Europe and 20% North America.
- Westbourne River Partners and Equitix (TFG Asset Management) are treated as 100% Europe.
- 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 the 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.

Investment review

# Notes

(1) The indices shown here have not been selected to represent appropriate benchmarks to compare an investor's performance, but rather are 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, Tetragon's holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index. The HFRX Convertible Arbitrage Index (Bloomberg Code: HFRXCA) is compiled by HFR Hedge Fund Research Inc. Further information relating to index constituents and calculation methodology can be found at https://www.hfr.com

(2) TCI II refers to Tetragon Credit Income II L.P., TCI III refers to Tetragon Credit Income III L.P., TCI IV refers to Tetragon Credit Income IV L.P. and TCI V refers to Tetragon Credit Income V L.P.

(3) Net amount due to brokers includes 1) excess margin held by brokers, 2) prime broker borrowing, and 3) the unrealised value of derivative assets and liabilities.

# Financial review

A summary of Tetragon's H1 2025 financial highlights, and *pro forma* statements of comprehensive income and financial position.



# Financial review

Figure 12

## Financial highlights through H1 2023 - H1 2025

| | H1 2025 | H1 2024 | H1 2023 |
|---|---|---|---|
| Reported GAAP Net Income ($MM) | $377.6 | $32.3 | $41.2 |
| Adjusted Net Income ($MM) | $388.0 | $37.0 | $45.8 |
| Reported GAAP EPS | $4.36 | $0.38 | $0.47 |
| Adjusted EPS | $4.48 | $0.44 | $0.52 |
| Return on Equity | 12.2% | 1.3% | 1.7% |
| Net Assets ($MM) | $3,547.3 | $2,821.9 | $2,768.9 |
| IFRS number of shares outstanding (MM) | 83.3 | 80.0 | 84.1 |
| NAV Per Share | $42.58 | $35.29 | $32.94 |
| Fully Diluted Shares Outstanding (MM) | 91.6 | 89.6 | 92.4 |
| Fully Diluted NAV Per Share | $38.74 | $31.50 | $29.97 |
| NAV Per Share Total Return | 10.0% | 1.9% | 1.7% |
| Dividends Per Share | $0.22 | $0.22 | $0.22 |

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

- **Adjusted Net Income ($388.0 million):** Please see Figure 13 for more details and a breakdown of the Adjusted Net Income.
- **Return on Equity (12.2%):** Adjusted Net Income ($388.0 million) divided by Net Assets at the start of the year ($3,173.0 million).
- **Fully Diluted Shares Outstanding (91.6 million):** Adjusts the IFRS shares outstanding (83.3 million) for various dilutive factors (8.3 million shares). Please see Figure 21 for more details.
- **Adjusted EPS ($4.48):** Calculated as Adjusted Net Income ($388.0 million) divided by the time-weighted average IFRS shares during the period (86.7 million).
- **Fully Diluted NAV Per Share ($38.74):** Calculated as Net Assets ($3,547.3 million) divided by Fully Diluted Shares Outstanding (91.6 million).

Figure 13

## *Pro forma* statement of comprehensive income H1 2024 ($M) - H1 2025 ($M)

| | H1 2025 ($M) | H1 2024 ($M) |
|---|---|---|
| Net gain on financial assets at fair value through profit or loss | 593.7 | 72.6 |
| Net loss on derivative financial assets and liabilities | (53.0) | (0.5) |
| Net foreign exchange (loss)/gain | (0.8) | 0.4 |
| Interest income | - | 0.5 |
| **Investment income** | **539.9** | **73.0** |
| Management and incentive fees | (126.6) | (21.0) |
| Other operating and administrative expenses | (12.1) | (3.5) |
| Interest expense | (13.2) | (11.5) |
| **Total operating expenses** | **(151.9)** | **(36.0)** |
| **Adjusted Net income** | **388.0** | **37.0** |

Share-based expense of $10.4 million (H1 2024: $4.7 million) has been removed. This adjustment is consistent with how Adjusted Net Income has been determined in prior periods. Share-based expense is higher in H1 2025 as it contains an adjustment in relation to the 2019 share-award. As of 31 December 2024, it was expected that 1.575 million shares will vest in year 6. As of 30 June 2025, it is expected that 2.1 million shares will vest as per the performance criteria.

During the year, $102.6 million (H1 2024: nil) of incentive fee was expensed and remain outstanding at 30 June 2025.

# Financial review

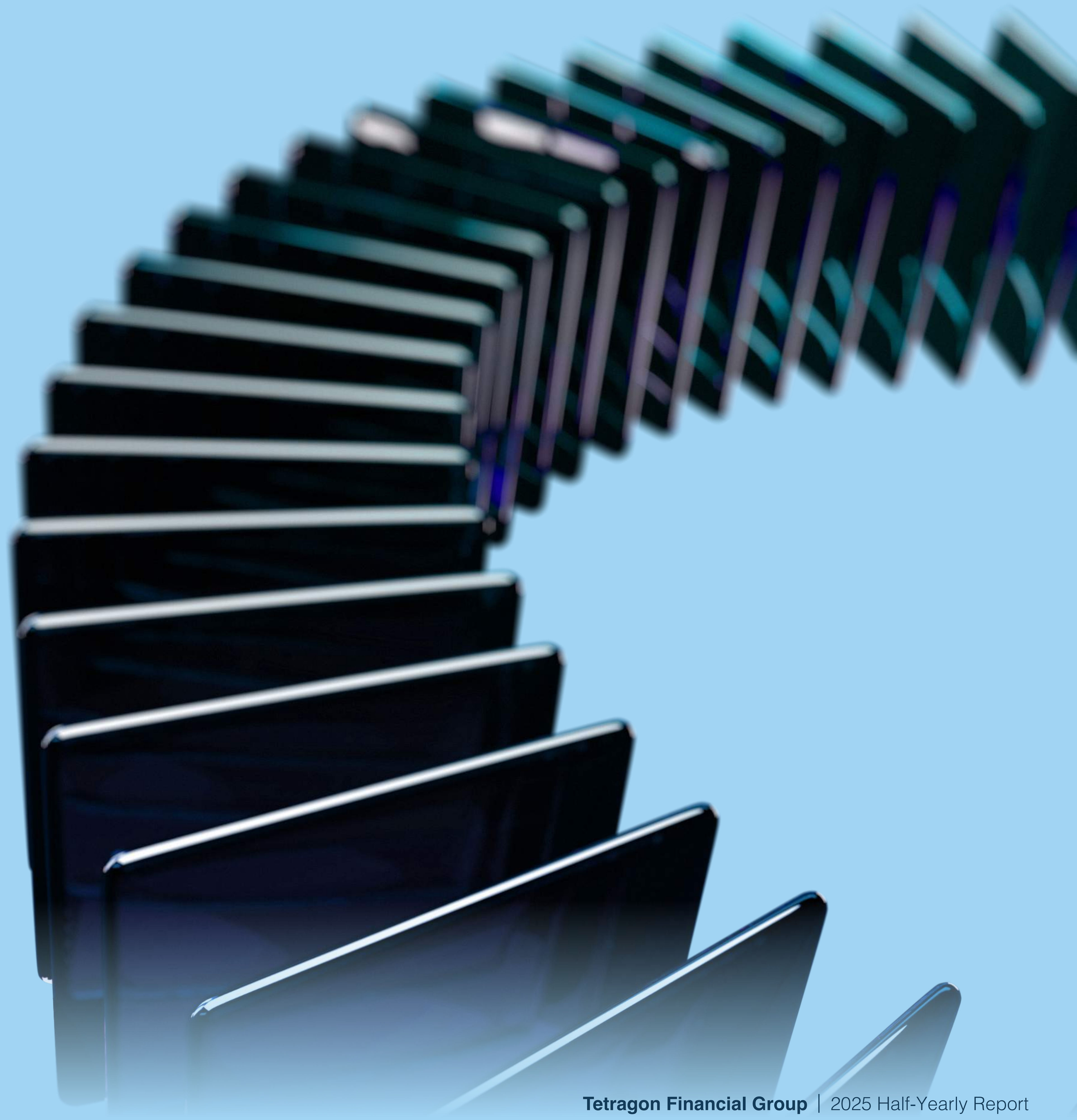
Figure 14

## *Pro Forma* statement of financial position as at 31 December 2024 and 30 June 2025

| | 30 Jun 2025 ($M) | 31 Dec 2024 ($M) |
|---|---|---|
| **ASSETS** | | |
| Investments | 4,093.2 | 3,504.3 |
| Derivative financial assets | 16.8 | 18.7 |
| Other receivables | 4.8 | 5.2 |
| Amounts due from brokers | 36.0 | 6.2 |
| Cash and cash equivalents | 3.0 | 30.5 |
| **Total assets** | **4,153.8** | **3,564.9** |
| **LIABILITIES** | | |
| Loans and borrowings | (350.0) | (300.0) |
| Derivative financial liabilities | (54.1) | (0.1) |
| Amounts due to brokers | (88.8) | (53.7) |
| Other payables and accrued expenses | (113.6) | (38.1) |
| **Total liabilities** | **(606.5)** | **(391.9)** |
| **NET ASSETS** | **3,547.3** | **3,173.0** |

# Other information

This section provides further detail about the business including TFG Asset Management, historical share repurchases and distributions and other shareholder information.



Other information

# TFG Asset Management

TFG Asset Management[1] is Tetragon's diversified alternative asset management platform.

It enables Tetragon to produce asset level returns on its investments in managed funds on the platform, and to enhance those returns through capital appreciation and investment income from its ownership stakes in the asset management businesses.

The combination 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.

Launched in
**2010**

Asset managers
**9**

Number of employees (excluding BGO)
**570**

Assets under management[2]
**$40BN**

## Delivering for Tetragon

**Growth**
Proven value creation

**Access**
Specialised products on favourable terms

**Expertise**
Insights from alternative asset managers

**Diversification**
Wide range of income streams

## Delivering for our managers

**Infrastructure**
High-quality support for niche and scalable businesses

**Access to capital**
Tetragon can seed business growth

**Management expertise**
Experienced, strategic insight

**Connections**
Access to relationships and information

**Notes:**

(1) TFG Asset Management L.P. is registered as an investment adviser under the United States Investment Advisers Act of 1940. TFG Asset Management UK LLP, which is part of TFG Asset Management, is authorised and regulated by the United Kingdom Financial Conduct Authority. Reade Griffith and Paddy Dear hold certain membership interests in TFG Asset Management UK LLP which collectively entitle them to exercise all of the voting rights in respect of the entity. Mr. Griffith and Mr. Dear have agreed that they will (i) exercise their voting rights in a manner that is consistent with the best interests of Tetragon and (ii) upon the request of Tetragon, for nominal consideration, sell, transfer, and deliver their membership interests in TFG Asset Management UK LLP to TFG Asset Management.

(2) Includes the AUM of LCM, BGO, Westbourne River Partners, Acasta Partners, Equitix, Hawke's Point, Tetragon Credit Partners, Banyan Square Partners, Contingency Capital and TCICM. Includes, where relevant, investments by Tetragon. The AUM of Westbourne River Partners, Acasta Partners, Hawke's Point and Banyan Square Partners is as calculated by the applicable fund administrators. The AUM for LCM and TCICM is the aggregate value of collateral in each CLO as determined the applicable trustee. The AUM for Equitix and Tetragon Credit Partners is based on committed capital. The AUM for Contingency Capital is the sum of uncalled committed capital and the NAV as calculated by the applicable administrator. The AUM for BGO represents Tetragon's *pro rata* share (12.86%) of BGO AUM at 31 March 2025. ($85.8 billion). Equitix AUM uses the USD-GBP exchange rate at 30 June 2025. TCICM (which comprises TCI Capital Management II LLC and TCI Capital Management LLC) acts as a CLO collateral manager for certain CLO investments and had AUM of $1.2 billion at 30 June 2025.

# Other information

Figure 15

| | LCM | BGO | Westbourne River Partners | ACASTA | equitix | HAWKE'S POINT RESOURCE FINANCE | TETRAGON CREDIT PARTNERS | BANYAN SQUARE | CONTINGENCY CAPITAL |
|---|---|---|---|---|---|---|---|---|---|
| **Established** | 2001 | 2010 | 2009 | 2009[2] | 2007 | 2014 | 2015 | 2019 | 2020 |
| **Joined Tetragon** | 2009 | 2010 | 2012 | 2012 | 2015 | 2014 | 2015 | 2019 | 2020 |
| **Strategies** | U.S. CLOs | Global real estate funds | Event-driven equities | Multi-disciplinary | Infrastructure funds | Mining finance | Structured credit | Private equity | Legal assets |
| **Description** | A specialist in below-investment grade U.S. broadly-syndicated leveraged loans. | A real estate-focused principal investing, lending and advisory firm. | An alternative asset management firm focused on event-driven investing in European small- and mid-cap equities. | An alternative investment firm that employs a multi-disciplinary approach to investing. | An integrated core infrastructure asset management and primary project platform, with a sector focus on social infrastructure, transport, renewable power, environmental services, network utilities and data infrastructure. | An asset management business that provides strategic capital to companies in the mining and resource sectors. | A structured credit investing business focused on control CLO equity, as well as a broader series of offerings across the CLO capital structure. | A private equity firm focused on non-control equity investments, as well as opportunistic investments in public equity and credit instruments. | A multi-product global asset management business that sponsors and manages investment funds focused on credit-orientated legal assets. |
| **AUM at 30 Jun 2025 ($Bn)[1]** | $7.7 | $11.0 | $1.0 | $1.3 | $15.5 | $0.2 | $1.0 | $0.2 | $1.3 |
| **Percentage Tetragon ownership** | 100% | 13% | 100% | Non-controlling interest[3] | 81.1% | 100% | 100% | 100% | Non-controlling interest[4] |
| **Average fund duration** | 10-12 years[2] | 7-10 years[3] | Quarterly liquidity | Quarterly liquidity | 25 years | Not applicable | 10 years | Not applicable | 7 years |

**Notes:**

(1) AUM as calculated by the applicable fund administrators at 30 June 2025. Includes, where relevant, investments by Tetragon. The AUM for BGO represents Tetragon's *pro rata* share (12.86%) of BGO AUM at 31 March 2025 ($85.8 billion). Currently, LCM manages loan assets exclusively through CLOs, which are long-term, multi-year investment vehicles.

(2) 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.

(3) 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.

(4) 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.

# Other information

Figure 16

### TFG Asset Management AUM by business at 30 June 2025(1)

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

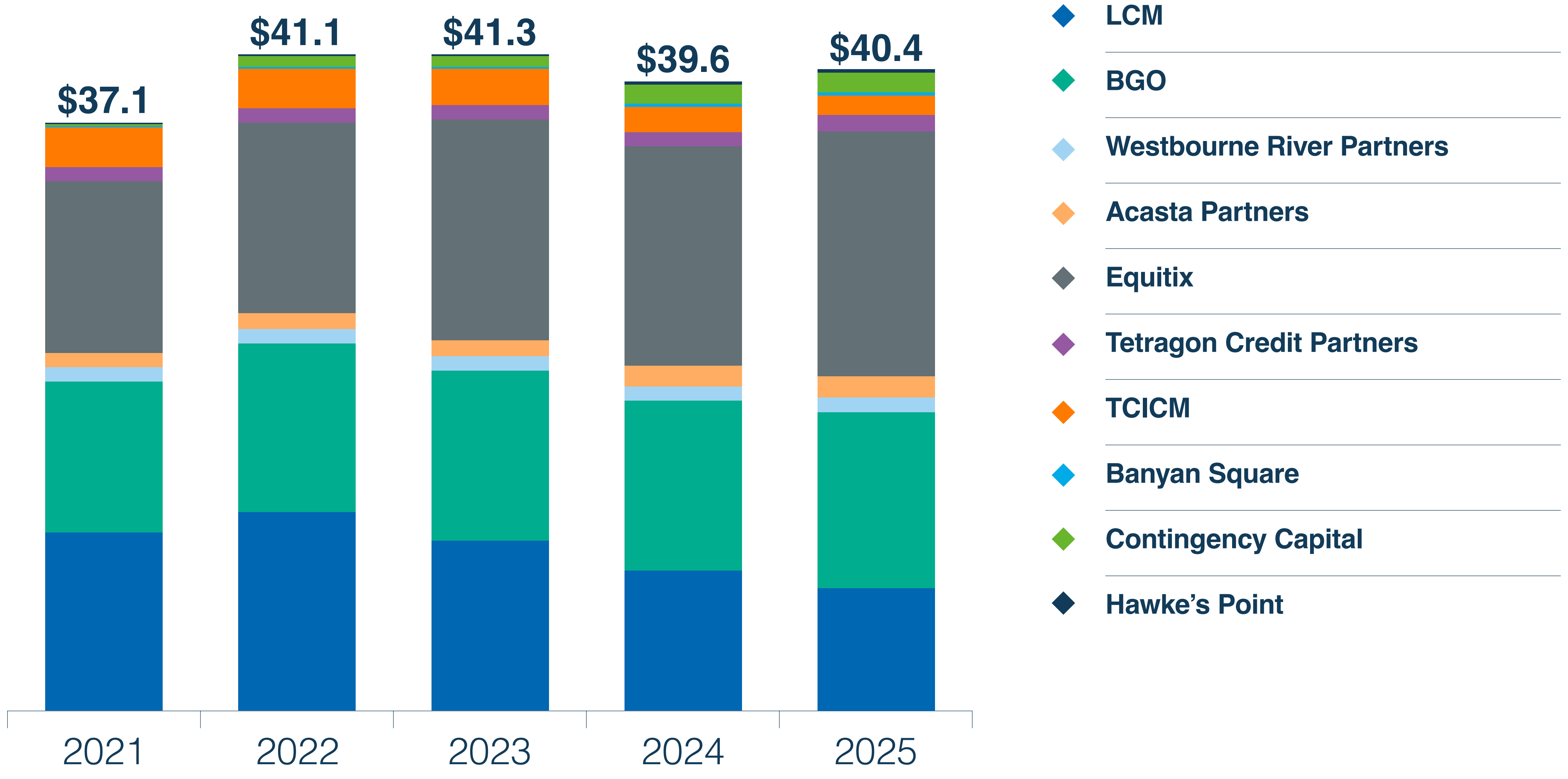
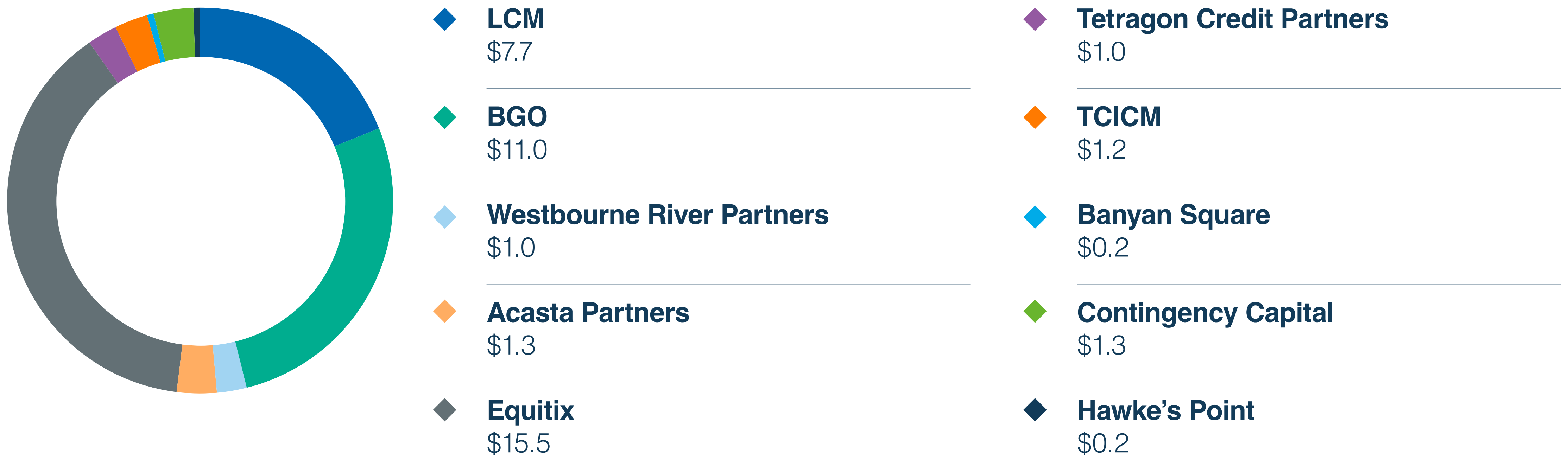



Figure 17

### TFG Asset Management AUM by business at 30 June 2025

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




**Notes:**

(1) Please see Note 2 on page 35.

# Other information

Figure 18

## TFG Asset Management *pro forma* statement of operations[(i)]

| | H1 2025 ($M) | H1 2024 ($M) | H1 2023 ($M) |
|---|---|---|---|
| Management fee income[(iii)] | 87.4 | 88.7 | 89.8 |
| Performance and success fees[(ii)(iii)] | 19.1 | 18.0 | 16.7 |
| Other fee income | 24.7 | 23.4 | 19.2 |
| Distributions from BGO | 10.6 | 9.5 | 9.4 |
| Interest income | 2.5 | 2.8 | 0.6 |
| **Total income** | **144.3** | **142.4** | **135.7** |
| Operating, employee and administrative expenses | (112.6) | (99.6) | (91.9) |
| Non-TFG Asset Management owned interest | (10.4) | (13.3) | (10.0) |
| **Net income - "EBITDA equivalent"** | **21.3** | **29.5** | **33.8** |

**Notes:**

(i) This table includes the income and expenses attributable to TFG Asset Management's businesses (with the exception of BGO) during that period. 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. Similarly, 100% of the income and expenses from Acasta Partners, 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. BGO EBITDA is not included, but distributions relating to ordinary income and carried interest are included. The EBITDA equivalent is a non-GAAP measure and is designed to reflect the operating performance of the TFG Asset Management businesses rather than is or what was reflected in Tetragon's financial statements.

(ii) The performance and success fees include some realised and unrealised Westbourne River and Acasta performance fees. These represent the fees calculated by the applicable 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 full management and performance fees on its investments in the open Westbourne River 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 reported fee income includes some amounts which were earned on capital invested in certain funds by Tetragon. During H1 2025, this included $6.8 million of management fees (H1 2024: $6.5 million) and $5.7 million of performance and success fees (H1 2024: $1.7 million).

### H1 review:

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.

In H1 2025, revenue increased through AUM growth across Acasta Partners, Contingency Capital and Equitix, but was partially offset by LCM as older CLO deals continue to amortise down. The operating expenses grew by 13.1% versus H1 2024, driven by an increase in headcount from new businesses and existing businesses adding additional investment and operational capability. This resulted in an EBITDA figure for H1 2025 being $7.9 million lower than H1 2024.

Due to timing of certain revenue streams, the half-year may not be proportional to the forecast full-year EBITDA. TFG Asset Management is currently valued using a business by business approach where EBITDAs for only certain businesses are used as an input in the relevant valuation. As these are growth businesses, the EBITDA used in such valuations is usually on a look-forward basis.

Other information

# Share purchases and distributions

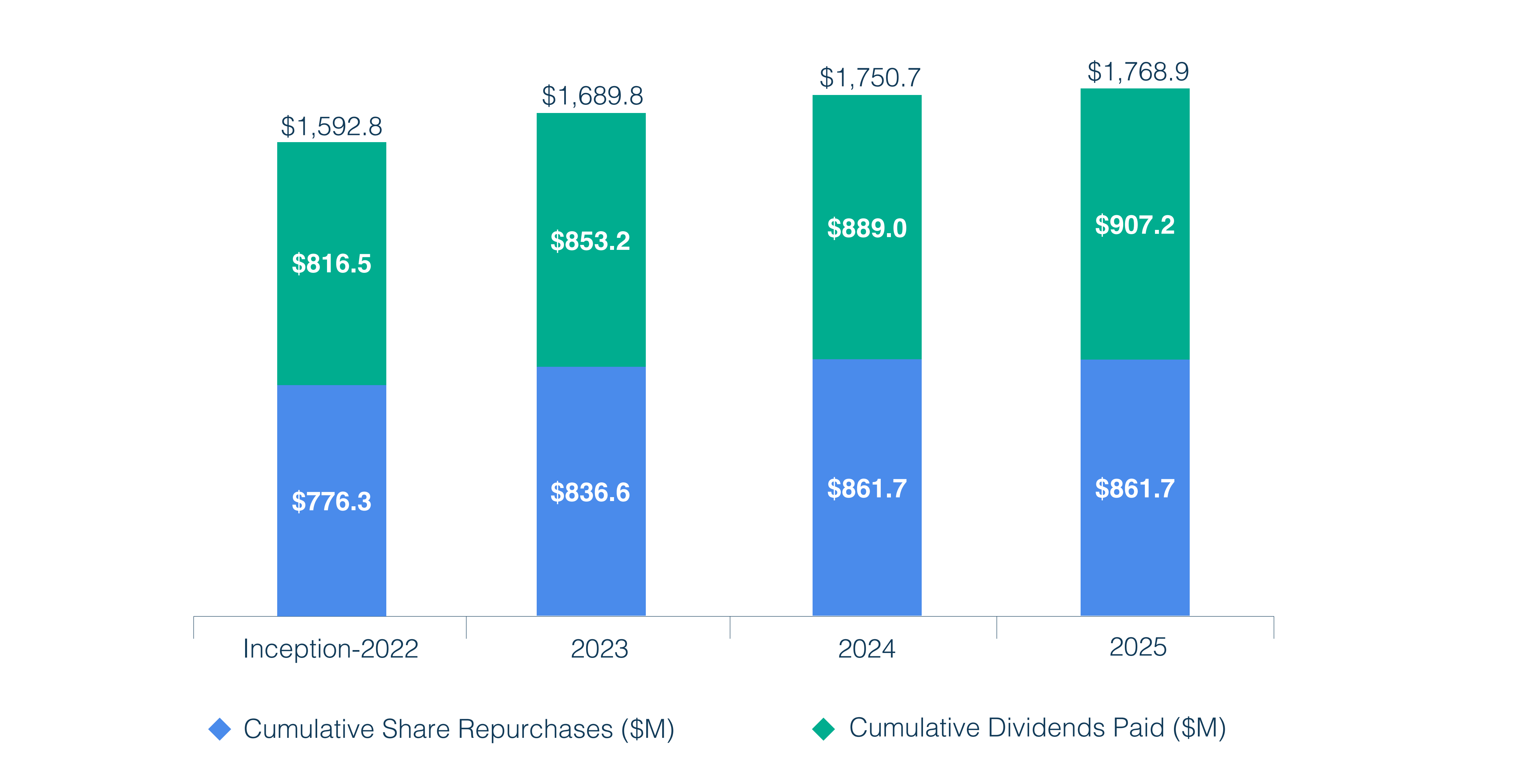
Figure 19

**Share repurchase and dividends history ($M)**

| Year | Amount Repurchased | Cumulative Amount Repurchased | Dividends | Cumulative dividends |
|---|---|---|---|---|
| 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 | $67.1 | $776.3 | $38.2 | $816.5 |
| 2023 | $60.3 | $836.6 | $36.7 | $853.2 |
| 2024 | $25.1 | $861.7 | $35.7 | $889.0 |
| 2025 | - | $861.7 | $18.2 | $907.2 |
| **TOTAL** | **$861.7** | | **$907.2** | |

Figure 20

The below graph shows cumulative historical share repurchases and dividends distributed by Tetragon from inception to 30 June 2025 in millions of U.S. dollars.(i)




**Notes:**

(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 1) the expected sustainability of the company's cash generation capacity in the short and medium term, 2) the current and anticipated performance of the company, 3) the current and anticipated operating and economic environment, 4) other potential uses of cash ranging from preservation of the company's investments and financial position to other investment opportunities and 5) 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.

## Other information

# Share reconciliation and shareholdings

Figure 21

### IFRS to Fully Diluted Shares reconciliation

| | Shares at 30 June 2025 (millions) |
|---|---|
| **Legal Shares Issued and Outstanding** | **139.7** |
| Less: Shares Held in Treasury | 41.9 |
| Less: Total Escrow Shares[(1)] | 14.5 |
| **IFRS Shares Outstanding** | **83.3** |
| Add: Dilution for equity-based awards[(2)] | 8.3 |
| **Fully Diluted Shares Outstanding** | **91.6** |

### Shareholdings

Persons affiliated with Tetragon maintain significant interests in Tetragon shares. For example, as of 30 June 2025, 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 2025 |
|---|---|
| Mr. Reade Griffith | 19,594,788 |
| Mr. Paddy Dear | 6,045,344 |
| Mr. David O'Leary | 73,146 |
| Mr. Steven Hart | 42,108 |
| Mr. Deron Haley | 42,108 |
| Other Tetragon/TFG Asset Management Employees | 5,950,404 |
| Equity-based awards[(3)] | 2,869,698 |

**Notes:**

(1) The Total Escrow Shares of 14.5 million consists of shares held in separate escrow accounts in relation to certain equity-based compensation.

(2) 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 8.3 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 employee compensation plans" on page 42 for more details. Certain of these persons may from time to time enter into purchases or sales trading plans (each, "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.

(3) 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 42 for further details.

## Other information

# Certain regulatory information

This Half-Yearly 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 it has been filed in ESEF format 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 Financial Markets Supervision Act of the Netherlands 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.

## Other information

# Equity-based employee compensation plans

Periodically, TFG Asset Management has awarded Tetragon's non-voting shares to certain of its senior employees (excluding the principals of the Investment Manager) under an equity-based long-term incentive plan and other equity-based award plans. Such awards are typically spread over multiple vesting periods 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 Fund's shares, but the shares are not issued to the employees. Such periods may range from one to five years beyond the vesting dates. The shares underlying these equity-based incentive programmes may be held in escrow until they vest and will be eligible to receive shares under the Optional Stock Dividend Plan.

In July 2024, TFG Asset Management entered into employment agreements with Reade Griffith and Paddy Dear, which include provisions for certain cash payments and grants of non-voting Tetragon shares and Phantom Share Units. Please see Note 12 'Share Capital' on page 99 of the 2024 Annual Report.

On 1 January 2020, the Independent Directors were awarded 24,490 shares each in Tetragon which vested on 31 December 2022. 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. In November 2022, a further 7,724 shares were awarded to each Independent Director with one-third of the shares vesting on 31 December 2023, 31 December 2024, and 31 December 2025. The fair value of the award, as determined by the relevant share price on grant date of $9.71 per share, is $75,000 per Independent Director. With respect to Director compensation from 1 January 2024, a further award of 10,122 shares was made to each Independent Director with 5,061 shares vesting on each of 31 December 2024 and 31 December 2025. The fair value of the awards as determined by the relevant share price of $9.88 per share is $100,000 per Independent Director. The Independent Directors have deferred the settlement of all the awards to the earlier of three to five years from the vesting date and/or separation from service with Tetragon.

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. As of 30 June 2025, approximately 8.3 million shares were included in the Fully Diluted Share count.

## Other information

# Shareholder information

**Registered Office of Tetragon**
Tetragon Financial Group Limited
Mill Court, La Charroterie
St. Peter Port, Guernsey
Channel Islands GY1 1EJ

**Investment Manager**
Tetragon Financial Management LP
399 Park Avenue, 22nd Floor
New York, NY 10022
United States of America

**General Partner of the Investment Manager**
Tetragon Financial Management GP LLC
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New York, NY 10022
United States of America

**Investor Relations**
Yuko Thomas
ir@tetragoninv.com

**Media Inquiries**
Prosek Partners
pro-tetragon@prosek.com

**Auditors**
KPMG Channel Islands Limited
Glategny Court,
Glategny Esplanade
St. Peter Port, Guernsey
Channel Islands GY1 1WR

**Sub-Registrar and CREST Transfer Agent**
Computershare Investor Services (Guernsey) Limited
1st Floor, Tudor House
Le Bordage
St. Peter Port
Guernsey
Channel Islands GY1 1DB

**Legal Advisor (as to U.S. law)**
Covington & Burling LLP
The New York Times Building
620 Eighth Avenue
New York, NY 10018-1405
United States of America

**Legal Advisor (as to Guernsey law)**
Walkers (Guernsey) LLP
Block B, Helvetia Court
Les Echelons
St. Peter Port
Guernsey
Channel Islands GY1 1AR

**Legal Advisor (as to Dutch law)**
Allen Overy Shearman Sterling LLP (Amsterdam)
Apollolaan 15
1077 AB Amsterdam
The Netherlands

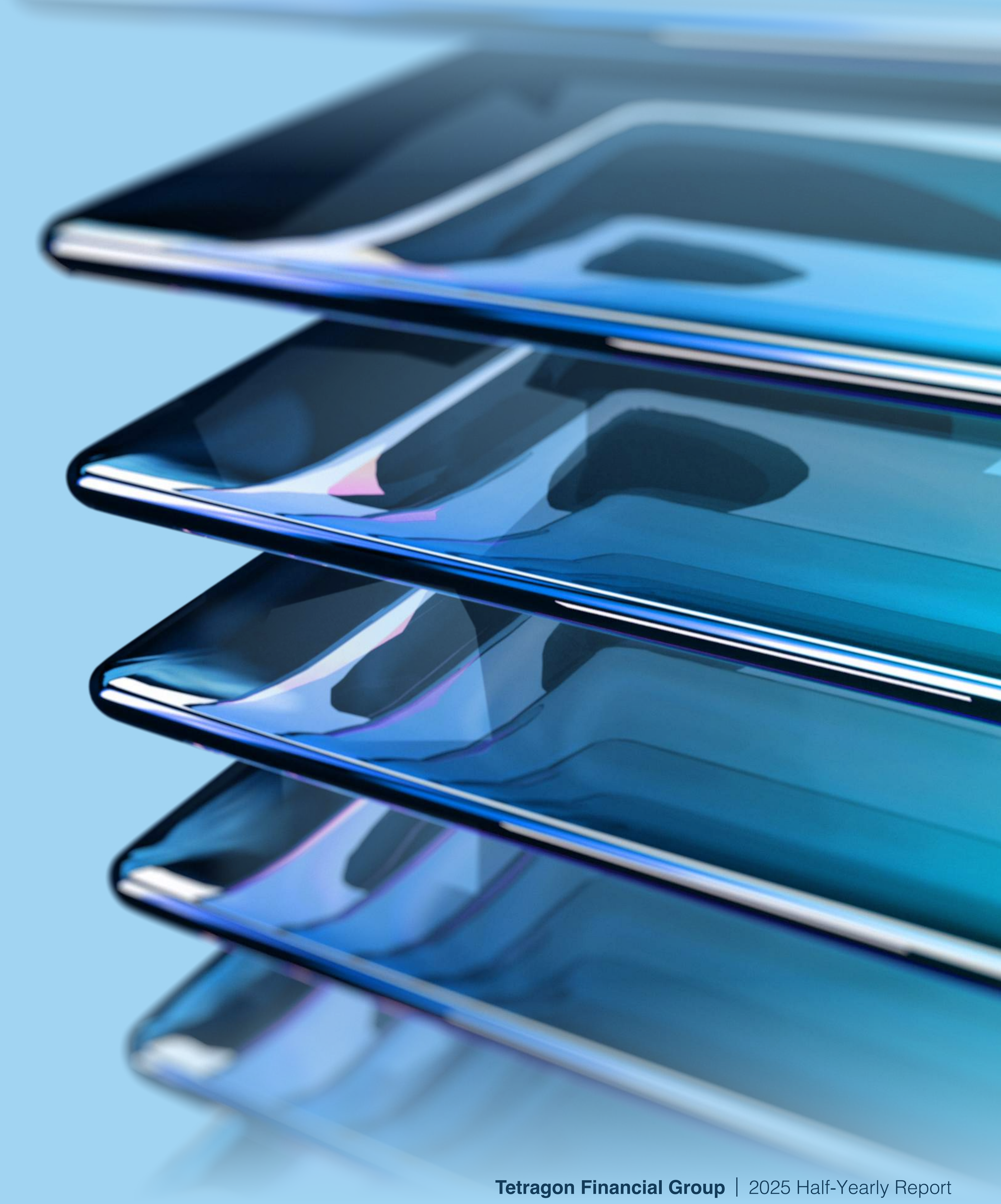
**Stock Listing**
Euronext in Amsterdam, a regulated market of Euronext Amsterdam
London Stock Exchange
(Specialist Fund Segment)

**Administrator and Registrar**
TMF Group Fund Services
(Guernsey) Limited
Top Floor
Mill Court, La Charroterie
St. Peter Port
Guernsey GY1 1EJ
Channel Islands

# Financial statements

Unaudited and condensed for the six months ended 30 June 2025





# Financial statements

## Consolidated statement of financial position

| As of | Note | 30 Jun 2025 $M | 31 Dec 2024 $M |
|---|---|---|---|
| **Assets** | | | |
| Non-derivative financial assets at fair value through profit or loss | 4 | 4,093.2 | 3,504.3 |
| Derivative financial assets | 4 | 16.8 | 18.7 |
| Other receivables and prepayments | | 4.8 | 5.2 |
| Amounts due from brokers | | 36.0 | 6.2 |
| Cash and cash equivalents | | 3.0 | 30.5 |
| **Total assets** | | **4,153.8** | **3,564.9** |
| **Liabilities** | | | |
| Loans and borrowings | 5 | 350.0 | 300.0 |
| Derivative financial liabilities | 4 | 54.1 | 0.1 |
| Other payables and accrued expenses | | 113.6 | 38.1 |
| Amount due to brokers | | 88.8 | 53.7 |
| **Total liabilities** | | **606.5** | **391.9** |
| **Net assets** | | **3,547.3** | **3,173.0** |
| **Equity** | | | |
| Share capital | | 0.1 | 0.1 |
| Other equity | | 751.5 | 735.4 |
| Share-based employee compensation reserve | | 99.1 | 97.9 |
| Retained earnings | | 2,696.6 | 2,339.6 |
| | | **3,547.3** | **3,173.0** |
| **Shares outstanding** | | **Million** | **Million** |
| Number of shares | 7 | 83.3 | 82.0 |
| **Net Asset Value per share ($)** | | **42.58** | **38.69** |

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**

**29 July 2025**

## Consolidated statement of comprehensive income

| For the six months ended | Note | 30 Jun 2025 $M | 30 Jun 2024 $M |
|---|---|---|---|
| Net gain on non-derivative financial assets at fair value through profit or loss | | 593.7 | 72.6 |
| Net loss on derivative financial assets and liabilities | | (53.0) | (0.5) |
| Net (loss)/gain on foreign exchange | | (0.8) | 0.4 |
| Interest income | | - | 0.5 |
| **Total income** | | **539.9** | **73.0** |
| Management fee | | (24.0) | (21.0) |
| Incentive fee | | (102.6) | - |
| Legal and professional fees | | (9.8) | (1.9) |
| Share-based employee compensation | | (10.4) | (4.7) |
| Audit fees | | (0.4) | (0.4) |
| Other operating expenses and administrative expenses | | (1.9) | (1.2) |
| **Operating expenses** | | **(149.1)** | **(29.2)** |
| **Operating profit before finance costs** | | **390.8** | **43.8** |
| Finance costs | | (13.2) | (11.5) |
| **Profit and total comprehensive income for the period** | | **377.6** | **32.3** |
| **Earnings per share** | | **$** | **$** |
| Basic | 11 | 4.36 | 0.38 |
| Diluted | 11 | 4.01 | 0.36 |
| **Weighted average shares outstanding** | | **Million** | **Million** |
| Basic | 11 | 86.7 | 84.8 |
| Diluted | 11 | 94.3 | 90.4 |

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

# Financial statements

## Consolidated statement of changes in equity

| | Share capital $M | Other equity $M | Retained earnings $M | Share-based compensation reserve $M | Total $M |
|---|---|---|---|---|---|
| As of 1 January 2025 | 0.1 | 735.4 | 2,339.6 | 97.9 | 3,173.0 |
| **Profit and total comprehensive income for the period** | **-** | **-** | **377.6** | **-** | **377.6** |
| Transactions with owners recognised directly in equity | | | | | |
| Shares released from escrow | - | 9.2 | - | (9.2) | - |
| Dividends on shares released from escrow | - | 2.4 | (2.4) | - | - |
| Share-based compensation | - | - | - | 10.4 | 10.4 |
| Cash dividends | - | - | (12.1) | - | (12.1) |
| Stock dividends | - | 6.1 | (6.1) | - | - |
| Purchase of treasury shares | - | (1.6) | - | - | (1.6) |
| **As of 30 June 2025** | **0.1** | **751.5** | **2,696.6** | **99.1** | **3,547.3** |
| As of 1 January 2024 | 0.1 | 722.3 | 2,032.0 | 71.0 | 2,825.4 |
| **Profit and total comprehensive income for the period** | **-** | **-** | **32.3** | **-** | **32.3** |
| Transactions with owners recognised directly in equity | | | | | |
| Shares released from escrow | - | 6.6 | - | (6.6) | - |
| Dividends on shares released from escrow | - | 3.4 | (3.4) | - | - |
| Share-based compensation | - | - | - | 4.7 | 4.7 |
| Cash dividends | - | - | (10.8) | - | (10.8) |
| Stock dividends | - | 7.0 | (7.0) | - | - |
| Purchase of treasury shares | - | (29.7) | - | - | (29.7) |
| **As of 30 June 2024** | **0.1** | **709.6** | **2,043.1** | **69.1** | **2,821.9** |

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

## Consolidated statement of cash flows

| For the six months ended | 30 Jun 2025 $M | 30 Jun 2024 $M |
|---|---|---|
| **Operating activities** | | |
| Profit for the period | 377.6 | 32.3 |
| **Adjustments for:** | | |
| Gains on investments and derivatives | (540.7) | (72.1) |
| Share-based compensation | 10.4 | 4.7 |
| Interest income | - | (0.4) |
| Finance costs | 13.2 | 11.5 |
| **Operating cash flows before movements in working capital** | **(139.5)** | **(24.0)** |
| (Increase)/decrease in receivables | (0.4) | 0.4 |
| Increase/(decrease) in payables | 75.4 | (17.0) |
| (Increase)/decrease in amounts due from brokers | (29.7) | 3.0 |
| Increase in amounts due to brokers | 35.1 | 29.8 |
| **Cash flows from operations** | **(59.1)** | **(7.8)** |
| Proceeds from sale/prepayment/maturity of investments | 166.9 | 200.3 |
| Net proceeds/(payments) from derivative financial instruments | 2.9 | (6.2) |
| Purchase of investments | (161.3) | (200.8) |
| Cash interest received | - | 0.4 |
| **Net cash used in operating activities** | **(50.6)** | **(14.1)** |
| **Financing activities** | | |
| Repayment of loans and borrowings | - | (50.0) |
| Proceeds from loans and borrowings | 50.0 | 100.0 |
| Finance costs paid | (13.2) | (11.5) |
| Purchase of treasury shares | (1.6) | (29.7) |
| Dividends paid to shareholders | (12.1) | (10.8) |
| **Net cash generated from/(used in) financing activities** | **23.1** | **(2.0)** |
| **Net decrease in cash and cash equivalents** | **(27.5)** | **(16.1)** |
| Cash and cash equivalents at beginning of period | 30.5 | 23.1 |
| **Cash and cash equivalents at end of period** | **3.0** | **7.0** |

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 2024.

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 2024, 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 $), which is the functional currency of the Company, expressed in USD millions ($M) (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. IFRS 18 "Presentation and Disclosure in Financial Statements" was issued in 2024 and will apply from periods beginning on or after 1 January 2027. The impact of this standard on the Fund's financial statement is being assessed. Apart from IFRS 18, the new 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 2024, 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.

# Notes to the financial statements

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

### 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 2025:

| Non-derivative financial assets at FVTPL | Level 1 $M | Level 2 $M | Level 3 $M | Total Fair Value $M |
|---|---|---|---|---|
| TFG Asset Management | - | - | 1,981.6 | 1,981.6 |
| Investment funds and vehicles | - | 795.4 | 609.4 | 1,404.8 |
| Unlisted stock | - | - | 377.1 | 377.1 |
| Listed stock | 274.1 | - | - | 274.1 |
| CLO equity tranches[1] | - | - | 50.5 | 50.5 |
| CLO debt tranches[1] | - | 5.1 | - | 5.1 |
| **Total non-derivative financial assets at FVTPL** | **274.1** | **800.5** | **3,018.6** | **4,093.2** |
| **Derivative financial assets** | | | | |
| Currency options | - | 16.6 | - | 16.6 |
| Forward foreign exchange contracts | - | 0.2 | - | 0.2 |
| **Total derivative financial assets** | **-** | **16.8** | **-** | **16.8** |
| **Derivative financial liabilities** | | | | |
| Contracts for difference | - | (0.5) | - | (0.5) |
| Forward foreign exchange contracts | - | (53.6) | - | (53.6) |
| **Total derivative financial liabilities** | **-** | **(54.1)** | **-** | **(54.1)** |

The following table shows financial instruments measured at fair value by the level in fair value hierarchy as of 31 December 2024:

| Non-derivative financial assets at FVTPL | Level 1 $M | Level 2 $M | Level 3 $M | Total Fair Value $M |
|---|---|---|---|---|
| TFG Asset Management | - | - | 1,572.8 | 1,572.8 |
| Investment funds and vehicles | - | 764.5 | 609.9 | 1,374.4 |
| Unlisted stock | - | - | 254.9 | 254.9 |
| Listed stock | 207.5 | 4.2 | - | 211.7 |
| CLO equity tranches[1] | - | - | 85.0 | 85.0 |
| CLO debt tranches[1] | - | 5.5 | - | 5.5 |
| **Total non-derivative financial assets at FVTPL** | **207.5** | **774.2** | **2,522.6** | **3,504.3** |
| **Derivative financial assets** | | | | |
| Contracts for difference | - | 0.3 | - | 0.3 |
| Currency options | - | 1.5 | - | 1.5 |
| Forward foreign exchange contracts | - | 16.9 | - | 16.9 |
| **Total derivative financial assets** | **-** | **18.7** | **-** | **18.7** |
| **Derivative financial liabilities** | | | | |
| Forward foreign exchange contracts | - | (0.1) | - | (0.1) |
| **Total derivative financial liabilities** | **-** | **(0.1)** | **-** | **(0.1)** |

**Transfers between levels**

There were no transfers between levels during the period from 1 January 2024 to 30 June 2025.

**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/to brokers, cash and cash equivalents, loans and borrowings, and other payables.

**Notes:**

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

# Notes to the financial statements

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

### 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 as of 30 June 2025.

| | CLO Equity Tranches $M | Unlisted Stock $M | Investment Funds and Vehicles $M | TFG Asset Management $M | Total $M |
|---|---|---|---|---|---|
| **Balance at 1 January 2025** | **85.0** | **254.9** | **609.9** | **1,572.8** | **2,522.6** |
| Additions | - | 16.1 | 20.2 | 39.5 | 75.8 |
| Proceeds | (17.5) | (14.6) | (25.9) | (28.2) | (86.2) |
| Net (losses)/gains through profit or loss | (17.0) | 120.7 | 5.2 | 397.5 | 506.4 |
| **Balance at 30 June 2025** | **50.5** | **377.1** | **609.4** | **1,981.6** | **3,018.6** |
| Change in unrealised gains/(losses) through profit or loss for assets held at period end | (16.6) | 108.3 | 3.3 | 382.5 | 477.5 |

The following is a reconciliation of the Fund's assets in which significant unobservable inputs (Level 3) were used in determining fair value as of 31 December 2024.

| | CLO Equity Tranches $M | Unlisted Stock $M | Investment Funds and Vehicles $M | TFG Asset Management $M | Total $M |
|---|---|---|---|---|---|
| **Balance at 1 January 2024** | **129.5** | **111.7** | **593.2** | **1,345.4** | **2,179.8** |
| Additions | 6.6 | 5.0 | 99.9 | 43.1 | 154.6 |
| Proceeds | (36.6) | (15.2) | (70.7) | (109.4) | (231.9) |
| Net (losses)/gains through profit or loss | (14.5) | 153.4 | (12.5) | 293.7 | 420.1 |
| **Balance at 31 December 2024** | **85.0** | **254.9** | **609.9** | **1,572.8** | **2,522.6** |
| Change in unrealised gains/(losses) through profit or loss for assets held at period end | (19.4) | 142.7 | (21.1) | 189.3 | 291.5 |

### 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 on a quarterly basis.

As at 30 June 2025, key modelling assumptions used are disclosed below. The modelling assumptions disclosed below are a weighted average of the individual deal assumptions. Each individual deal's assumptions may differ from this average and vary across the portfolio.

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 2025, a discount rate of 12% (31 December 2024: 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% (31 December 2024: 16.2%). If the deal is past six months from the end of its reinvestment period, a discount rate of 14% (31 December 2024: 14%) is applied.

| Input assumptions | |
|---|---|
| Constant Annual Default Rate ("CADR") | 3.0% for the next twelve months, 2.4% thereafter (31 December 2024: 3.0%, 2.4%) |
| Recovery Rate | 65% (31 December 2024: 65%). |
| Prepayment Rate | 20% (31 December 2024: 20%) |
| 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. Reinvestment assets consist of 100% U. S. syndicated loans with an effective spread over Term SOFR of 375 bps (31 December 2024: 377 bps). |

**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 2025 $M | 31 Dec 2024 $M |
|---|---|---|
| -1% discount rate | 1.5 | 2.0 |
| +1% discount rate | (1.4) | (2.3) |

# Notes to the financial statements

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

**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 agent 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, and adding the fair value of the infrastructure platform that TFG Asset Management provides to asset management businesses. Currently, no premium has been attributed to the valuation of TFG Asset Management in respect of diversification or synergies between different income streams.

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, Westbourne River Partners, Contingency Capital and Acasta Partners. 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), in the range of 3% 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 enterprise 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 agent considered a multiple of earnings such as a company's earnings before interest, taxes, depreciation, and amortisation (EBITDA), to perform this analysis. These multiples are then adjusted for control premium if the comparable companies are valued on a minority basis.

On 16 June 2025, Tetragon announced that Hunter Point Capital, or HPC, an independent investment firm providing capital solutions and strategic support to alternative asset managers, has agreed to acquire a minority stake in Equitix. HPC is acquiring a 16.1% stake in the business at an implied enterprise value of £1.3 billion, excluding net debt. HPC's stake is being acquired from two existing shareholders: approximately 14.6% from TFG Asset Management and 1.5% from Equitix management. As of 30 June 2025, the 14.6% minority stake which is subject to sale is valued using the agreed transaction price discounted to present value. The remaining 66.4% stake is valued using a combination of DCF Approach and Market Multiple Approach with a 70/30 DCF/Market Multiple weighting.

LCM is valued using a combination of DCF Approach and Market Multiple Approach with a 50/50 weighting applied to both approaches. Westbourne River Partners, Acasta Partners, Tetragon Credit Partners and Contingency Capital are valued using DCF Approach.

TFG Asset Management holds approximately 13% interest in BGO 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 exercise price will be determined based on the average EBITDA of BGO during the two years prior to exercising the option. The Fund's investment in BGO 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.

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

**30 June 2025**

| Investment | Fair Value $M | AUM ($ billion) | Valuation methodology | Significant unobservable inputs | | | |
|---|---|---|---|---|---|---|---|
| | | | | WACC | EV/EBITDA Multiple | DLOL | Forecast 5Y CAGR |
| Equitix minority stake subject to sale agreement | 249.6 | NA | Transaction price | NA | NA | NA | NA |
| Equitix | 1,104.9 | 15.5 | DCF and Market Multiples | 10.75% | 14x | 3% | 11.9% (AUM) |
| BGO | 309.3 | 11.0 | DCF (sum-of-the-parts) | 3.5 - 12% | NA | 3-6% | NA |
| LCM | 188.3 | 7.7 | DCF and Market Multiples | 11.5% | 12x | 15% | 11.1% (AUM) |
| Other asset managers | 129.5 | 6.2 | DCF, replacement cost | 11 - 13.75% | NA | 15-20% | 8.5 - 11.8% (AUM) |

**31 December 2024**

| Investment | Fair Value $M | AUM ($ billion) | Valuation methodology | Significant unobservable inputs | | | |
|---|---|---|---|---|---|---|---|
| | | | | WACC | EV/EBITDA Multiple | DLOL | Forecast 5Y CAGR |
| Equitix | 922.4 | 13.8 | DCF and Market Multiples | 10.5% | 10.75x | 7.5% | 10.9% (AUM) |
| BGO | 290.2 | 10.7 | DCF (sum-of-the-parts) | 4.1%-11.8% | NA | 5-15% | NA |
| LCM | 223.6 | 8.8 | DCF and Market Multiples | 10.75% | 12.5x | 15% | 7.2% (AUM) |
| Other asset managers | 136.6 | 6.3 | DCF, replacement cost | 10.75% - 13% | NA | 15-20% | 7.6% (AUM) |

# Notes to the financial statements

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

**Sensitivity analysis:**

**30 June 2025**

| Investment | Effects on net assets and profits ($M) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | WACC | | EV/EBITDA multiple | | DLOL | | Forecast 5Y CAGR | |
| | -100 bps | +100 bps | +10% | –10% | -500 bps | +500 bps | +100 bps | -100 bps |
| Equitix | 109.6 | (86.8) | 33.9 | (33.9) | 33.6 | (56.0) | 11.9 | (11.9) |
| BGO | 2.3 | (2.3) | NA | NA | 13.2 | (16.6) | NA | NA |
| LCM | 10.7 | (8.5) | 10.2 | (10.2) | 9.9 | (9.9) | 3.3 | (3.2) |
| Other asset managers | 8.3 | (7.1) | NA | NA | 6.6 | (6.6) | 8.3 | (8.0) |

**31 December 2024**

| Investment | Effects on net assets and profits ($M) | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | WACC | | EV/EBITDA multiple | | DLOL | | Forecast 5Y CAGR | |
| | -100 bps | +100 bps | +10% | –10% | -500 bps | +500 bps | +100 bps | -100 bps |
| Equitix | 95.5 | (75.2) | 29.7 | (29.7) | 48.1 | (48.1) | 14.4 | (13.9) |
| BGO | 2.6 | (2.5) | NA | NA | 15.8 | (15.8) | NA | NA |
| LCM | 13.3 | (10.6) | 12.0 | (12.0) | 11.8 | (11.8) | 4.3 | (4.3) |
| Other asset managers | 8.2 | (6.8) | NA | NA | 5.6 | (5.6) | 9.1 | (8.5) |

**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. The input is adjusted, between 30% to 40%, for factors such as recent crop yields, conditions specific to the farms and broker quotes / bids received.

**Sensitivity analysis:**

A 10% 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 $61.0 million (31 December 2024: $61.0 million). A decrease in the NAV of the unlisted investment funds will have an equal and opposite effect.

**Unlisted stock**

As of 30 June 2025, the Level 3 unlisted stock includes the following investments in private companies.

| Investment number | Fair value ($M) | | Valuation methodology |
|---|---|---|---|
| | 30 Jun 2025 | 31 Dec 2024 | |
| 1 | 349.8 | 242.1 | Valued using two different prices. A part of the holding, $20.2 million, is subject to tender offer and has been valued utilising the tender offer price. The rest of the shares are valued valued using broker quotes. |
| 2 | 19.3 | - | Latest financing round |
| 4 | 4.5 | 5.0 | Last transcation price on active market less discount for locked period |
| 3 | 3.1 | 7.5 | Latest financing round |
| 5 | 0.4 | 0.4 | Expected value of cash flows |

**Sensitivity analysis:**

A 5% increase in the valuation will increase the net assets and profits of the Fund by $18.9 million (31 December 2024: $12.7 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.

**CLO debt tranches**

CLO debt tranches 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.

# Notes to the financial statements

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

**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.

## Note 5 Credit facility

The Fund has access to a $400.0 million revolving credit facility with maturity date in July 2032. 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 Term SOFR plus a spread of 3.40%.

| | 30 Jun 2025 $M | 30 Jun 2024 $M |
|---|---|---|
| Drawn balance at start of the period | 300.0 | 250.0 |
| Interest and fees expensed | 13.2 | 11.5 |
| Interest and fees paid | (13.2) | (11.5) |
| Drawdowns | 50.0 | 100.0 |
| Repayments | - | (50.0) |
| **Drawn balance at the end of the period** | **350.0** | **300.0** |

## Note 6 Incentive fee

The incentive fee for the period ended 30 June 2025 was $102.6 million (H1 2024: Nil) and $102.6 million remains outstanding (31 December 2024: $35.6 million).

## Note 7 Share capital

**Share transactions**

| | Voting Shares No. | Non-Voting Shares* No. M | Treasury Shares No. M | Shares held in Escrow No. M |
|---|---|---|---|---|
| Shares in issue at 1 January 2024 | 10.0 | 81.2 | 47.7 | 10.8 |
| Stock dividends | - | 1.3 | (1.7) | 0.4 |
| Issued through release of tranche of escrow shares | - | 3.6 | - | (3.6) |
| Transferred to escrow | - | - | (7.7) | 7.7 |
| Shares purchased during the year | - | (4.1) | 4.1 | - |
| **Shares in issue at 31 December 2024** | **10.0** | **82.0** | **42.4** | **15.3** |
| Stock dividends | - | 0.5 | (0.7) | 0.2 |
| Issued through release of tranche of escrow shares | - | 1.0 | - | (1.0) |
| Shares purchased during the period | - | (0.2) | 0.2 | - |
| **Shares in issue at 30 June 2025** | **10.0** | **83.3** | **41.9** | **14.5** |

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

**Treasury shares and share repurchases**

Treasury shares consist of non-voting 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.

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 ($M) | Then-current share price |
|---|---|---|---|---|
| January 2024 | TFG Asset Management LP | 464,581 | 4.6 | $9.88 |
| July 2024 | TFG Asset Management LP | 1,245,422 | 12.9 | $10.30 |
| January 2025 | TFG Asset Management LP | 32,302 | 0.4 | $13.30 |
| May 2025 | TFG Asset Management LP | 118,925 | 1.2 | $10.30 |

# Notes to the financial statements

## Note 8 Dividends

| | 30 Jun 2025 $M | 31 Dec 2024 $M |
|---|---|---|
| Quarter ended 31 December 2023 of $0.1100 per share | - | 9.0 |
| Quarter ended 31 March 2024 of $0.1100 per share | - | 8.8 |
| Quarter ended 30 June 2024 of $0.1100 per share | - | 8.9 |
| Quarter ended 30 September 2024 of $0.1100 per share | - | 9.0 |
| Quarter ended 31 December 2024 of $0.1100 per share | 9.0 | - |
| Quarter ended 31 March 2025 of $0.1100 per share | 9.1 | - |
| **Total** | **18.1** | **35.7** |

The second quarter dividend of $0.1100 per share was approved by the Directors on 29 July 2025 and has not been included as a liability in these financial statements.

## Note 9 Contingencies and commitments

| | 30 Jun 2025 $M | 31 Dec 2024 $M |
|---|---|---|
| Private equity funds | 32.3 | 30.3 |
| Contingency Capital funds | 27.7 | 28.5 |
| BGO investment vehicles | 21.3 | 20.7 |
| Tetragon Credit Partners funds | 15.0 | 1.3 |
| **Total** | **96.3** | **80.8** |

## 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 2024 that would have a material effect on the financial position or performance of the Fund for the period ended 30 June 2025.

In May 2025, the Fund issued 831,447 shares to Reade Griffith as part of his employment agreement entered into in July 2019.

The Directors of the Fund held the following interest in shares of the Fund:

| | 30 Jun 2025 $M | 31 Dec 2024 $M |
|---|---|---|
| Reade Griffith | 19,594,788 | 18,519,530 |
| Paddy Dear | 6,045,344 | 5,952,492 |
| David O'Leary | 73,146 | 72,500 |
| Steven Hart | 42,108 | 41,462 |
| Deron Haley | 42,108 | 41,462 |

# Notes to the financial statements

## Note 11 Earnings per share

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

| The calculation of the basic and diluted earnings per share is based on the following data: | Period ended 30 Jun 2025 $M | Period ended 30 Jun 2024 $M |
|---|---|---|
| Earnings for the purposes of basic earnings per share being net profit attributable to shareholders for the period | 377.6 | 32.3 |
| | **Millions of shares** | **Millions of shares** |
| Weighted average number of shares for the purposes of basic earnings per share | 86.7 | 84.8 |
| Effect of dilutive potential shares: | | |
| Share-based employee compensation – equity-based awards | 7.6 | 5.6 |
| **Weighted average number of shares for the purposes of diluted earnings per share** | **94.3** | **90.4** |
| **Earnings per share** | **$** | **$** |
| Basic | 4.36 | 0.38 |
| Diluted | 4.01 | 0.36 |

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 share awards will be issued, 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 U.S. dollars.

The Fund's investment geographical exposure is as follows:

| Region | 30 Jun 2025 | 31 Dec 2024 |
|---|---|---|
| Europe | 53% | 49% |
| North America | 39% | 42% |
| Asia Pacific | 7% | 8% |
| Latin America | 1% | 1% |

## Note 13 Subsequent events

The Directors have evaluated the period up to 29 July 2025, which is the date that the financial statements were approved. The Directors have concluded that there are no material events, other than the ones mentioned in the relevant notes, 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 29 July 2025.

TETRAGON